



**ONE** <sup>56-1</sup>  
**REPORT**

Annual Registration Statement / Annual Report

56-1 One Report

As of 31 December 2021

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## Message from Directors and Executives



In the year 2021, the business operations continued to face volatility and new risks, particularly from international trade war, the Covid-19 pandemic, and rapid increase in inflation in many countries. At the same time, technological advancement in the digital age plays an important role in business transformation. Every company has to adapt and develop its strengths in order to maintain an edge in the industry, including outsourcing of non-core business support.

The Board of Directors of Siamrajathanee Public Company Limited has a business strategy for personnel outsourcing and management service business to keep up with the rapidly changing world. It draws on strengths of more than 40 years of customer service experience and has an information technology system that supports both operations of the Company and the needs of customers, leading to further investments in new technologies and business partnership to develop into new business and processes and increase opportunities for the Company to grow further in the future.

In the year 2021, the Company's revenues and net profit were Baht 2,086.1 million and Baht 168.26 million respectively, a 20.6% increase from the previous year. This was due to better cost management that has increased profit per contract, the lean project continuously operated by the Company, and the use of technology to support customer services. These make it possible to reduce time and maintain the level of administrative expenses, while increasing sales and customers and being more responsive to customer needs, and a professional experience and flexibility to changes in the business.

The Company has made significant developments during the past year, such as being listed on the stock exchange. As a result, the Company is financially strong and has become more well known. Many



companies have approached the Company for an opportunity for business partnership, ranging from start-ups to large international companies. In addition, the Company has restructured the organization to support the strategy by setting up a department that handles cooperation on business and technology, which is separate from the current business units to develop and invest in potential business and technology in the future to prepare for transformation into the world of digital disruption.

On behalf of the Board of Directors, we would like to express our gratitude to shareholders, employees, customers, and related parties. We assure that the Company will adhere to the principles of good corporate governance to steadily grow. The Company will be socially responsible and cooperate with partners to increase service efficiency and create mutual success.



(Mr. Nattaphol Vimolchalao)

Chief Executive Officer



(Mr. Weidt Nuchjalearn)

Chairman of the Board of Directors



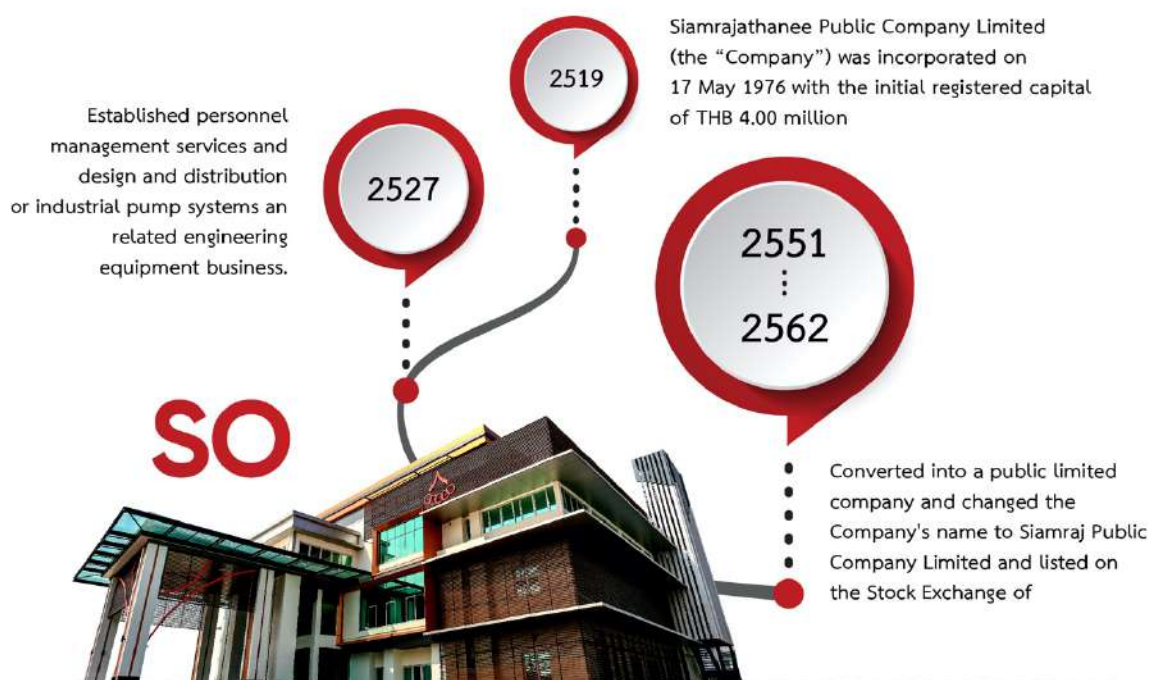
SIAMRAJATHANEE PUBLIC COMPANY LIMITED

## 1. Business and Operating Performance

# Structure and Nature of Business

## Policy and Business Overview

### Background



At present, the Company's business can be divided into 2 main groups

#### 1.Outsourcing Services

management of drivers and office staff

management of technicians

data entry service

Landscape maintenance services

maintenance of large landscape

design and construction of landscape

large tree cutting (Tree Care)

#### 2.Rental and Services

Vehicle rental service

Property lease

The Company has built brand recognition through the name

**SO PEOPLE**

**SO WHEEL**

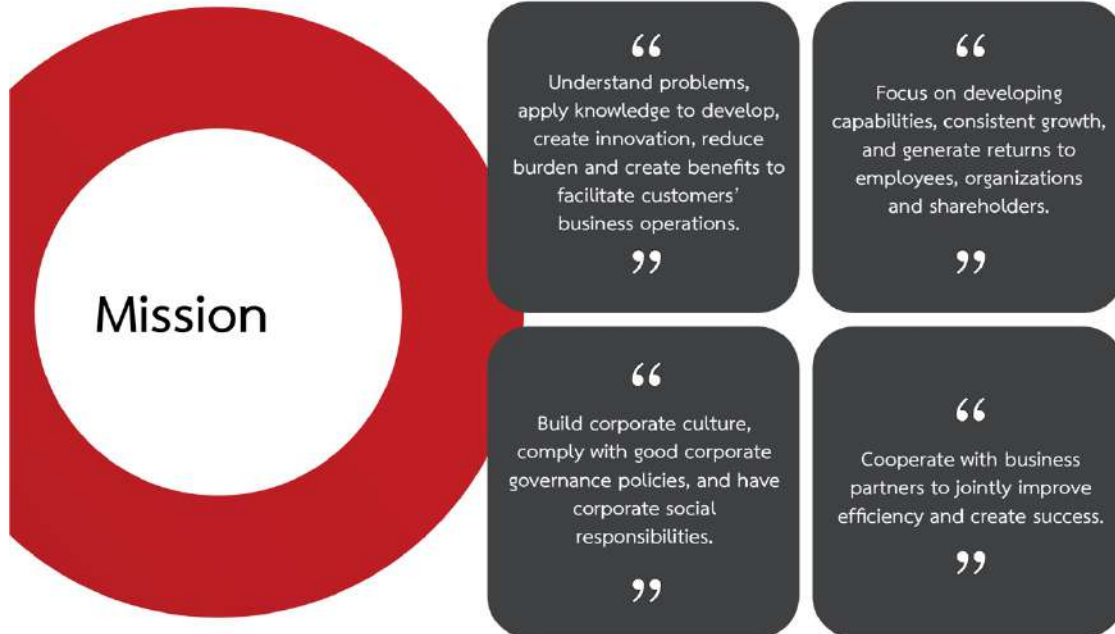
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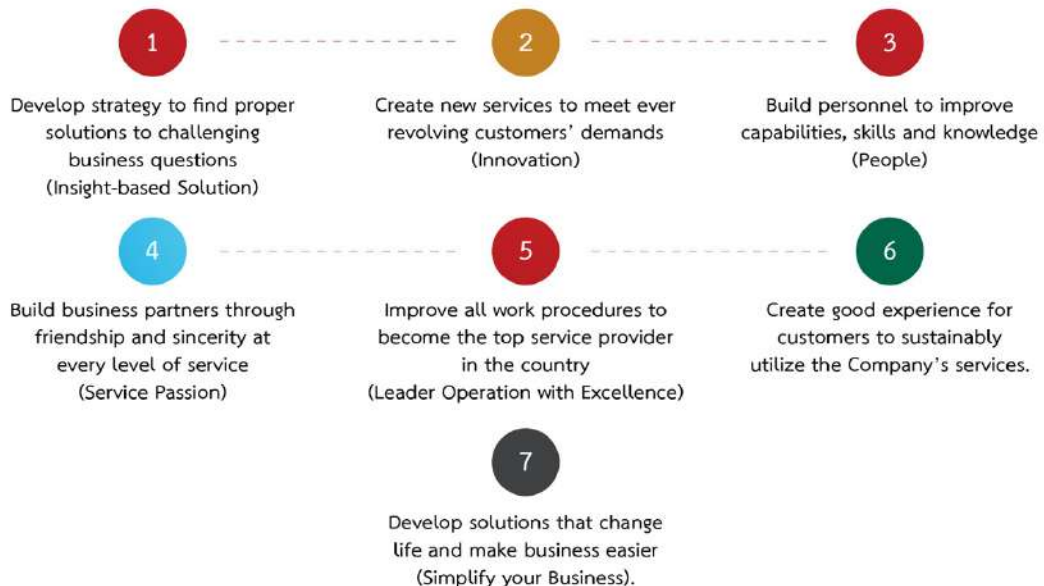
## Vision

Siamrajathanee is a provider of life changing solution and business made easy

**Siamrajathanee All Solutions One Outsource**  
**Simplify Your Life**



## Business Strategy



## Major changes and developments

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The Company participated in and won bidding to provide outsourcing of staff for Provincial Electricity Authority in 4 areas with the total contract value (exclusive of VAT) of THB 1,133.9 million. This was continual services by the Company.

The Company started virtual reality services ("Virtual Reality: VR"), imitating driving in various situations to test the quality of drivers.

The Company developed software for internal use to improve its efficiency, for example documentation system called "DIGIDOCs", application, shortlisting and follow-up system for recruitment called "iRecruit", clock-in and out, resignation, overtime payment system called "Tik track", "Car Pool" system, and developed software for customers, for example system which used input data to evaluate water, and invoice issuing system called "Meter Reading".

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In May 2019, the Company and Department of Skill Development signed a memorandum of understanding to develop skills of driver workforce with the objectives to improve driving abilities, increase knowledge, and skills of drivers continuously, creating quality drivers who are conscious of driving safety.

The Company developed a software to service customers with online salary slips "E-slip" for service staff sent to work with customers.

The Company implemented Business Intelligence Technology ("BI"), a system providing summary on information in the form of dashboard for management when making decisions.

The Extraordinary General Meeting of Shareholders No. 2/2019 of Siamrajathanee Public Company Limited held on 5 July 2019 resolved to approve:

- (1) to convert the Company into a public limited company and change the company name to Siamrajathanee Public Company Limited, and change par value of the Company's shares from THB 1,000.00 per share to THB 1.00 per share;
- (2) to increase registered capital of the Company by THB 85,000,000.00, by issuing 85,000,000 new ordinary shares at the par value of THB 1.00 per share. This would result in an increase in the Company's registered capital from THB 225,000,000.00 to THB 310,000,000.00, divided into 310,000,000 shares at the par value of THB 1.00 per share. The shareholders' meeting had approved allotment of the new ordinary shares in the number of not exceeding 85,000,000 shares at the par value of THB 1.00 per share as follows:

On 8 July 2019, the Company registered for conversion into a public limited company.

On 18 July 2019, the Company signed a memorandum of understanding with Dhipaya Insurance Public Company Limited in respect of the project called "Drive Safe, Social Happiness, Accident Free", with the objective to improve driving knowledge and skill for drivers, including providing accurate guidelines on insurance and meet government's policy in minimizing accidents, loss of property, and loss of life from driving.

In September 2020, the Company was awarded a certification from Chevron (Thailand) Limited in respect of attentiveness and care to employees during the Covid-19 pandemic.

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On 8 October 2020, the Company's registered capital had been fully paid. The amount of capital increase was THB 85,000,000 from the registered capital of THB 225,000,000, resulting in the total registered capital of THB 310,000,000.

On 14 October 2020, the Company offered its ordinary shares to the general public for the first time (Initial Public Offering: IPO).

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On 11 May 2021, the Company has registered an increase in its capital in the amount of Baht 62,000,000 to support dividend payment in the form of ordinary shares. The original registered capital was Baht 310,000,000. The new registered capital is Baht 372,000,000 and the paid-up capital is Baht 371,999,971.

On 19 November 2021, the Company entered a memorandum of understanding (MOU) with Mr. Amit Lal Singh, a major shareholder of ADI Group. The purpose of investment in ADI Group is to diversify the Company's business and expand its customer base to meet the needs of Thai market and expand to foreign countries.

Use of proceeds is in accordance with the purpose under the filing

#### Utilization of proceeds from securities offering

Use of Proceeds	Approximated Amount	Utilization Period	Details/progress of utilization/reasons and measures if the proceed is not utilized according to its purpose
1. Repayment of loans from financial institutions and repayment of other liabilities that the Company may have in the future	THB 334.65 million	During 15 October – 30 December 2021	Repayment of loans from financial institutions
2. Use as working capital for business operations	THB 177.23 million	During 15 October – 30 December 2021	Use as working capital according to the purpose
<b>Total</b>	<b>THB 511.88 million</b>		

## Nature of Business

### Revenue Structure

Revenue structure of the Company for the year 2019 - 2021 was as follows:

	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from outsourcing services <sup>/1</sup>	1,726.34	88.26	1,793.92	86.76	1,834.79	86.83
Revenue rental and services	201.66	10.31	241.84	11.70	251.31	11.89
Gain on sale of assets for lease held for sale and equipment <sup>/2</sup>	20.15	1.03	24.34	1.18	16.37	0.77
Other income	7.83	0.40	7.48	0.36	10.59	0.50
<b>Total revenues</b>	<b>1,955.98</b>	<b>100.00</b>	<b>2,067.58</b>	<b>100.00</b>	<b>2,113.06</b>	<b>100.00</b>



## Characteristics of Products and Services

### Group 1: Outsourcing Services consists of:

The Company provides management services by providing services that respond to customers' various needs, and lower burden of administration and personnel management, increase management efficiency and reduces costs. The Company had used customers' needs to create additional services and expand the Company's business, providing services to customers who are juristic entities in private sector, government sector, state enterprises, and individuals. The Company's outsourcing services include 2 types of services:

- 1) outsourcing services; and
- 2) landscape maintenance service.

Revenue structure of outsourcing services in the year 2019 – 2021 was as follows:

	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from outsourcing service	1,588.28	81.20	1,653.18	79.96	1,694.22	80.18
Revenue from landscape maintenance service	138.06	7.06	140.74	6.81	140.57	6.65
<b>Total revenue from outsourcing services</b>	<b>1,726.34</b>	<b>88.26</b>	<b>1,793.92</b>	<b>86.76</b>	<b>1,834.79</b>	<b>86.83</b>



## 1.1 Outsourcing services can be divided into 3 types as follows:

- 1.1 Management of driver and office staff
- 1.2 Management of technicians
- 1.3 Data Entry and Management Service

### 1.1. Management of driver and office staff

#### Management of drivers

The Company offers management of driver service with a term of service of 6 months and above, government sector and state enterprises. The work process includes from procurement and selection to handling customers' complaints. The Company has teams with expertise in managing drivers to meet customers' need in terms of quantity and qualifications of drivers as stipulated in the contract. The Company's services include recruitment, selection, screening, and testing of drivers in theory as well as practice. The Company also provides criminal background check. Such process are carried out to recruit drivers with qualifications required by the customer, for examples, age, gender, and language proficiency etc. In addition, the Company prepares additional staff for replacement in case any staff resigns, takes leave or in case of emergency absence. The Company has a team of coordinators who oversee employees' conducts and manage customers' complaints throughout the duration of the contracts. This is to ensure that the customers' business operations will not encounter interruption from any event. The Company's duties are to manage remuneration package, overtime pay, benefits and welfare to drivers according to Labor Protection Act and at the rates and conditions offered to employees by the Company.

The Company provides driver management services with a service period of 6 months or more to private sector, government sector and state enterprises. There is a process from procurement and selection to



receiving complaints from customers. The Company has an experienced team to provide driver management services to customers in the number and qualifications as agreed in the contract. The Company's services include recruiting, selecting, screening, and testing drivers, both in theory and in practice, and conducting a criminal background check. The aim is to recruit a driver who has all qualifications as specified by customer, such as age, gender, and language proficiency etc. In addition, the Company has arranged for additional employees to work in replace of employees who resign, are on or absent from work in case of emergency. The Company also has a team of coordinators to monitor employees' performance and receive complaints from customers throughout the contract term to ensure that customers' operations are not interrupted under any circumstance. The Company will be responsible for managing compensation, overtime pay and welfare for drivers according to the labor laws and rates and conditions proposed by the Company to employees.

The Company's drivers can be classified into 5 types.

1

Drivers for executives

2

Drivers for carpool service

3

Drivers for valet parking service

4

Drivers for large vehicles

5

Forklift operators

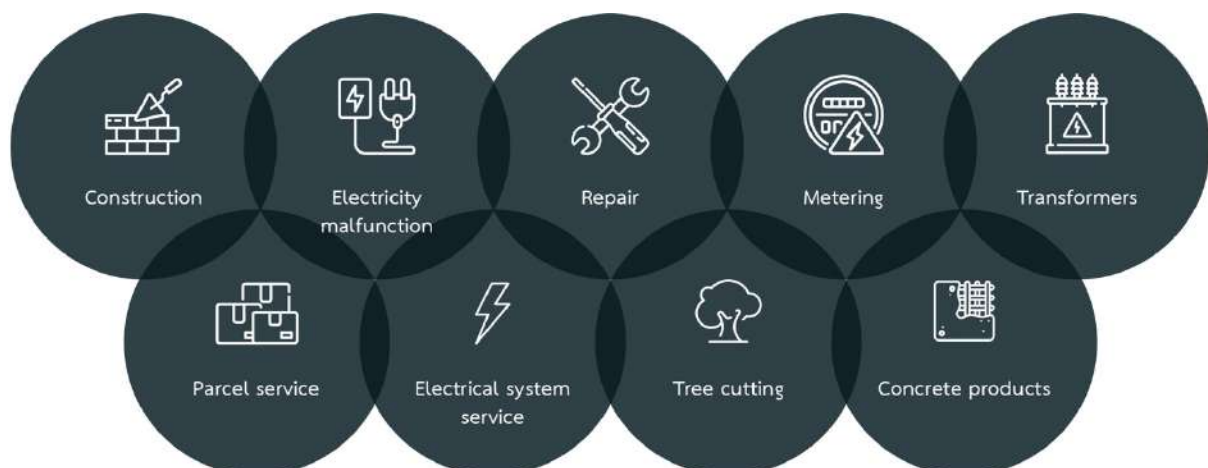


### **Management of office staff**

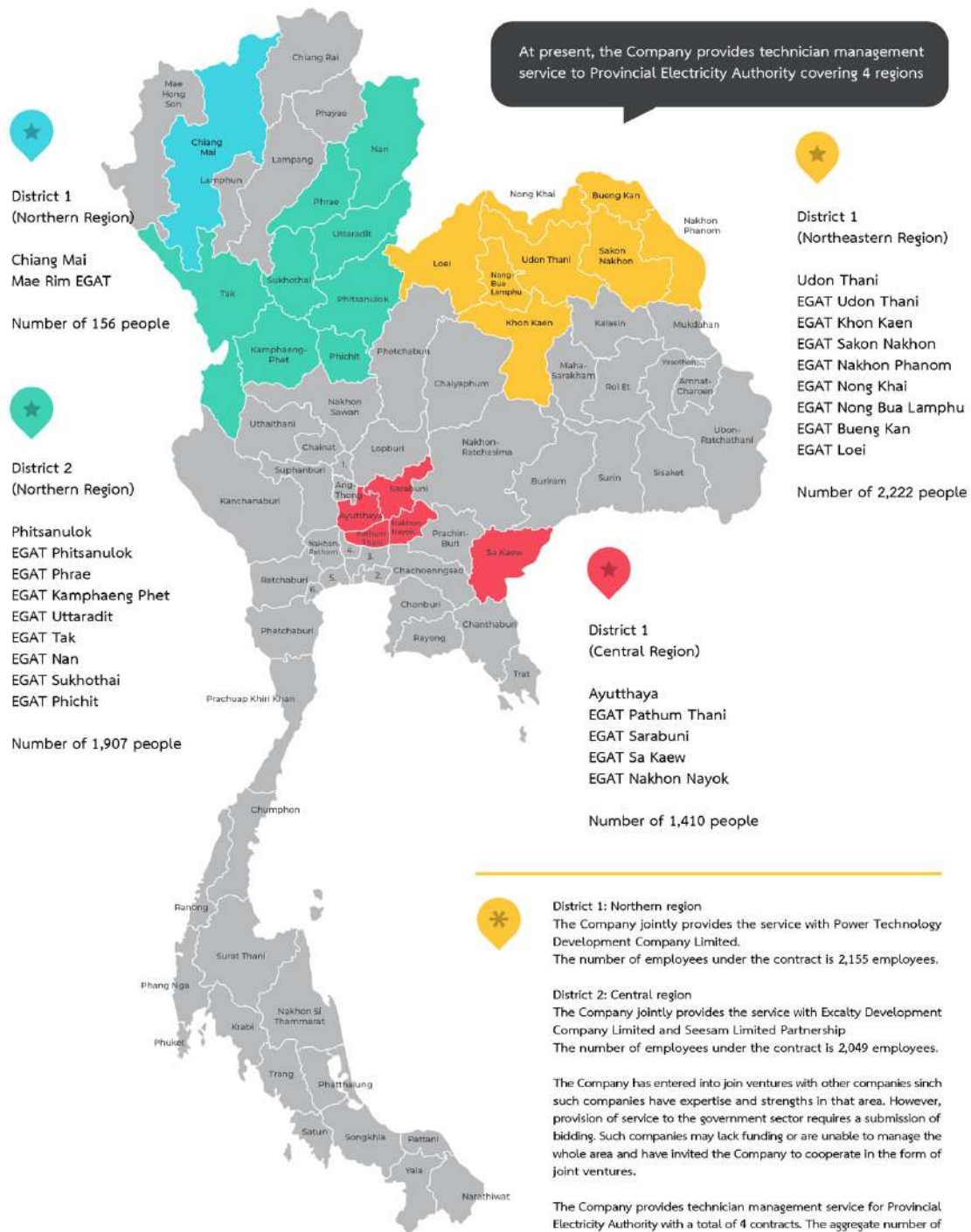
The Company provides office staff for administrative functions, internal documentation, accounting and financial supporting staff, and receptionists etc. The Company provides qualified staff as required by customers and assigns a responsible person to coordinate and support the customers throughout the duration of the contracts, which are mostly for a term of 12 months and above. The Company's staff must pass its recruitment and selection process in both theory and practice and have qualifications suitable to the positions required by the customers.

### **1.1.2 Management of technicians**

The Company provides outsourcing of technicians to Provincial Electricity Authority with scope of duties including :



## Map illustrating service areas





## Scope of duties of the Company's technicians in 3 categories



### 1.Normal

- Dig, installation of electrical pole, climb pole
- Cut and tie steel, lay concrete
- Prune trees near electricity transmission lines and low and high voltage distribution system
- Production of concrete pole
- Screw and unscrew nuts and bolts Cut PC wires for redistribution



### 2.Skillful

- Assemble electricity equipment on electrical pole
- Determine spacing for construction
- Repair electricity malfunctions, both low and high voltages
- Installation/removal of electricity equipment on electrical pole, antenna, and radio antenna
- Installation/removal, connect set of ground rod
- Installation/removal of surge



### 3.Specialists

- Install and adjust transmission line
- Survey using camera
- Understand electricity construction planning chart
- Report electricity malfunction in details
- Determine spacing for construction
- Install and repair underground cable
- Install and repair power pole head equipment and underground head equipment
- Visual check on transmission line
- Use GPS equipment for communication
- Maintain and repair malfunctioned electronic and communication equipment
- Preliminarily repair and adjust transformers with minor faults
- Supervise standard tree care

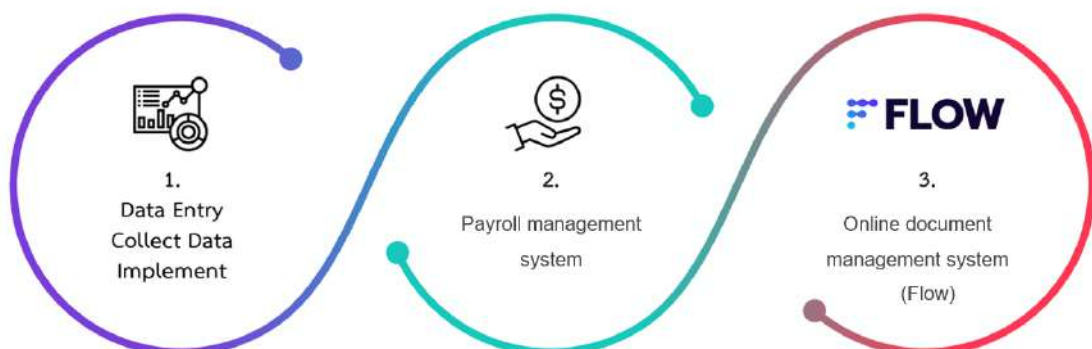


### 1.1.3 Data record and management service




The Company focuses on providing data and document management service via electronic mean by using technology system to assist in the management in the whole process. The Company, therefore, targets large and medium organizations or startup companies, including joint venture partners in public and private sectors, to promote work efficiency, speed, and convenience to customers' works daily.

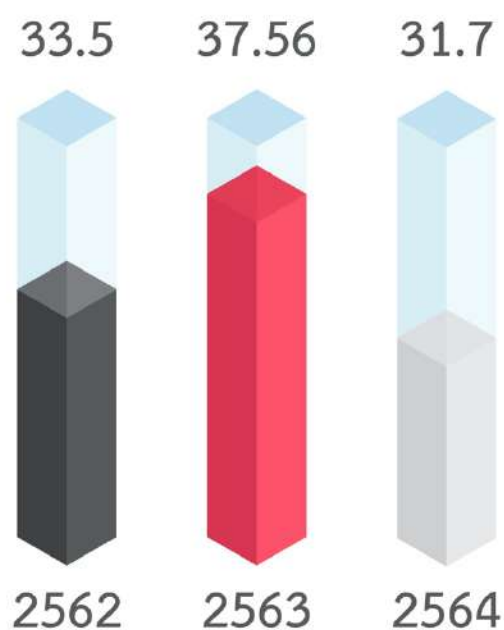
To earn trust from customers and create customer satisfaction, the Company gives importance to information security management system.

Services can be divided into:



## 1. Scan data, data entry or collect data in the field with software systems.

Digital Scan management	Data Entry	Collect Data
		
<p>The Company provides comprehensive document scan services from procuring staff, tools, and equipment for scanning documents. The Company also provides advice and accepts customers' problems for system design. It also helps solving problems to respond to customers' requirements, using skilled and highly experienced staffs.</p>	<p>The Company provides data entry service by team of experts. There is quality control to ensure efficiency and accuracy, completeness, and quick speed of data. The services can be categorized into 2 formats:</p> <ul style="list-style-type: none"> <li>- On site service</li> <li>- Off site service</li> </ul>	<p>The Company provides data record and management service by recording electricity and water meters and invoicing electricity users. During the contract term, the Company procures standardized equipment and software that meet the customer's requirements as specified under the contract to collect and analyze information efficiently, expediently, and timely.</p>



Graph illustrating the number of records in the year 2019-2021  
as of 31 December 2021

Remark: Customers include Bitkub Online Co., Ltd., National Credit Bureau Co., Ltd., Social Security, Metropolitan Electricity Authority, Provincial Waterworks Authority



## 2. Payroll management system

Due to the Company's growth in labor services with annual increase in the number of employees, it is necessary for the Company to take a lead on advanced technology by developing Next and ERP software to support the Company's payroll. The system has allowed the Company to provide payroll for employees according to customers' requirements with the ability to comply to over 600 conditions to both public and private sectors. This is considered the Company's strength which creates diversity and distinctive advantage over competitors.



## 3. Online document management system (Flow)

The Company has developed an online document management system (Flow) within the organization to accommodate the Covid-19 pandemic. The online document management system (Flow) is an important



tool for approval and verification of various documents. This makes it possible to process documents quickly and timely on a variety of work procedures that differ from one department to another.

In respect of customers, the online document management system (Flow) has a distinctive feature where customers can customize their own format and document delivery process to effectively correspond with customers' operational processes and can check the status of documents.



## 1.2 Landscape maintenance service

The Company provides a full range of landscape maintenance services to individuals and juristic entities in private and government sectors, and state enterprises. The Company's services started from planning, staff recruitment, purchasing equipment and accessories required for the service. The Company also supervises staff, site monitoring and managing complaints from customers throughout the term of the contracts. There are 3 types of landscape maintenance services:



Scope of work of landscape maintenance service depends on terms and conditions of each contract between the Company and each customer. The Company is capable of landscape maintenance with the standard of services certified by international standards ISO 9001:2015 with equipment and accessories. In provision of services, the Company focuses on safety and good environment to customers according to ISO

14001: 2015 certified quality in environmental conservation in order to create highest customers' satisfaction.

The Company provides landscape design according to customers' requirements. The Company is able to recommend garden styles and ideas, including presenting the design in 3-dimensional image for preview by landscape design professional. In addition, the Company provides advice to customers on selecting types of plants and trees that are suitable for the area.

1

## Landscape Maintenance



The Company provides landscape management service for area of 30 Rai and above with service standards certified by quality management system (ISO 9001:2015) and environmental management system (ISO 14001: 2015). The Company has experience, knowledge and capabilities in landscape maintenance for over 30 years. It is equipped with tools and equipment to create the highest customer satisfaction. The Company has professional security officer for sit visit and its staffs are well-trained on safety.

Scope of landscape maintenance service consists of lawn and garden care, including grass cutting, tree trimming, watering, fertilizing, cultivating the soil, elimination of plant disease, delivery of trees, and garbage service.



2

## Landscape Design and Construction



The Company provides landscape design service according to the customer's requirements. The Company can advice garden style and proposes gardening ideas to customers. The design will be presented in three-dimensional design by landscape design expert. In addition, the Company also provide advice on selecting plants suitable to the customer's proposed area.



3

## Tree Care



The Company provides large tree griming according to the principles of arboriculture. The Company is experienced and can provide service which adheres to safety standards by a team of certified professional arborists. The service period is subject to trimming type and site conditions.

In addition, the Company provides root care service by stimulating new rooting. This helps creating tree branching and increase leave density. New rooting can support the tree from felling in the event of storm.

The Company also has Teacher Toh, Taradon Tunduan, who is a nationally qualified arborist. Customers can be confident that the Company's team of arborists can create appropriate landscape and build good image to customers. Most customers who use large tree trimming service are government agencies such as embassies, universities, Fine Art Departments, and archaeological sites etc.



SO GREEN

## Characteristics of Products and Services

The Company's rental and service business can be divided into 2 types according to characteristic of services:

- 1) vehicle rental service
- 2) property for lease.

Revenue structure of rental and service business in the year 2019 – 2021 was as follows:

	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from vehicle rental service	195.43	9.99	234.86	11.36	245.47	11.62
Revenue from property for lease	6.23	0.32	6.98	0.34	5.84	0.28
<b>Total revenue from rental and service</b>	<b>201.66</b>	<b>10.31</b>	<b>241.84</b>	<b>11.70</b>	<b>251.31</b>	<b>11.89</b>

## 2.1 Car rental business

The Company offers a wide variety of vehicles for rent, for example sedans, pickup trucks, vans, trucks, and modified cars to reduce the hassle and provide convenience to users. Users can choose a type of vehicle, determine specific modifications to suit the use and rental period that meets their needs.

### 2.1.1 Vehicle Rental Service

The Company provides vehicle for lease for a duration of contract ranging from daily to 5 years. Majority of the customers are juristic person customers whose requirement is to lease our vehicle. Customers can use the Company's vehicle with flexibility, while reducing the burden of managing vehicles within the organization and having better budget control. The Company has brought customers' needs to enhance its services and expand the business. Customers can select type of car and model as required. Customers can also request the Company to design interior, new fitting and accessory to the vehicle to fit their required usage.

#### **- Short-term vehicle rental service daily rental or for a period of not more than 3 years**

**Daily vehicle rental service:** The Company provides daily vehicle rental service for business engagement or tourism. Many vehicle models are available to best suit customers' requirements. Reasonable pricing is offered. The Company provides vehicle delivery service to customers in Bangkok and its perimeter








**Vehicle rental service for a period of up to 3 years:** The service is suitable for all types of organizations. Various duration of lease is offered including weekly, monthly, and annually, but not exceeding 3 years. This help reduce burden of car management within the organization.

**- Long-term vehicle rental service with duration of 3 years and above**

The service is suitable for organizations with the need to lower internal management of car service and for better control of vehicle expenses.

For standard vehicles, the Company will procure vehicle upon demand from customer. The Company would contact vehicle distributor or dealer who is under the Company's vendor list to procure vehicle that meets customer's needs.

At present, the Company's vehicles for service include sedans, mini-trucks, vans, trucks and modified cars with variety of brands and models, including Toyota, Honda, Nissan, Isuzu, Hyundai, Volkswagen, BMW and Hino etc.

Class		Detail
	Economy Class	TOYOTA VIOS, TOYOTA YARIS, HONDA CITY, TOYOTA SIENTA, HONDA MOBILIO
	Business Class	TOYOTA ALTIS, HONDA CIVIC
	Luxury Class	TOYOTA CAMRY, HONDA ACCORD, NISSAN TEANA, BMW
	Sport Utility Vehicle Class	TOYOTA FORTUNER, TOYOTA INNOVA, ISUZU MU-X, HONDA CR-V, HONDA HR-V
	Micro Bus Class	TOYOTA COMMUTER, TOYOTA HIACE, TOYOTA MAJESTY, HYUNDAI H-1, Volkswagen Caravelle
	Pick Up Class	TOYOTA HILUX REVO STANDARD CAB, TOYOTA HILUX REVO SMART CAB, TOYOTA HILUX REVO DOUBLE CAB, ISUZU D-MAX SPACECAB, ISUZU D-MAX D-CAB, ISUZU SPARK
	Truck	HINO, ISUZU

Modified car is a car of which customers can design by themselves to meeting objective of the use as well as creating identity for the customer's company. The Company will procure cars according to the required type, model and brand and ask a distributor of car accessories who is on the Company's pre-approved list



(Vendor List) to decorate or install equipment in the car as determined by the customer such as installing carriage, refrigerator, radio, audio, LCD screen, curtain, film filter, and modification of lower part for suitable use etc. The period of decoration or installation is an approximated of 30 - 180 days, depending on the difficulty or ease of operations. Types of modified vehicles offered by the Company include temperature-controlled vehicles, vans with dry storage, and 4-wheel modified vehicles etc. Modified vehicles are offered in the form of long-term car rental service with a lease term of not less than 3 years.

**Car repair and maintenance**

During the term of car rental contract, the Company provides vehicle inspection and maintenance services, including every 10,000 km periodic inspection, tire change, and car battery replacement etc. Customer can notify the Company when the car is due for a periodic inspection or after a period of 6 months, if the customer has not brought the car in for a periodic inspection, the Company will contact the customer to bring the car in for a periodic inspection. The customers may bring the car to the service center by themselves or request the Company to handle it. The Company has a network of service centers countrywide. This provides customers with convenience in using a service center near their home. In case of emergency, the Company provides 24 hours service (24-hour call center) for consultation, advice, and assistance at the scene of the accident with towing service in Bangkok and its perimeter every day.

**Procurement of replacement vehicles**

During car repair due to accident or car inspection and maintenance, the Company provides replacement vehicle for such period to facilitate uninterrupted use of the rented vehicles. Such service provides customers with convenience while the rental car is undergoing repair or maintenance. The Company will provide a replacement car with model or characteristics equivalent or better than the rental car that the customer is using for temporary use. In this regard, the Company's operating officers will follow up and complete repairs and inspections as soon as possible to return the rental car to customers for normal usage.

**Procurement of replacement vehicles**

During car repair due to accident or car inspection and maintenance, the Company provides replacement vehicle for such period to facilitate uninterrupted use of the rented vehicles. Such service provides customers with convenience while the rental car is undergoing repair or maintenance. The Company will provide a replacement car with model or characteristics equivalent or better than the rental car that the customer is using for temporary use. In this regard, the Company's operating officers will follow up and complete repairs and inspections as soon as possible to return the rental car to customers for normal usage.

After the end of long-term lease contracts, the Company will consider conditions of vehicles including years of usage, inside and outside, and mileage. If the vehicles remain in good serviceable conditions, the

Company might consider transferring them to assets for short-term lease or retain as replacement vehicles during repair and maintenance. If the vehicles have been in service for longer time, the Company might consider them for sales. However, the Company maintains a policy of not using vehicles with over 8 years of service. The Company's decision on managing each vehicle must be reached within 3 months after contract expiry date, and such mandate must be carried out within 3 months after the decision has been reached.

Sale of vehicles for lease can be carried out in 2 ways:

1. Sale through auctions by engaging auction companies such as Union Auction Public Company Limited, Apple Auto Auction (Thailand) Company Limited, Siam Inter Auction Company Limited, and Motto Auction Company (Thailand) Co., Ltd. etc. to organize car auctions for the Company.
2. Direct sales. The Company will allow 2<sup>nd</sup> car dealers to participate in the auction when selling a number of cars. Dealers would submit their offers to the Company, and the Company would select the best price offered. The auction is usually carried out every quarter.

From 2019-2021, The Company had sold cars for rent as follows :

	For the year ending 31 December					
	2019		2020		2021	
	Number of Car	Sales Value (Million Baht)	Number of Car	Sales Value (Million Baht)	Number of Car	Sales Value (Million Baht)
List of selling cars for rent	101	45.83	143	55.94	89	32.00

### 2.1.2 Vehicle rental with driver service

Vehicle rental with driver service is another service to customers, as an addition to vehicle rental service. The Company provides vehicles and drivers as required by customers. Customers will receive all services similar to vehicle rental service. Customers can select model and brand of the vehicle and driver to meet their requirements. The Company provides drivers who have passed testing in terms of knowledge and skill so that customers would receive efficient service throughout the duration of the contracts.

Number of vehicles by type as of 31 December 2019 – 2021

Vehicle Type	Number of Vehicles		
	As of 31 December		
	2019	2020	2021
Sedan	109	79	74
Mini-Truck	401	425	432
Van	256	368	358
Truck	4	111	118
Total	770	983	982

## 2.2 Property Lease Business

The Company provides space for rent in Country Complex Building A, Level 11, located at No. 223 Sanphawut Road, Bangna Sub-district, Bangna District, Bangkok 10260. The Company also provides management, repair and maintenance service for tenant. The Company determines pricing for property for lease into 2 portions, rental and service fees. The fees are calculated by multiplying space with rental rate and service fee per square meter. The Company also collects deposits in the amount equivalent to 2 – 3 months of rent as guarantee for damages.

The Company has total leased area of 1,158 square meters, with lease details as of 31 December 2021 as follows:

Total Area (square meters)	Leased Area (square meters)	Outstanding Area (square meters)	Occupancy Rate (%)
1,158	1,158	-	100

## Characteristics of customers and target customers

### Group 1: Outsourcing Services

The main customers of personnel recruitment service are government agencies, state enterprises, and private companies in various types of business. They are financial institutions, insurance companies, hospitals, motor vehicles and auto parts, food and beverages, steel, real estate, energy and petroleum and various industrial plants, including Provincial Electricity Authority and Provincial Waterworks Authority etc. The focus is on customers in Bangkok and its surrounding area and eastern region. For individual customers, the Company provides short-term driver service only.

The target customers of personnel recruitment service are companies that require outsourced personnel management service to manage and control costs and increase work efficiency. This is a group of customers



who are in the current business to which the Company offers services and new customer groups located in the Eastern Industrial Estate, transport and logistics, consumer goods, financial institutions, and insurance etc.

### Examples of personnel management service customers (SO People)



### Example of information management business (SO Next)



### Examples of landscape management service customers (SO GREEN)



The Company's policy is to determine pricing in personnel recruitment service according to customer characteristics. The customers can be divided into 2 groups: private companies and government agencies and state enterprises. The details are as set out below.

#### Private companies

The Company has set criteria for the service fee. The price is determined based on the customer's requirements which is used as initial cost calculation. The service cost is divided into 2 parts and the first part is personnel cost. The Company will consider the number of personnel, employee qualifications,

language skills, service period, including overtime pay and related benefits, in calculating cost. The second part is cost of equipment (if any). The Company will assess whether the site needs any necessary equipment to provide the service. If certain equipment is necessary, the Company will consider using the existing equipment first, unless the customer requires a new equipment. If the customer requires a new equipment, the Company will order a new equipment.

In addition to the two parts of service cost, the Company will charge management cost and determine an appropriate profit margin to present the service fee to the customer.

**Government agencies and state enterprises**

To secure a job from a government agency, the Company must participate in a bidding. The job descriptions and budget are clearly defined in the employer's requirements (Term of Reference: TOR). The Company must submit a technical proposal and price to bid for such work. The Company will calculate the costs of personnel and equipment (if any) similar to calculating costs for private companies, including considering administrative expenses. Nevertheless, the price proposal must not exceed the budget of the government agency and provides a reasonable profit.

**The Company has channels for offering services.** The marketing department of each business contacts customers to offer the services through channels and methods in offering services according to the customer type:

**Private companies and individuals** : The Company will propose service directly to customers. The Company may approach the customers directly or the customers call in themselves to enquire about the Company's service. The Company's marketing department will contact customers to offer service and fee, including various conditions of service to meet the customer's requirements.

**Government agencies and state enterprise customers** : For customers in this group, the Company must offer its services through tender submission process and electronic bidding (E-Bidding). The customers will announce their procurement needs through the company's website or the Comptroller General's Department's website or a letter of invitation to companies who meet the required qualifications to submit an offer or through tenders under newspaper of government agencies, state enterprises, and local government organizations etc. The agency, that wishes to employ service, will specify type of work, required number of workers, qualifications, compensation, and other relevant conditions, including qualifications of bidders or service providers. The marketing department of each business follows bidding news regularly. The marketing department will select projects that the Company is qualified to submit bidding or offering services to present to the department head and the management for further consideration. If the management approves for submission of bidding, the marketing department and the administrative department will prepare technical and fee proposals to participate in the bidding. When the Company has

been selected in the bidding, it will enter into an employment contract and conduct recruitment and selection of employees to meet the requirements and conditions of the contract. The Company will train and deliver employees to the customers according to the contract term. The services include coordination and provision of assistance throughout the contract term.

## Characteristics of customers and target customers

### Group 2: Rental and services

#### Car rental service

The main customers of the car rental business are government agencies and state enterprises and private companies. The target customers are corporate customers. Currently, there are 2 types of customers as follows:

**Government agencies and state enterprises** : At present, the Company has various government agencies and state enterprises as customers such as Provincial Electricity Authority, Department of Religious Affairs, Office of the Permanent Secretary, Ministry of Culture, National Institute for Emergency Medicine, Office of the Auditor General of Thailand, and Wastewater Management Organization etc. Most of the cars are rented for internal use or for business purposes. Additional equipment may be installed to suit the use. The contract period is approximately 1-5 years. In general, the government sector will require the contractual party to place a letter of guarantee of approximately 5-10 percent of the total contract value as a performance guarantee.

**Private companies** : Private corporates come in a variety of sizes and businesses. Services provided to this customer group include car rental for executives and staffs. Cars used for such service are standard cars or would not be installed with much equipment. The contract term is approximately 1 day – 5 years. Rental cars used for transporting goods must have specifications suitable for the customer's product. The rental period is from 3 years and above. For private companies, the Company's policy is to collect a car rental deposit of approximately 2 months of the rental price per car.

#### Examples of customers in rental and service business (SO Wheel)



## Property Lease Business

Customers in the property lease business are mostly private companies in a variety of industries such as consulting, transportation, energy, and laws etc.

In respect of the rental and service business, the Company has the same pricing policy according to the nature of the Company's business, namely the pricing policy for car rental business and the pricing policy for property lease business as follows:

### Pricing policy for car rental service

The Company has determined pricing based on nature of its customers, which are divided into 2 types - private companies and government agencies and state enterprises.

#### Private companies

The Company has criteria for determining the service fee by listing all main costs as a basis for calculation. The initial cost calculation must be approved with references in writing and will be reviewed every time before bidding. The cost of service is divided into 2 parts:

- Car procurement and maintenance costs to keep the vehicles in good working conditions : The Company will consider characteristics of the vehicle, model, brand, quantity of the vehicle, service period, interest rate, and various administrative costs such as mandatory car insurance and car repair etc.
- Cost of accessories (if any). The Company will consider the customer's requirements as a main concern. If the customer wishes to add any accessory for use in its operations, the Company will procure from dealer and install such accessory.

In addition to the above cost of service, the Company will charge management costs and consider scrap value of the car, which is one of the factors in determining the car rental service fee. If the Company expects the scrap value to be low, the Company may consider setting a higher car rental service fee to compensate for such future risk.

#### Government agencies and state enterprises

The Company is generally required to participate in biddings. The nature of the work and the budget are clearly specified in the Term of Reference (TOR). Therefore, the Company must submit a technical proposal and fee quotation to bid for such work. The Company will calculate costs for procurement of cars and accessories (if any), administrative expenses, and the scrap value of the car similar to calculating costs for private companies.

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**Pricing policy for property lease business**

In determining pricing for property lease business, the Company will set fees into 2 parts, namely rental and service fees. This is calculated from the size of leased areas multiplied by rental and service fees per square meter. In addition, the Company collects a deposit in the amount equivalent of approximately 2-3 months of rental fee as guarantee for any damages.

**Marketing and Competition****Group 1: Outsourcing Services****Industry outlook and competition in personnel management service (SO People)**

After the Covid-19 pandemic, many organizations have turned their attention to using outsourced services, particularly support positions such as drivers, administrative staff, technicians, and IT support staff. As a result, SO People's customers have expanded by 11% including agricultural industry, auto parts industry, network industry, and hospital industry etc. Therefore, SO People saw an opportunity to expand its services to other support positions such as answering and making telephone calls, online information service, and cleaning service. This is expected to increase SO People's revenue by 3% in the year 2022.

**Competitive strategy**

The Company aims to become a leading outsourcing service provider in Thailand under the concept "Siamrajathanee All Solutions One Outsource: Simplify Your Life." The Company focuses on providing variety of services and quality services. The Company has brought customers' requirements to create additional services and expand the Company's business.

Therefore, the Company is able to solve customers' problems efficiently with expertise of quality personnel, equipment, management system of international standard level, use of technology and up-to-date database that can respond to customers' requirements precisely

**- Personnel: sufficiency and quality of service personnel**

Efficient and complete recruitment process has enabled the Company to recruit personnel quickly, which is a critical factor in the Company's business. The Company has the ability to recruit staff in the number and with qualifications when required.

The Company is capable of managing a large number of personnel. It consistently recruits personnel through short-listing from the Department of Employment, participation in job market events, Facebook and website advertisement, setting up booths at various locations, job announcement boards, notice board, leaflets and networking through word of mouth etc. The Company also has a training center for "professional drivers" under the name of "ACADEMY By Siamrajathanee" which serves as another channel for recruitment of drivers.

The Company can recruit staff within 3 – 7 days, resulting in the Company being number 1 in Thailand for outsourcing of drivers. The Company has compiled a waiting list database with a large number of drivers, allowing the Company to be able to replace driver within 2 hours.

The Company has qualified employees. The Company's recruitment process is examinable. Its recruitment process is of high standards, including criminal record check, eyesight test, behavioral test (DISC Model), which is used to screen distinctive human behaviors, enabling the Company to categorize personnel by personalities and match each personality with suitable work and position, field-test drive, virtual reality test drive, preliminary interview and English language interview, and analytical and personality assessment interview etc. There are also random checks on drivers on drugs and alcohol addictions.

The Company provides trainings by its internal unit to improve skills of employees, training on safety driving, defensive driving, knowledge on risk (hazardous test) as preventive measures, service mind, traffic laws, other useful laws, travel routes and preparation before taking up the positions.





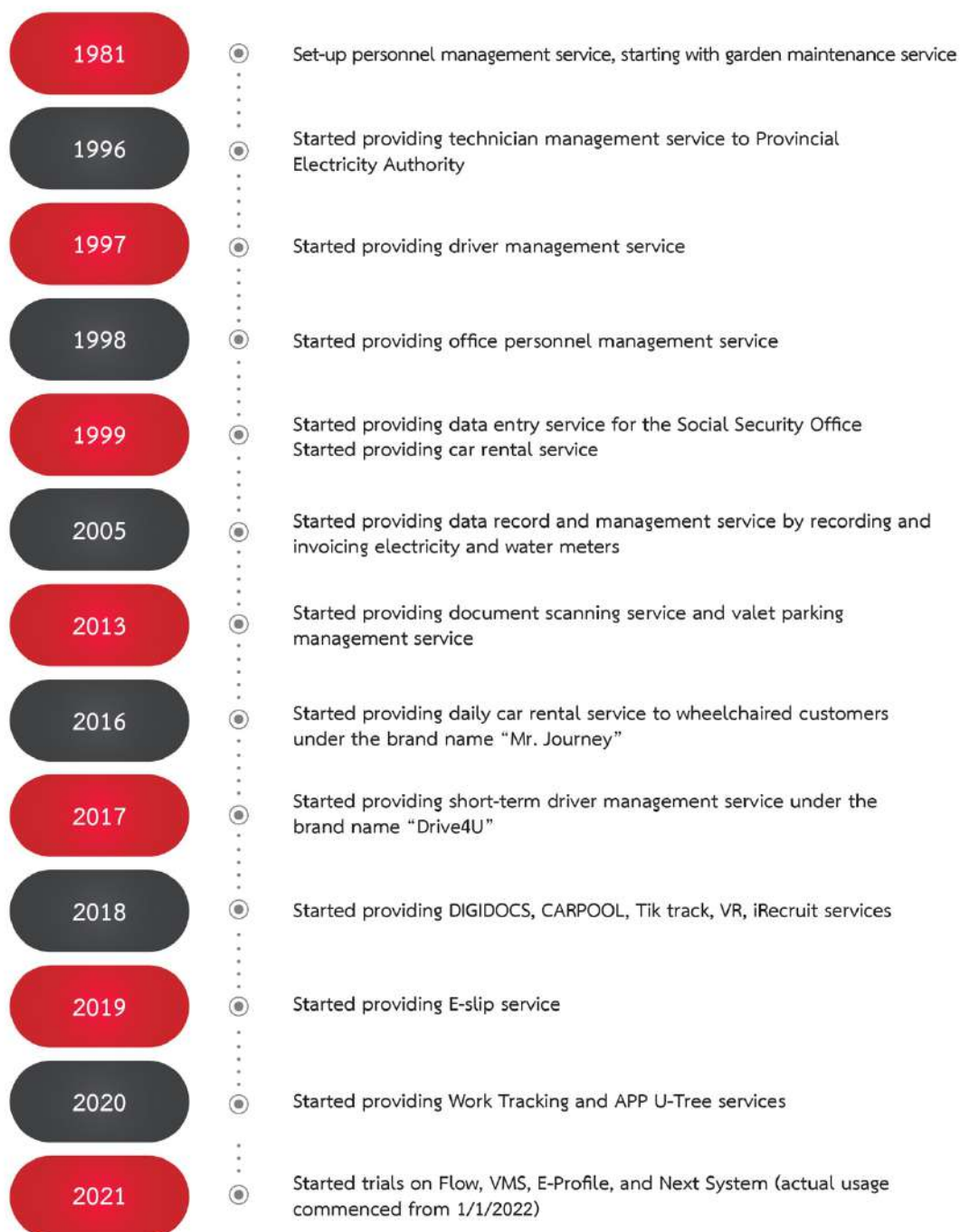
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**- Service Strategy - Development of services by using technology to improve services and efficiency in personnel, equipment and tools.**

With over 40 years of experience in the outsourcing service business, the Company had acquired in-dept knowledge of customers' needs in government sector, state enterprises and private sector and had brought customers' requirements into consideration in creating additional services and expanding the Company's business. The Company had continuously expanded from initial services for more extensive coverage and new services.

The Company has introduced modern technology to assist in the provision of services by developing various software for use within the organization such as document management system (Flow), recruitment, screening and tracking of employee system (iRecruit), time attendance system, leave, overtime reimbursement (Tik track), and a centralized vehicle management system (VMS) etc. The development of such software is to support the work within each department of the Company, reducing problems in important processes and making it easier to manage and meet the Company's various requirements. In addition, the Company has introduced new technologies and implemented lean system in managing the organization to increase office automation which reduces administrative costs and increases efficiency in providing modern services.

## Development on Products and Services



Service Quality. The Company focuses on providing quality service to customers so that the customers will return to the Company for continued services and introduce new customers to the Company. Therefore, the Company has a dedicated operation unit who monitors that the services performed are in accordance with the contract, solves problem that arises during the term of the contract, establishes preventive measures, and takes care of service staff at sites, including coordinating with all relevant units. The Company also takes the following actions to ensure quality of services:

- Management of drivers: The Company has designated a special department called “Department of Suppression and investigation (DSI)” to control and supervise complete emergency and accident network to provide speed, convenience and mitigate further incidents, to facilitate rescue mission, hospital contacts, ambulance, tow car and police.
- Data entry and management service: At present, all business entities in both government and private sectors have recognized the importance of data management and application towards digital transformation. The market for management of data entry service has become broader, for example, data entry into systems, document storage in the form of digital filing, data privacy and KYC (Know You Customers) etc. The Company is confident in expanding market sector of “SO Next” department to provide complete and one stop services with qualified personnel, specifically designed software and equipment, as well as safety work process according to international standard ISO 27001 : 2013 which is international standard for data safety management. These qualifications are considered competitive advantage of the Company.

The Company sets up a management system that focuses on quality of service and development of management systems. In each business type, there are various departments to support the service such as Marketing Department, Recruitment Department, Select Quality Department, Operation Department, and Department of Suppression and Investigation (DSI). Systems have been implemented for management within the organization such as document management system, iRecruit and Tik Track etc. BI Dashboard is also used to analyze and process data in dashboard format to increase management efficiency and provide quality services to customers. This will help creating customer satisfaction on the Company’s services and the group can maintain its existing customer base.

#### Examples of customers who trust and use the Company’s services

Private Company	Years of Service	Government Agency and State Enterprise	Years of Service
Toyota	15 years	Metropolitan Electricity Authority	17 years
Thai Oil Company Limited	14 years	Provincial Waterworks Authority	16 years
PTT Public Company Limited	13 years	Port Authority of Thailand	15 years
Honda	12 years	Provincial Electricity Authority	13 years

The Company may also be given an opportunity of referrals to new customers by its existing customers. This helps expanding the customer base and create business opportunities for the group in the future. The Company understands and focuses on the management to continuously meet the needs of customers. This is illustrated through the Company's management being certified for quality in accordance with ISO 9001:2015 and ISO 39001:2012 standards. Customers are requested to evaluate the services of the group every time to be used for improvement of the Company's services and group work processes. The goal is to create the highest customer satisfaction.

#### **- Finding business partners**

In each SO business, it is necessary to find a partner in the line of work that is related to the business. And partners are willing to work hand in hand to build the business to create mutual benefits for both parties in the short term and long term. Having a business partner, including seeking and building business alliances, will enable business to quickly defend its strategy to quickly achieve its business goals. An example is expansion of existing customer groups or groups that still have market demand such as "Call Center" service. At present, call center plays an important role in many organizations. Call center integrates incoming and outgoing calls within the office and manage many incoming and outgoing calls daily to become more efficient. It is also a channel to respond to customers' needs in making inquiries for information relating to products or requesting for assistance on solving any problems. Another example is housekeeper service which has a large number of customers who seek housekeepers to manage the cleanliness of home, condominium or office building. Housekeepers play an important role in keeping the place clean and hygienic for good living. This also applies to skilled workforce requiring language skills, service skills or innovation skills which are currently in great demand in the market.

#### **Industry outlook and competition in data record and management service (SO Next)**

Today's organizations turn their focus on digital transformation to increase efficiency of employees in the organization and apply the use of technology in the organization. As a result, SO Next service has gained more attention. SO Next allows implementation of analog to digital data through either text data entry or document scan into digital file, which makes further use of the data easier. It also provides E-signature and E-workflow platform and paperless service, which responds to today's new work style. SO Next has, therefore, acquired new customers in leading insurance, leasing, and financial institutions. As a result, the revenues increased by 13.6% compared to the previous year and the number of new customers increased by 21%.

#### **Competitive strategy**

The Company aims to be a leader in providing comprehensive electronic document information management service using a leading technology. This responds to customers' requirement in changing to

quick and accurate work style. Various digital technologies are introduced to create business value, save labor and time, and increase profits for the business. The Company has set up strategies to attract target customer groups for each product as follows:

#### **1. Data scan and data entry or data collection with implementation of software system**

The Company sees future needs and can clearly define directions of this group. This group of customers has a full range of needs, including document scan, data entry, and software (DEV) to help manage and organize existing data efficiently and effectively. In addition, the Company focuses on providing services throughout the contract term by providing management service and selecting personnel with work experience. Personnel are required to complete training before starting work. There is also on the job training during the contract term. The Key Account Operation closely supervises the work by auditing, supervising employees, and controlling their work in accordance with the agreed SLA. The Company determines to focus on providing comprehensive services to create customer satisfaction. The Company also clearly understands the organization and work procedures and can respond to customers' needs. During the contract term, if there is a change or addition to the services, the Company can adjust or be flexible 100% according to the customer's requirements.

#### **2. Administration of payroll for employees**

With expertise and long-term experience in the business, the Company has brought together tools which have been continuously developed to achieve a payroll system for employees under complicated payment conditions. The system can accommodate more than 600 payment conditions required by the customers. The Company uses the technology called "Application Time Attendant ( Tiktrack) " as starting point of employees in checking in and out of work, which can be viewed online in real time. Any amendment or change can be dealt with immediately by clearly defining the responsible person by pulling data into the Next system to manage data according to the prescribed conditions. It takes only 10 minutes per 300 data, which is a time saver provided by the Company to its customers. The benefits to customers are as follows:

- Save working time up to 75%
- Able to control labor costs, documents, and equipment in operations
- Reduce possible human errors

The Company has piloted a payroll system to provide service to companies with difficult and complicated conditions. Customers specify only conditions, date and time, and income for the Company and the Company can manage information to customers with the Company's system and meet the customers' needs. Due to capabilities of its system, the Company focuses on targeting large corporations with variety of salary payment conditions to employees such as security personnel or cleaning companies. This group has a large number of employees and branches across the country, allowing the Company to gain volume and number of employees to handle.

### 3. Flow (Online Document Management System)

The key feature of the online document management system is to reduce unnecessary and wasteful use of paper and cost of some office equipment and minimize delays and errors in paperwork. At present, there are many forms of online document management. The Company focuses on providing a system that can be designed by customers who can determine the signing authority. The Company will focus on providing services to customers that are clearly different from others, which is 2C2T1D care.

**1.Consult.** The Company focuses on providing advice and speaking to customers in the provision of services. The Company does not only sell its platform. It emphasizes on providing knowledge and understanding on usage so that customers understand benefits, proper usage methods, and deliverables of the system.

**2.Compare.** Comparison and weighing for customers to assess if the system is useful, worth the money or how usage and methods are different from other services.

**3.Trial.** Through consulting and comparing as information to customers. One way that will help customers understand and make decision is trial. Customers may spend time and test the system, which is considered the best experience.

**4.Training.** The Company does not let customers try without help. We have a team of experts to teach correct usage to actual users.

**5.Develop.** When the customer has used the system and felt the need for the Company to adapt the system in various ways to allow API to integrate into the customer's system, we have a team of experienced programmers who understand the algorithm and can solve problems on the spot.

### Industry outlook and competition in landscape management service (SO Green)

Due to the trend of increasing green space in houses and buildings, landscape service, garden decoration, and large tree and garden care business tend to grow. As a result, SO Green business has gained more attention and has continuously acquired new customers. In the past year, there were new customers in petroleum industry, automotive industry, and consumer products with large garden areas or green areas that must be managed according to ISO 14001 standards. As a result, SO Green's revenue increased by 6% compared to the target revenue and the number of new customers increased by 20%

### **Competitive strategy**

In addition to garden maintenance, the Company focuses on the development of garden care services (SO Green) to be more professional and modern or also known as "SO Green Plus". Apart from using modern tools and machines, the Company has also developed technological innovations. For instance, Tiktrack system (online attendance) is used to control the attendance of employees. The Company also introduced a system for producing daily work reports (Google Form) to report work and problems.

### **- Comprehensive services**



The Company has effective personnel and management system. We can source and recruit staff quickly. Our personnel are professional with knowledge and expertise in providing services in various fields, including providing advice, recommendation, and management of large area, virtual image design (3D), and landscape design. The Company also uses modern technology, tools and machinery to provide services that meet the needs of customers.

#### - Having professional personnel

The Company provides experts who advise and consult on various problems on large trees to customers and the working team such as Ajarn Taradon Tunduan (Teacher Toh) who is a nationally qualified arborist. The Company also provides expert arborist team who have knowledge and completed training to provide efficient services which respond to comprehensive customers' requirements.

#### - Partners

The Company works with partners in the garden care service. The Company provides full services including garden design service and large timber trimming. Working with partners also increases business opportunities.

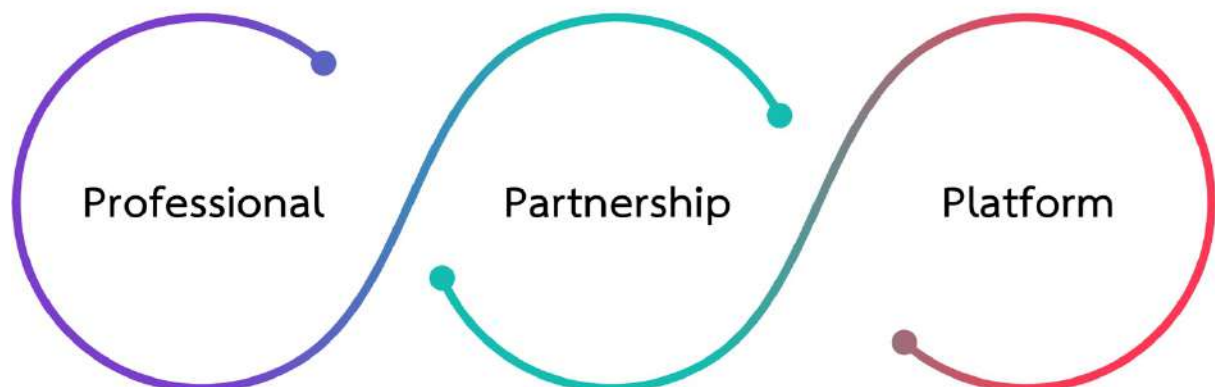
### Group 2: Rental and services

#### Marketing and competition

##### Industry outlook and competition in rental and service business (SO Wheel)

Overall, the car rental business or SO Wheel is highly competitive amidst the contracting economy of the industrial sector from the Covid-19 pandemic. Demand for modified car rental has begun to increase in line with the economic recovery after the COVID-19 pandemic. In 2021, SO Wheel has an increasing rate of new customers in consumer goods, transportation, logistics, and agricultural industries, who have adapted and turned to car rental services for flexibility in doing business. As a result, SO Wheel's rental income increased by 2.4% compared to the previous year and the number of new customers increased by 28% in 2021.

#### Competitive strategy



**- Professional**

The Company has experience and expertise in providing a car procurement service that meets the needs of customers. We can recommend and supply cars including good quality drivers with professional service standard. Quality service can create customer satisfaction, earn customers' trust, and create repeated customers, including continuous increase in customers from government agencies, state enterprises and private companies.

The Company focuses on responding to customers' needs. A full range of services are therefore provided to the Company's customers, starting from obtaining customer requirements in terms of characteristics and quantity, purchasing car insurance and mandatory insurance, managing documents relating to customers, car repair, and providing replacement vehicles to customers. There is call center for customers who helps solving customers' problems 24 hours a day. In addition, the Company provides driver service. This enables the Company to provide rental car with driver service to its customers. The comprehensive services provide convenience to customers, creating impression and continuous usage of the Company's services by customers.

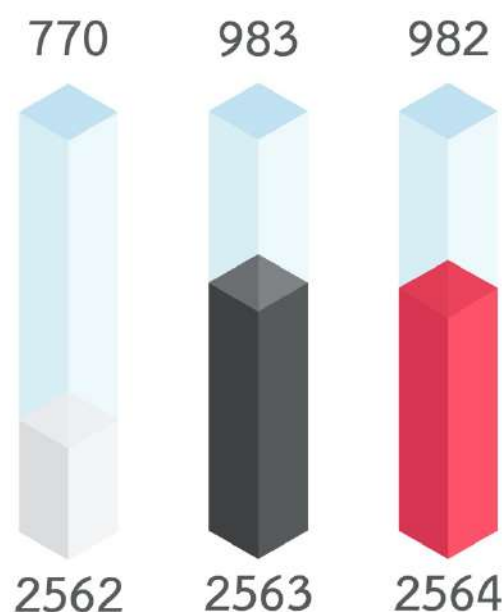
**- Partnership**

The Company has a good relationship with car dealers and new car dealers such as dealers of Toyota, Honda, and Isuzu, and car accessory dealers for decoration and modification of cars according to customers' requirements. The Company will contact many dealers to reduce the risk of being too dependent. From the past until present, the Company has the ability supply cars in the quantity and characteristics as specified by the customer with good cooperation from dealers. This makes it possible to provide cars quickly and consistently meet customer's demand.

**- Platform**

The Company has introduced a Vehicle Management System (VMS) to assist in providing services and impress customers. The system is easy to use and allows faster services. Quality service can create customer satisfaction and customers' trust can be earned. Existing customers repeat using the services. There is a continuous increase in the number of customers from government agencies, state enterprises and private companies.

Number of cars for rent in the past 3 years (cars)



### Industry outlook and competition in property lease business

Office for rent business is likely to continue to stagnate from 2020 to 2021 due to severe Covid-19 pandemic, causing the economy to slowdown. This business sector has downsized to control expenses by reducing the number of employees and rental space of office buildings. However, demand for office space rental is expected to gradually improve in 2022 (Source: [www.krungsri.com](http://www.krungsri.com) > Business/Industry Trend Research 2021-2023 : Offices for rent in Bangkok and its vicinity : 23 October 2021).

## Procurement of products and services

### Group 1: Outsourcing Services

#### Personnel Management Service

Personnel recruitment service requires recruitment of large number of staffs to timely meet customers' needs. The Company has many recruitment channels such as job applications through branches, recruiting from employment office, publications on the internet, Facebook, and websites, and setting up recruitment booths at various locations, announcements on job boards, signages, and flyers, etc. The Company will recruit staffs on a regular basis. The Company has developed iRecruit software, which is a system for recruiting, screening and tracking status of employees to support the requirements of current and future customers and prevent risk of shortage of employees. After screening process, the Company will recruit personnel to meet customers' needs. There is a different selection process for each employee. The services can be divided into 4 divisions as follows:

**Marketing Division**

The marketing division is responsible for finding new customers, presenting the Company's services to the customers, and obtaining customers' requirements.

**Operation Division**

The operation division plans services and monitor the service to be in accordance with the contract. It is responsible for solving any problem that arises during the contract term and directly supervising employees on the site. The division acts as a point of contact and coordinate with relevant departments, whether internally or externally, to provide customer smooth services.

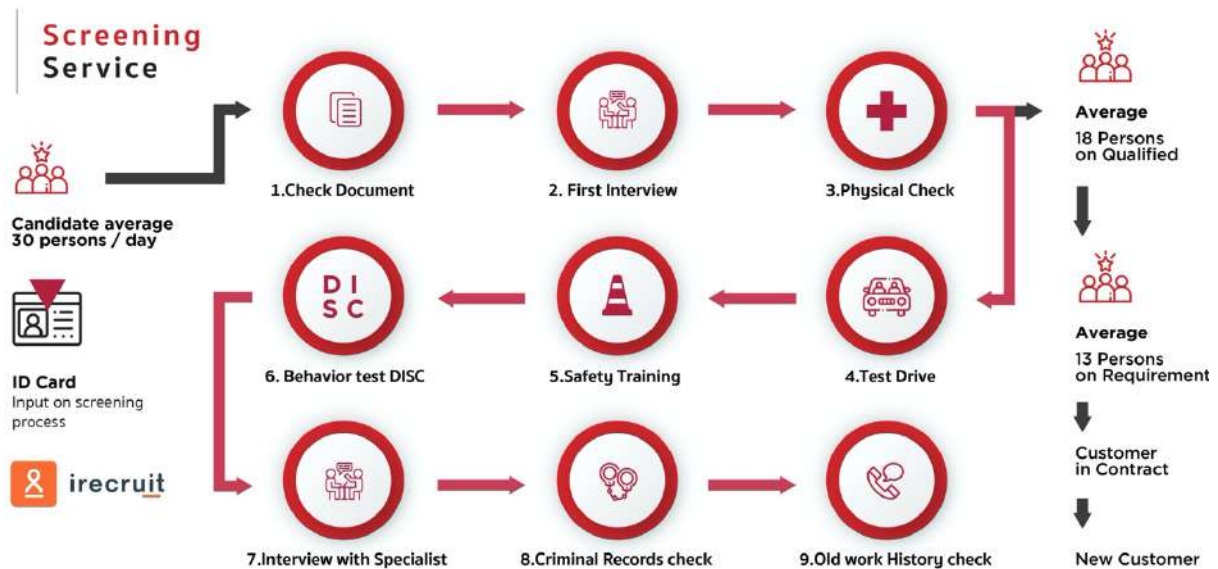
**Recruitment & Select Quality Division** can be divided into 2 sections:

- **Recruitment** is responsible for recruiting applicants through the screening process according to the agency's request.
- **Select Quality** is responsible for screening applicants, sending applicants for job interviews, and sending replacement employees.

**Department of Suppression and Investigation Division (DSI)** can be divided into 2 sections:

- **Investigation** is responsible for coordinating accidents, investigating employee in case of accident, corruption or inappropriate behavior, and taking care of driving safety.
- **Training** is responsible for organizing trainings, increasing employees' skills, and creating awareness among employees.



Recruitment process for drivers

1. Applicants register, wait for an interview, and prepare for photograph for identity check.
2. Check criminal records internally and through an external agency. The Company will refer to criminal background checks at the Royal Thai Police and the former workplace. The applicant's name will also be checked against the Company's blacklist database to ensure work safety.
3. Fitness check. The Company will test eyesight, including color blindness test, deep eyesight test, wide eyesight test, and foot reflex test.
4. Practical driving test. Applicants are required to have driving test with a total of 5 test stations, including zigzag driving, forward-backward driving, curbside parking, reverse parking, and driving on steep slope. Applicants also take theoretical test on traffic laws. These tests will allow the Company to understand driving abilities and driving behavior of each applicant. In addition, the Company conducts driving test on a virtual reality system, which simulates driving in various events to test driving quality of potential employees.
5. DISC model assessment, which is a screening program for human behavior with 4 outstanding characteristics that can identify personalities. This is used to match a job suitable to personality of each person. The details are as follows:

Dominance	:	Determined, decision making, risk taking, enjoy challenges, honest, confident.
Influence	:	Sociable, persuasive, cheerful, friendly, active, energetic.
Steadiness	:	Calm, good listener, consistent, systematic, planned, loyal.
Compliance	:	Responsible, principled, rational, thorough, careful, rational rather than emotional.

- 
6. Training and development of personnel. The Company has trainers who are capable of professional training and knowledge transfer.
  7. Preliminary interview and language proficiency assessment, store information and observe the behavior of each candidate.
  8. Analytical interview to test proficiency of routes in Bangkok, its vicinities and other provinces and test service attitude, including considering personality, communication skills, attitudes, and immediate problem solving.









**Office staff recruitment process**

1. Applicants register, wait for an interview, prepare for photograph for identity check.
2. Check criminal records internally and through external agency. The Company will refer to a criminal background checks at the Royal Thai Police and the former workplace. The applicant's name will also be checked against the Company's blacklist database to ensure work safety.
3. Test proficiency in using of Microsoft Office Programs (Word, Excel, Power Point).
4. Test typing speed. The required minimum speed is 55 words per minute for Thai language and 45 words per minute for English language and test on typing letters.
5. Language fundamentals test.
6. Training and development of personnel. The Company has trainers who are capable of professional training and knowledge transfer.
7. Preliminary interview which will store information and observe the behavior of each candidate.
8. Analytical interview to test foreign language proficiency and service attitude including considering personality, communication skills, attitudes, and immediate problem solving.









## Process

## Document Scan

- |    |   |                                   |    |  |                  |
|----|---|-----------------------------------|----|--|------------------|
| 01 |  | Receipt of document from customer | 05 |  | Data recording   |
| 02 |  | Document preparation              | 06 |  | Verification     |
| 03 |  | Document scan                     | 07 |  | Document Storage |
| 04 |  | Sorting document by category      | 08 |  | File delivery    |

## Process

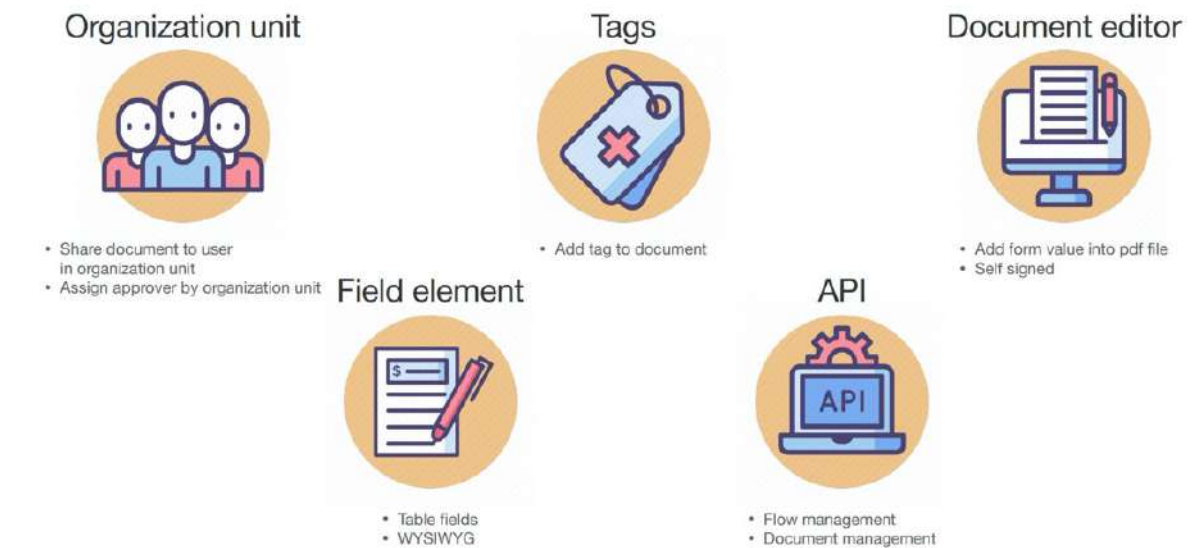
## Electricity and water meter recording

- |    |   |  |    |  |                                      |
|----|---|--|----|--|--------------------------------------|
| 01 |  | Team meeting to determine                                | 04 |  | Deliver information as planned daily |
| 02 |  | Prepare equipment and programs (if any)                  | 05 |  | Prepare report                       |
| 03 |  | Staffs perform the duty according to the specified route | 06 |  | Deliver information to customers     |

## Payment Management System



## Online Document Management System (Flow)



## Recruitment process for “Data Officers”













### Remark

For the procurement of equipment such as staff uniforms, employee cards, and work equipment (if any), the Company will procure such equipment from companies under its vendor list. The Company has many suppliers to reduce the risk of relying on any one company and prices can be compared.

Process

Landscape management service

- 01  Obtain customer's requirements
- 02  Site inspection
- 03  Team meeting to plan services for customer
- 04  Present information and quotation to customer
- 05  Select and recruit staff and procure relevant
- 06  Present work plan
- 07  Provide landscape management service to customer
- 08  Monitor staff performance and site visit
- 09  Prepare report
- 10  Obtain service assessment from customer

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## Procurement of products and services

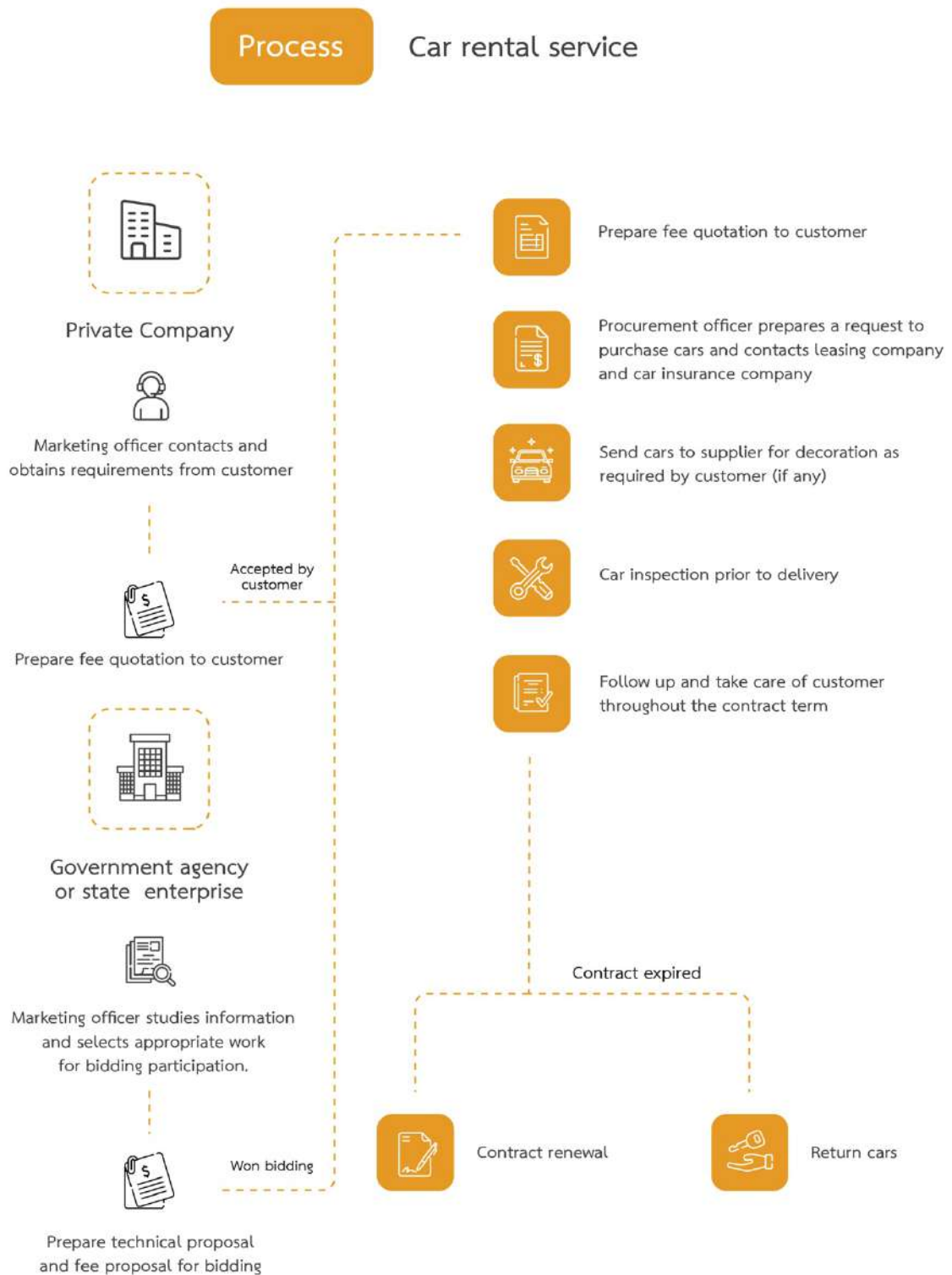
### Group 2: Rental and services

#### Car rental service

The Company will supply cars as required by customers through dealers such as Toyota, Honda, Isuzu, Nissan, BMW who are under the Company's vendor list. The Company has many dealers to avoid the risk of relying on any one dealer and prices can be compared.

Modified car is a car of which customers can design themselves to meet the objective and the identity of the customer. The Company will procure cars according to required type and model such as Toyota, Isuzu, and Hino. The Company will procure cars and send them to a car accessory dealer that is under the Company's vendor list to decorate or install equipment as specified by the customer.







1. For private companies, marketing officers find customers by 2 methods: customers call in for the service themselves via Google AdWords (Call in) or the Company calls customers who are target customers (Call out). If it is a new customer, the marketing officer will analyze the customer using information from the Department of Business Development. For government agencies or state enterprises, marketing officers search in bidding newspaper or website of the government agency or state enterprise to select suitable work for bidding participation.
2. The marketing officer obtains the customer's requirements. The customer informs type of usage and the number of rental cars required. The Company then plans the service with the relevant team, including the adoption of platform and technology for management and cost estimation to prepare for a quotation that meets the customer's requirements.
3. The marketing officer prepares a quotation to present information and prices to the customer for confirmation and preparation of draft service contract.
4. The marketing officer sends details of car required by the customer to the procurement officer to issue a purchase order for the car. The officer will contact car dealer to prepare the car according to model and brand required by the customer and contact leasing and car insurance companies. In case of modified car, the Company will deliver a standard car that has been ordered for additional decoration as specified by the customer.
5. The operation officer inspects car or modified car prior to delivery to the customer. The marketing officer and the operation officer determine the delivery date of the car.
6. The operation officer delivers car or modified car to the customer as agreed in the contract and provides an introduction on how to use the car.
7. During the term of the contract, the operation officer will follow up and coordinate with the customer to take the car in for periodic checks, maintenance or send a replacement car etc. for customers convenience throughout the service period by the Company.
8. Customer satisfaction is evaluated by creating a service evaluation form from the Flow system and submit to the customer for online evaluation and use customer suggestions to improve the service to be most efficient.
9. When it is close to the expiry date of the contract, the marketing officer will contact the customer to renew the contract or return the car if the customer does not wish to renew the contract.



1. The administrative department obtains the customer's requirements for renting space in Country Complex Building and presents information about rental area, rental plan, price, and services relating to the rental which include management, maintenance, and maintenance of common area such as utilities, electrical system, communication system, air conditioning system, fire protection system, security system, and facilities and equipment in the common area.

2. When the customer agrees to rent the area, the administrative officer will prepare rental and service contracts for the customer to sign. The customer must pay a deposit and a security deposit for damages before renovating the rental area.
3. The Company provides building rental and services relating to the rental. The customer will pay monthly rent and service fees according to the contract.
4. When it is close to the expiry date of the contract, the administrative officer will contact the customer 1 month in advance to renew the contract. If the customer does not wish to renew the contract, the Company will seek a new tenant.

### **Assets Used in Business Operations**

#### **Personal transport license with vehicles used for transporting animals or things**

Licensee must retain vehicles that are used to transport animals or things in the total number not exceeding 126 vehicles, consisting of 108 pickup trucks, 9 containers, 7 trucks for liquid and 2 ad hoc trucks.

**Licensed from** 20 February 2017 to 19 February 2022.

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#### **Non-fixed route transport license with vehicles used for transporting animals or things**

Licensee to operate non-fixed route trucks must retain vehicles for transportation in the total number of not exceeding 5 vehicles, consisting of 1 pickup truck and 4 trucks.

**Licensed from** 22 July 2021 to 21 July 2026.

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#### **License to operate personal transport with vehicles used for transporting passengers**

Licensee to operate personal transport by vehicles for passengers must retain 2 vehicles with the standard Mor. 3 (e) to transport passengers.

**Licensed from** 9 April 2019 to 8 April 2024.

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#### **ISO 9001 : 2015**

System of quality and assessment of Data Processing & Data Base, outsourcing service for landscape maintenance and waste management (exclusive of designing), vehicle for lease with driver and transportation service.

**Duration of Permit/Standard** 13 October 2019 to 12 October 2023

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**ISO 14001 : 2015**

System on environmental management, cleaning service, sewer cleaning service, non-toxic waste management and lawn maintenance.

**Duration of Permit/Standard** 13 September 2019 to 12 September 2023

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**ISO 27001 : 2013**

Information security management system

**Duration of Permit/Standard** 1 February 2019 to 31 January 2024

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**ISO 39001 : 2012**

Road Traffic Safety Management System

**Duration of Permit/Standard** 28 November 2019 to 27 November 2022

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**Valet Parking Mobile**

Certificate of Copyrights by Department of Intellectual Property

Type of Work: Literature

Character: Computer Program

Name of Work: Valet Parking Mobile

Starting from 6 February 2018 onwards

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**DIGIDOCs**

Certificate of Copyrights by Department of Intellectual Property

Type of Work: Literature

Character: Computer Program

Name of Work: DIGIDOCs

Starting from 29 October 2018 onwards

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**Tik Track**

Certificate of Copyrights by Department of Intellectual Property

Type of Work: Literature

Character: Computer Program

Name of Work: Tik Track

Starting from 29 October 2018 onwards

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**BackLog**

Business Type	Job Value		Min Contract Value Remaining		
	Contract	Not in Service	2022	2023	2024
Outsourcing Services	3,427.18	945.41	662.11	219.54	48.75
Rental and Services	1,208.18	617.25	233.33	176.22	150.08

**1.3 Shareholding Structure**

The below diagram illustrates shareholding structure of the Company and percentage of shareholding as of 27 August 2021.

Remarks:

Vimolchalao Family consists of: (1) Mr. Krai Vimolchalao with 10.79% shareholding; (2) Mrs. Naowarat Vimolchalao with 2.88% shareholding; (3) Mr. Nattaphol Vimolchalao with 2.7% shareholding; (4) Mr. Vatcharaphol Vimolchalao with 2.7% shareholding; and (5) Mr. Pojcharaphol Vimolchalao with 2.7% shareholding.

**1.4 Registered Capital and Paid-up Capital**

The Company has the registered capital of Baht 372,000,000 and the paid-up capital of Baht 371,999,971, divided into 371,999,971 ordinary shares with a par value of Baht 1.00 per share.

Top 10 major shareholders as of 24 November 2020		Number of shares (shares)	% of total number of shares
1.	Krainao Property Company Limited	189,720,000	51.00
2.	Mr. Krai Vimolchalao	40,140,000	10.79
3.	Mrs. Charunee Chinwongvorakul	16,898,000	4.54
4.	Mr. Jiranu Kunchanarat	12,058,320	3.24
5.	Mrs. Naowarat Vimolchalao	10,695,600	2.88
6.	Mr. Nattaphol Vimolchalao	10,035,600	2.70
7.	Mr. Pojcharaphol Vimolchalao	10,034,400	2.70
8.	Mr. Vatcharaphol Vimolchalao	10,034,400	2.70
9.	Mr. Charupoj Neesanan	5,609,060	1.51
10.	Mr. Sompong Chonecadeedumrongkul	4,071,100	1.09
Top 10 major shareholders in total		309,296,480	16.85
Total number of shares		62,703,491	100

### 1.5 Issuance of Other Securities

- none -

### 1.6 Dividend Policy

The Company's dividend policy is to maintain a dividend payout ratio of not less than 50% of net profit after deduction of corporate income tax and statutory reserve in each year. In determination of dividend payment, the Company considers various factors in order to create optimum benefits to the shareholders. Dividend payment shall not have significant impact on the Company's normal business operations. Such dividend payment shall be subject to changes based on operating performance and financial positions, liquidity, business expansion plan, necessity and appropriateness in the future and other factors relating to management by the Company as the Board of Directors deems appropriate. The resolutions of the Board of Directors' Meeting approving dividend payment shall be submitted to the shareholders' meeting for approval, except for interim dividend payment. The Board of Directors has the authority to approve interim dividend payment if it deems that the Company has sufficient profit for dividend payment without causing impact on the Company's business operations. The Board of Directors shall report the interim dividend payment in the next shareholders' meeting.

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In the year 2020, the Board of Directors' Meeting No. 8/2020 resolved to approve interim dividend payment from retained earnings as of 30 June 2020 in the amount of THB 49.60 million or dividend per share of THB 0.16. The Company has set dividend payment date on 9 December 2020.

In the year 2021, the Board of Directors' Meeting No. 2/2021 resolved to propose to the 2021 Annual General Meeting of Shareholders to consider and approve the dividend payment for the Company's operating performance in the year 2020 by determining the list of shareholders entitled to receive interim dividend (Record Date) on 22 April 2021 and the interim dividend payment date was on 7 May 2021.

- 1) Payment of dividend in the form of the Company's ordinary shares of not exceeding 62,000,000 shares with a par value of Baht 1.00 per share to the Company's shareholders at the rate of 5 existing shares per 1 stock dividend, which is equivalent to dividend of Baht 0.20 per share. Total value of the dividend is approximately Baht 62,000,000.
- 2) Payment of cash dividend at the rate Baht 0.0222222222 per share or equivalent to dividend of approximately Baht 6,888,889.

And in the year 2021, the Board of Directors' Meeting No. 4/2021 approved the interim dividend payment from the Company's operating performance in the first half of the year ending 30 June 2021, to shareholders at the rate of Baht 0.20 (Twenty Satang) by determining the list of shareholders entitled to receive the interim dividend (Record Date) on 27 August 2021 and the interim dividend payment date was on 10 September 2021.



## 2. Risk management

### 2.1 Risk management policy and plan

The Company realizes the importance of risk management in the management system and operations management. Its objective is to have risk management become a culture of every operator. Risk management not only enables the organization to achieve its main objective and other goals, but also supports the Company in concretely creating value-added operations. In order to have various units of the Company attain methods of risk management in the same direction, the Risk Management Committee has set up the Risk Management Policy by taking into consideration expected change in business environment that affects business operations to be consistent with the Company's visions and business strategies. The Company has continuously reviewed risks by considering external and internal factors, opportunities of risks occurring, and their impact on the Company's business both directly and indirectly, in order to assess risks and identify important risks of the Company and determine suitable strategies for governance and control of risks to be within an acceptable level. In respect of monitoring and assessment, the Company has a policy for every business unit to monitor and attain the results whether they are suitable, and if risks can be managed effectively. After monitoring and assessment, every business unit must report progress, problems, obstacles in managing risks to the Risk Management Committee to be used as guidelines or improvement of risk management policy. Key risk factors that affect business operations are as follows:

### 2.2 Risk factors which affect business operations

#### 2.2.1 Risk of shortage of personnel and risk of dependency on skilled personnel

Since the Company's business includes management service business, landscape maintenance business, and car lease service which offer a variety of services to respond to all range of customers' requirements, personnel are therefore an important mechanism to drive the Company's business. In the past, the Company's business has been growing continuously with increasing number of customers and revenues, it has become necessary for the Company to depend on large number of personnel, both general and skilled personnel such as skillful technicians, specialists and arborists.

At present, the Company has 2 main types of employees which are office employees and operational employees who work directly with customers. As of 31 December 2021, the Company has office employees and operational employees who work directly with customers in total of 9,230 persons. If the Company cannot recruit personnel to maintain services and replace resigned personnel in a timely manner, it could significantly affect the Company's services and business operations.

In general, there is a high rate of employee turnover in outsourcing services because employees who directly work with customers resign and reapply for a job with the Company. This may be a brief resignation of only 10-15 days. If an employee is unable to specify a date of returning to work, such employee would resign. For every resignation, the Company must remove the name of the employee from the Company's system and report to the social security office. The turnover rate of employees directly work with customers shown

in the above table is the total number of employees who resigned and returned as employees in the same year. Therefore, the turnover rate was high.

The Company realizes the aforementioned risk and has set the following measures to prevent the risk of shortage of personnel:

(1) The Company regularly prepares recruitment plans for office employees and operational employees who work directly with customers. The Company adheres to recruiting skilled employees and specialists to suit the positions and qualifications required by customers. In case of operational employees who work directly with customers, the Company has a recruitment department whose duty is to recruit employee according to qualifications required by customer through various means including online and offline channels, for example, shortlisting from the names of applicants provided by the Department of Employment, distributing hiring positions to public and private employment agencies, educational institutes or universities, taking part in labor fairs, advertising on internet, Facebook, websites, and participate in setting up booths at various locations, posting on job advertisement boards, distributing leaflets, building a network through word of mouth, and transferring on-site employees whose contracts with their previous recruitment agencies had expired to the Company. Such actions have created a name to the Company as a center for drivers. In each case, the goal is to have a maximum number of applicants, including recruiting employees within the responsible work zones or their neighborhoods. As a result, the Company has a sufficient database of applicants for recruitment of suitable personnel for each type of service. In addition, the Company has set up “ACADEMY by Siamrajathanee” in order to carry out a training course for Executive Drivers by its experts. The training course is to support and develop interested persons, new generation, and groups of female drivers and senior drivers (through our website [www.siamrajacademy.com](http://www.siamrajacademy.com)). It is considered another channel for recruitment of drivers who are qualified and efficient.

(2) In respect of office employees, the Company has a policy to remunerate employees at every level fairly and appropriately according to the Company’s performance and employee performance. Information from salary & benefits survey of similar business is also taken into consideration in determining remuneration payment. In respect of operational employees who work directly with customers, the Company has a policy to remunerate employees, adhering to commitment and conditions as agreed with employees, including transparency in remuneration payments. For instance, the Company pays remuneration to employees within the agreed period of time, and there will be no incorrect deductions other than those specified in the employment contracts.

(3) In respect of office employees and operational employees who work directly with customers, the Company places importance in quality of life for employees by providing fringe benefits such as staff uniform, health insurance, life and accident insurance, annual health check-up, provident funds, transportation, and appropriate financial support and other welfare for family members of employees including scholarships for employees’ children, bereavement support payment.

(4) In respect of office employees and operational employees who work directly with customers, the Company develops employees to become specialists in specific areas and provides training programs to and improve skills and expertise of employees in line with the Company's growth, for example:

- Annual Training and Development Plan. The Company has surveyed and analyzed the need for trainings and development and uses them in formulating annual plan. The training programs can be categorized as follows:

- Internal general training on basic/general knowledge such as basic fire fighting and fire drill course and first aids program.
- Internal competency training (internal trainings on skills) such as Google Adwords, Facebook advertising, Analyzing Data With Power BI.
- External competency training (sending personnel to participate in courses offered by external organizations on various skills). For example, courses on management of all risks, systematic examination, and tree care in landscape projects.

- Succession Plan. The Company has prepared a succession plan by determining qualifications of personnel who will hold positions of middle management and above, to support growth of the organization and to prevent shortage of personnel in important positions. The succession plan also supports growth in qualified personnel with capabilities and potential by setting up Individual Development Plan: IDPs to prepare and develop personnel using various methods such as training, tutoring and consulting etc.

- Training by internal unit (SO Academy) which provides training and improve skills of personnel, including safety driving, defensive driving, knowledge on hazardous test to prevent accidents, service mind, traffic rules, basic laws, directions, and preparation before the jobs etc.

Apart from the risk of shortage of personnel, the Company also realizes the risk of dependency on skilled personnel, both office employees and operational employees who work directly with customers. Since majority of management personnel of the Company have industry experience and have worked with the Company for over 10 years, they are knowledgeable and understand the needs of customers. In respect of operational employees who work directly with customers, the Company has provided know-how, develop and build skills before commencing the work and continuously during performance of duties. This has, therefore, created job proficiency. To prevent the risk of dependency on skilled personnel, the Company has set the following measures:

(1) Since the Company has experience in human resources management service for over 40 years with variety of services and has expanded into new type of services continuously, it has therefore acquired many prominent customers. The Company has become one of the leading outsourcing services company, who is able to provide work to personnel looking for employment and create attractive incentives to retain personnel with the Company who would grow together with the Company.

(2) The Company provides good employee welfare and has taken good care of its employees. As a result, the majority of the Company's employees stays with the Company for a long period of 5 – 7 years. Even after resigning from the Company, the majority of the Company's employees comes back to work with the Company. This is different from competitors who do not adhere to commitment made with employees resulting in employee resignation. This does not happen to the Company and the Company can retain its employees for a long period of time.

(3) The Company has a system to prevent losing qualified, skilled and knowledgeable employees who have experience for a long period of time.

- Building career paths. The Company supports skilled and specialist employees who have been working with the Company for a long period of time to advance in their career path whether vertically, that is to allow opportunity for qualified employees for promotion, or horizontally, through job transfer or rotation, in order to prevent losing skilled and specialist employees, as well as to exchange knowledge and experience within the Company .

- Management of knowledge of skilled and specialist employees who have been working with the Company for a long period of time by designating them as mentors for new employees to pass on knowledge to the new generations.

- A 360-degree performance assessment and key performance index (KPI) are used to retain qualified an specialist employees who have been working with the Company for a long period of time. The Company has performance evaluation system that is clear, fair and standardized.

However, the Company does not depend on any particular skilled employee or specialists, in respect of both office employees and operational employees who work directly with customers. The Company has a suitable organization structure to support sustainable growth in business. It has Recruitment and Selection Department for recruiting and selecting potential candidates. Based on the foregoing measures, the Company is confident that it can reduce the risk of dependency on skilled personnel.

### **2.2.2 Risk of increasing compensation for operational employees**

Management service business, landscape maintenance business, and car lease business require a large number of personnel, especially operational employees who work with customers and directly provide services to customers to create customer satisfaction. Therefore, cost of human resources management service is considered the most important cost. During the period of 3 years from 2019 to 2021, the Company incurred cost of human resources management service on the average of 82.33% of income from human resources management service.

	For the year ending 31 December		
	2019	2020	2021
Service income from human resources management (million baht)	1,726.34	1,793.92	1,834.79
Cost of human resources management service (million baht)	1,427.80	1,474.05	1,506.35
Percentage of cost of human resources management service to service income from human resources management	82.71	82.17	82.10

If the government sector issues a measure to increase minimum wage, staff cost might increase and in the event the Company cannot request for increase in service fees in respect of existing service agreements to compensate, wholly or partially, for the increase in staff cost, its gross profits may decrease and be different from the Company's forecast, resulting in significant negative impact on the Company's operating performance.

To reduce the risk of increasing compensation for operational employees working directly with customers, the Company has set up measures to prevent the risk of increasing compensation for operational employees working directly with customers by assigning the legal department to keep up to date with changes in the relevant laws, rules, or regulations which might affect wage rate. The Company also reviews its cost budgeting on a regular basis to reduce significant impact on the Company's operating performance. In addition, the Company has set measures on contracts with trade partners by setting conditions relating to wages for staff working directly with customers in order to prevent the risk. In the case of short-term contracts of not more than 1 year, the Company will include a condition under the contract that it may adjust minimum wage according to the laws. In the case of long-term contracts, the Company would make forecast which covers increase in wage under the cost breakdown in order to reduce the risk of increasing wage in the future. In the case that the law announces increase in wage rate, the Company will renegotiate with customers to ask for wage adjustment proportionate to an increase by the laws, only in the case that the customers pay the Company at a rate lower than the minimum wage rate under the laws. In the past, the Company was never negatively affected in such cases.

### **2.2.3 Risk of not being able to sell vehicle at the expiration of the lease (salvage value) at the estimated price**

The Company operates vehicle rental business with both short-term (not more than 3 years) and long-term (from 3-5 years) rental periods. When a long-term vehicle rental contract expires, the vehicle rental business and related departments of the Company will consider the guidelines to manage such vehicle within 3

months after the expiration date of the contract by transferring the rental vehicle to: (1) vehicle for rent under a short-term rental or reserved vehicle for rental; or (2) vehicle for use in the Company's business and/or; (3) vehicle held for sale. The Company has a policy to complete the sale of such vehicle within 3 months after the date of considering the vehicle guidelines and there may be exceptions in some cases. The Company may offer to companies that buy used cars and/or sold through Union Auction.

The Company has risk of being unable to sell a vehicle or selling a vehicle at a scrap price lower than the estimated price. This is due to many factors, such as model, brand, type, vehicle condition, market demand and supply, and the expected selling price. However, the Company believes that the risk of not being able to sell the vehicle or selling the vehicle at a price lower than the estimated price due to: (1) during the past 3 years (2019 - 2021), most of the cars for rent were TOYOTA and ISUZU, which are widely popular brands. Such factor will increase the liquidity for resale in the future; (2) efficient scrap determination – the scrap value at the beginning of the lease is determined by a business team with over 18 years of experience in the car rental business. The Company will use the estimation method for the value expected to be sold at the end of its useful life, deducted by direct expenses in sales. To ensure the estimation of the scrap price is accurate and precise, the Company uses estimation method by considering and analyzing information from industry conditions, market prices, and the form and nature of contracts with customers that will affect the conditions of the vehicle at the expiration date of the contract. The Company will consider each vehicle on an individual basis. In addition, the estimation of the scrap price must be approved by the Company's management every time. At present, the Company's policy is to set the scrap value or the future fair value expected to sell the car at the expiration of the lease term at 40-65% of the car value as at the contract date. Over the past 3 years (2019 - 2021), the Company has always been able to make profits from selling cars. However, the Company intends to make estimation of the scrap value more accurate. The Company has changed the accounting estimates regarding the residual value of the assets to be in line with the used car market and the Company's current business situations. The Company has changed such accounting estimate in the financial statements for the 3rd quarter of 2019 onwards, which will result in a decrease in accumulated depreciation of the rental assets and loss or profit from selling cars will be an insignificant amount in the future.

#### **2.2.4 Risk of high competition in car lease business**

Car lease business is a continuously growing business due to growth in tourism industry and the change in consumers' behavior who use more outsourcing services. This has resulted in a substantial increase in the number of new operators in the industry and additional investment by existing operators whereby: (1) short-term car lease business faces strong competition since there are many well-known operators, both domestic and international companies, as well as many small-scale operators. In addition, clients of short-term car lease are individuals whose main consideration is pricing. Such factor has created quite high price competition, while (2) long-term car lease business has lower competition than short-term car lease

business since clients are private companies, government sectors and state enterprises who focus more on quality of services and abilities to meet requirements rather than pricing.

The Company realizes such risk and has, therefore, created various competitive strategies via online and offline channels. For example: (1) provision of full range and quality services, from responding to customers' needs in terms of model and quantity, provision of designated vehicles and additional car equipment, maintenance of vehicle insurance and compulsory motor insurance, and managing all relevant documents for customers, including car repair and provision of stand-by vehicles. There is a call center to connect and resolve problems 24 hours. Moreover, the Company engages drivers on a contract basis which allows the Company to provide a combination of car lease and driver service to customers; (2) building awareness of services through tie-in advertising by well-known personalities, social activities and participation in events with various organizations; (3) generating interest in services by organizing promotions with special prices during holidays for trials and develop interesting content to targeted customers; (4) utilization of social media to promote services; and (5) setting up booths for advertisement and public relations.

#### **2.2.5 Risk of reliance on a small group of key customers**

In the year 2018 – 2020, the Company's total revenues was THB 1,955.99 million, THB 2,067.58 million, and THB 2,113.06 million respectively. Such amount of revenues included revenues from Provincial Electricity Authority of THB 760.74 million, THB 838.95 million, and THB 928.11 million or representing a ratio of 38.89 %, 40.58 % and 43.92 % of the Company's total revenues respectively.

Services to Provincial Electricity Authority include short-term and long-term contracts (from 1 year up to 5 years) of which the beginning and the expiry date of each contract varies. Before expiration of contract, Provincial Electricity Authority will open a bidding process for private companies to participate. The Company will then participate in the new bidding. In respect of certain type of services, Provincial Electricity Authority will also assess the Company's performance so that it is approved as qualified service provider. However, in case the Company does not win the next round of bidding and its contracts is not renewed by Provincial Electricity Authority, the Company's performance might be adversely affected, the details of which are set out in the below table.

Revenues from Provincial Electricity Authority is derived from services include: 1) provision of drivers and office staff; 2) provision of technicians; 3) data entry service; and 4) car lease service. Each service is provided through a separate contract with different beginning and expiration dates. Such factor allows the Company to mitigate risk that might occur from reliance on Provincial Electricity Authority.



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**2.2.6 Risk of non-compliance with obligations under service agreements**

Service agreements relating to the Company's management service business, landscape maintenance business, and car lease business consist of terms and conditions of which the Company must comply with. The terms include provision of staff in the number and with qualifications as prescribed in the agreement, provision of service up to the term of the agreement, provision of replacement staff in the event that the existing staff resigns, is on normal or emergency leave, provision of additional staff as requested by customer in a responsive and timely manner, provision of replacement vehicle within 24 hours, delivery of data / data on each water usage / correct and complete data entry delivered in a timely manner, and procurement of materials, tools, operating equipment etc. The Company's inability to comply with any contractual term may result in payment of penalty by the Company at the rate specified under the agreement or forfeiture of deposit or bank guarantee and/or termination of the agreement by customer.

Nevertheless, the Company has Marketing Officer and/or Operation Officer and Department of Suppression and Investigation (DSI) who liaise with customers and acknowledge problems and requirements from customer. They also take care of safety and organize trainings for employees so that the Company can efficiently provide services to customer according to terms and conditions under the agreement. The Company will organize a meeting with customer in the event that it could not deliver work on the monthly delivery date specified under the agreement in order to agree a new delivery date and deliver the work on such new delivery date. Due to expertise, experience, and quality service provided by the Company, the Company has never encountered any event that would give rise to the Company's being unable to comply with material term agreed with customer.

**2.2.7 Risk of non-renewal of service agreements**

Service agreement includes a period of service which varies from day, month or year. The Company's Marketing Officer and/or Operation Officer will prepare reports at the end of each month to prepare for renewal of service agreements by enquiring customers' requirements in each event including bidding or normal quotation in order to submit bidding and/or quotation to customers. For each renewal of agreement, there is a risk of similar business operators submitting bidding and/or quotation to customer and may result in the Company's service agreement not being renewed by customer.

The Company's approach in mitigating risk of non-renewal of service agreements is to have Marketing Officer and/or Operation Officer, responsible for liaising with customer, acknowledges and understands customer's problems and requirements and makes assessment on customer's satisfaction. The information obtained through Marketing Officer and/or Operation Officer shall be used to improve the Company's services in order to secure renewal of service agreements by customers. In addition, the Company has insurance policies relating to its services in place such as 1<sup>st</sup> class insurance for customers, 3<sup>rd</sup> class auto insurance, third-party insurance for employees, and hires Safety Officer to provide safety training and recommend safety equipment, warning signs, and notices in order to build confidence in respect of safety in customers

and employees. The Company is also a leading company in providing management service business and has qualifications and portfolio acceptable to the public. We have capabilities to recruit a large number of staffs for customer. In the event that staff is on leave, the Company can find a replacement staff within a short period of time. Based on the past record of services provided by the Company to customers, the Company has been maintaining the same customers, representing 90% of the total revenues, and new customers, representing at least 10 – 12% of the total revenues.

#### **2.2.8 Risk of errors by and damages incurred during performance of duties by operational staff who work directly with customers**

During performance of duties by operational staff who work directly with customers, errors or damages may occasionally be incurred. Since the majority of staff performs their duties according to customers' instructions, therefore if there is any error or damage incurred during performance of services by operational staff according to customers' instructions, the Company and customer must jointly review whether consequence of such damage is caused by mistake of the Company's staff or by compliance with the customers' instruction. If the damage arises due to the latter, the Company shall not be responsible for such damage. For instance, in respect of driver service, if any damage arises and is not due to negligence by the Company's staff, the Company shall not be responsible for such damage. However, the Company realizes the risk of errors and damages incurred during performance of duties by operational staff who work directly with customers due to the fault of the Company's staff. Therefore, service contract between the Company and customer includes performance guarantee to insure against any damages in the amount of 5% - 10% of the total contract value. The Company also maintains insurance policies suitable with each type of services for comprehensive coverage in case of any damages occurred to customer's assets due to the fault of the Company's operational staff. The insurance policies include: (1) third-party insurance in respect of driver service to insure against damages to vehicles, third parties, and passengers; (2) driver insurance (unlisted driver protection) of which coverage includes damages to vehicles and third-party liabilities in case of injury; (3) group insurance for staff. In the case of provision of technician staff to Provincial Electricity Authority, the insurance policy includes loss to staff (in case of any damage incurred due to service provided, the Company has provided collateral for damages with Provincial Electricity Authority for which the Provincial Electricity Authority can deduct for damages according to the conditions specified under the contract); (4) vehicle insurance, in the case of vehicle for lease service with driver, the insurance coverage includes any damage to vehicles and third-party liabilities in case of injured third party etc. Based on the Company's past experience, in case that damages arise due to errors of the Company's staff, the insured amount under the policies maintained by the Company had relatively been sufficient to cover for damages. However, in case that damages exceed the insured amount under the policies maintained by the Company and the damages were directly due to the fault of the Company's staff, the Company shall be responsible for such damages. Based on the past experience, the values of such differences were not significant. The Company had to be responsible for such expenses in the amount of THB 1.44 million in the

year 2019, and in the amount of THB 1.14 million in the year 2020, and in the amount of THB 1.36 million in the year 2021.

#### **2.2.9 Risk of technological change**

Society around the world is changing with the changing trends of technology. The current trend is to increase implementation of technology. It necessitates various departments in government, state enterprises and private companies to adapt and adjust their work processes in line with new technologies, including creating a systematic and real-time management and performance measurement system. This will make the system efficient and be able to compete in the market. The Company, as service provider, needs to adapt as well to be able to meet the needs of customers that change according to the changes in technology. At present, all groups of services offered by the Company to customers have implemented software and hardware technology to be used within the organization and to provide services to customers.

However, the Company is aware of risks that any change in technology may affect its operations and services. The Company has constantly followed the news of technological changes. The Company will try new platforms within the organization before providing them to customers such as program for managing documents within the organization and program for recording work hours via mobile phone (Tik Track) etc. Internal ERP system has been upgraded and the business continuity plan (BCP) is in place. New hardware is being studied regularly. In terms of software, the Company continuously provides training for employees in program development and computer language training. In terms of provision of services to customers, the Company has cooperated with companies with strong technology and reputation such as Internet (Thailand) Public Company Limited, Thailand's leading internet company, or even Huawei Technologies (Thailand) Co., Ltd., a global cloud service provider.

The Company also seeks business partners to enhance new technology to ensure services by the Company.

#### **2.2.10 Risk of non-compliance with Personal Data Protection Act (PDPA)**

Thailand announced the Personal Data Protection Act B.E. 2562 (2019) and has extended the period of enforcement of the Royal Decree stipulating agencies and activities controlling personal data that are not subject to the Personal Data Protection Act B.E. 2562 B.E. 2563 (2020) until 31 May 2022. The reason for extension is due to compliance with rules, procedures and conditions as prescribed by the Personal Data Protection Act B.E.2562 (2019) is very detailed and complex. Advanced technology is required to provide effective protection of personal data. In addition, the Covid-19 outbreak has continued and become more severe, greatly affecting the economy and society as a whole. As a result, personal data controllers, which include agencies and business entities in public and private sectors across the country, are not ready to comply with such laws. However, the Company gives importance to such laws. The Company's business operations involved in personal data of different groups of stakeholders such as customers, partners, and employees etc. The Company has reviewed its work process related to personal data which are: data

acquisition, storage, usage, transfer, and destruction of data etc. The Company has set measures in various aspects by adjusting work methods and information technology systems, determining personal data protection policy, and revising all relevant contracts and documents to comply with such laws before the effective date.

As preparation, the Company has sent employees to obtain training and knowledge relating to such laws. These employees then train and transfer knowledge to employees across the organization. At present, the Company has established a personal data policy and appointed a personal data protection officer and publicized this to all employees. In addition, the Company continues to focus on outsourcing of consulting firms to assist in giving advice, plan and install software or solutions suitable for every work process of the Company in order to prevent such risk.

#### **2.2.11 Risk of failure to comply with laws and regulations**

Management service business, landscape maintenance business, and vehicles for lease business involve a large number of labor force. The business operation is subject to the relevant laws, rules and regulations, particularly labor laws, which plays an important part in the business.

Therefore, compliance with the relevant laws, rules, regulations, and standards currently in use and future changes thereon is very important to the Company's business operations. The Company must monitor its operations to ensure that they are in compliance with the relevant regulations at all time. Sometimes, changes in regulations may incur additional costs or expenses to the Company. If the Company is found to be in violation of the relevant regulations or is unable to renew any license or certification which would affect its business operations, there might be significant negative impact on the Company's products, reputation, operations or business opportunities. Therefore, the Company must consider the importance of, and strictly comply with, the relevant laws, rules, regulations and standards. The Company engaged Kudun and Partners Company Limited as legal adviser for the initial public offering and the listing of the Company's shares on the Stock Exchange of Thailand, and Kridthapong Charoenpanich Law Office Company Limited as legal advisor for general matters and lawsuits. The Company also has its internal legal department which reviews and keeps contracts and other documents, and is responsible for monitoring changes in the relevant laws, rules, regulations and standards. The department must report to the management of any changes and future trend on changes in the laws promptly and on a regular basis so that the Company can effectively prepare for changes in a timely manner without any obstacles to the Company's future business operations.

#### **2.2.12 Risk of the spread of Covid-19**

The Covid-19 pandemic has had widespread impact towards societies and economy and has affected every business and industry. It has forced business operators to adjust timely to technology and to the change in

consumers' behavior. However, there has been a limited impact on the Company's financial statements as majority of the Company's clients are government organizations and large private companies who have confidence in the quality service provided by the Company, and constantly require the Company's service in providing personnel. This can be observed through the Company's operating performance which has been improved compared to the same period of previous year in terms of both revenues and net profits. Such growth has prevented the Company from impact on its sources of capital and liquidity. In addition, during the past economic downturns such as Tom Yum Kung Crisis in the year 1997 or Hamburger Crisis in the year 2008, the majority of companies preferred to outsource personnel in the form of personnel outsourcing service agreements.

Nevertheless, if the spread of Covid-19 is ongoing for a long period, the Company expects possible impact on its revenues in term of overtime service by customers, particularly in provision of driver service. The ongoing spread will result in a lower overtime payment which is one of the Company's key supplemental income due to delay, postponement or reduction of services required by customers affected from curfews and closure of various business establishments such as department stores, restaurants, and hotels which has impact on valet parking service at department stores, and cancellation of driver service to one of the airlines etc. However, the Company recognizes that such risk could have impact on the Company's performance and the Company has been communicating and in close discussion with customers to maintain its existing customers and continuously increase number of new customers. The Company also set important measures and policies in respect of taking care of employees and provision of services to customers. For instance, the Company has: (1) adopted various applications such as MicrosoftTeam, TikTrack, GoogleHangout, DIGIDOCs, Onedrive in its operations and in servicing customers, creating fast work process that is responsive to customers' needs and seamless communication among the Company's staff as in the normal situation; (2) tests for Covid-19 conducted by specialist from leading hospital prior to sending replacement driver to service customer in order to ensure customer safety and contentment; (3) cancelled all overseas trips from 26 February 2020 onwards, staff who returned from overseas before 26 February 2020 must be self-quarantine for 14 days; (4) every staff must wear protective mask during performance of duties; (5) every staff must wash his/her hands, take temperature check, and apply indicative sticker before entering office building everyday; (6) postponed holidays according to the government's announcement; and (7) in respect of social responsibilities in the Covid-19 pandemic, the Company donated ventilators to Rajavithi Hospital and Rayong Hospital, and donated dry food and other supplies to the community, and provided cars with drivers to Chulalongkorn Hospital for transportation of Covid-19 patients, and sharing knowledge via the Company's online media such as Facebook etc.

The Company have developed a strategic plan to prepare and respond to the situation. The plan can be divided into 3 phases as follows:

1. Short-term plan: Preparation for prevention, monitoring and reduction in the spread of Covid-19.

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- Proactive test every 2 weeks and report the results directly to the senior management. Prepare a plan with a list of hospitals that provide treatment and announce the list of hospitals to employees. Prepare medicines to initially relieve symptoms before reaching the doctor's hand. In addition, an emergency team has been set up to receive problems from employees, following up and ensuring that employees are fully vaccinated and coordinating with various hospitals and managing transport if infection is detected.
  - Allowing employees to work from home to reduce the risk of traveling or touching others by providing both hardware and software to support working from home so that they neither miss any communication with customers nor miss out on any assignment, for example, a telephone system that can be connected even when working at home, an in-house software system to work independently from anywhere, and setting up a system that allows daily performance report by employees so that executives receive real-time information.

2. Medium-term plan: To improve work efficiency during the Covid period to be most efficient.

- Develop capabilities of the Company's software to support working from anywhere and achieve a higher safety standard. The Company has developed the standard and has passed the ISO:27001 certification criteria. In respect of the infrastructure, the Company manages the network system in accordance with international standards and have regular check and review, including preparing the hardware to support the changing system and technology.
- Reduce repetitive workflows or delays that require manpower and use technology to manage a more automated form. In the past, pen and paper were used to collect statistics of employees' works which are calculated by manpower. It is now switched to a system to calculate employees' wages. The Company has developed NEXT system to calculate details of the work by connecting to Tik Track system developed earlier by the Company to increase efficiency.
- Develop online communication channels with customers and employees through various channels such as Microsoft Team, Zoom, Google Meet etc., including public relations through channels of the system developed by the Company.
- Reduce works which require paper by using a digital system. The Company originally developed Digidoc system to reduce documents and process of document management with documents being signed online with E-Signature system. The Company has developed increasing capability of the system. In the future, the system will be able to create business flows, enabling more work-in-progress to be processed by the system.

3. Long-term plan: Develop every part of the Company's business system to support the future changes after the Covid crisis.

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The Company has established the Strategy Committee to analyze business trends that will change after the Covid-19 pandemic to prepare for the future changes including political situation, economy, behavior, trends, marketing, and finance etc. including looking for new business models to adapt to changes.

#### **2.2.13 Risk of having a major shareholder influencing management policy formulation**

As of 31 December 2021, the Company's major shareholder is the Vimolchalao family which holds 270.66 million shares in the Company or equivalent to 72.77% of the total paid-up capital of the Company, granting the main shareholders the power to control the Company and almost all the resolutions of the shareholders' meeting if not all shareholders attend the meeting, whether the appointment of directors or requesting resolutions on other matters that require a majority vote of shareholders attending the meeting or a special resolution requiring three-fourths of the votes of the shareholders attending the meeting and having the right to vote. Therefore, there is a risk to the Company's other shareholders of being unable to collect votes to balance the matters proposed by the major shareholders for consideration by the shareholders' meeting.

However, the Company's organization structure consists of the Board of Directors, the Audit Committee, the Nominating and Governance Committee, the Risk Management Committee, the Strategy Committee, and the Executive Committee. Roles and responsibilities of each committee are clearly specified and, therefore, the Company is transparent in respect of management of its business operations. The Board of Directors of the Company consists of 10 members of which 4 members are independent directors. The Chairman of the Board of Directors is an independent director. Three independent directors are members of the Audit Committee. Their roles are to evaluate, balance decision-makings, and approve transactions prior to being proposed for consideration by the shareholders' meeting. In the event of connected transactions with directors, major shareholders, controlling persons, related parties, and persons who may have a conflict of interests, such person may not vote to approve such transaction. In the event of securities offering which affect shareholders, minority shareholder shall have the right to abstain using a vote of only 10% of the total number of shareholders attending the meeting. An approval of such transaction must be in accordance with regulations of the Office of the Securities and Exchange Commission (the "SEC Office") and the Stock Exchange of Thailand (the "SET").

#### **2.2.14 Shareholders of the Company might be subject to restrictions on exercising rights to subscribe the Company's newly issued ordinary shares in the future**

Although public companies are not required to offer newly issued shares to existing shareholders before issuing newly issued shares, public companies can, from time to time, issue instruments, including newly issued shares and other instruments such as Transferable Subscription Rights (TSR) or warrants to purchase shares (Warrant) or convertible bonds by allotting them to existing shareholders in proportionate to their

existing shareholding. The Company has a discretion to consider whether to offer the rights to purchase newly issued shares or other rights to shareholders. The Company may not offer such rights to shareholders who reside outside of Thailand. In addition, the Company may be prohibited to offer such instruments to shareholders in certain countries, subject to the applicable laws, unless the relevant procedures are performed. For instance, the Company may not offer such rights to any shareholder who is considered a U.S. Person according to Regulation S under the United States Securities Act of 1933 (as amended), unless (A) there is registration statement as required under the United States Securities Act; or (B) such offering to shareholders is exempted under the United States Securities Act. The Company's compliance with securities acts or other regulations of certain countries may prohibit investors from exercising their rights in proportionate to their existing shareholding and may dilute shareholding by such investors. The Company is not obligated to submit registration statement of the Company's ordinary shares in any countries to allow foreign investors to exercise their rights to purchase newly issued shares in proportionate to their existing shareholding in the future.

#### **2.2.15 Risk of holding digital assets**

In the second quarter of 2021, the Company received KUB coin as a validator. The Company focused on this matter and considered risks of future holdings of the digital assets as follows:

- Risk of price volatility. Although the price of digital assets is highly fluctuated, as a node validator, the Company does not invest in KUB coin, but acquires KUB coin through acting as a validator. Costs of having such coins consist of only IT server expenses.
- Risk of loss of digital assets. Since digital assets are stored in a digital wallet. There is a potential that the digital assets will be lost. However, the Company's Information Technology Department has a systematic and highly secure data storage measure.
- Risk of changes in digital asset laws. Even though the Bank of Thailand earlier mandated that the use of digital assets as a medium of exchange would not be allowed, digital assets are now certified under Thai laws and can be exchanged for cash through an exchange platform that is certified by Office of the Securities and Exchange Commission.



### 3. Driving Business for Sustainability

#### Sustainability Management Policy and Goals



The Company believes that running a business on the basis of sustainability is an important foundation that will help the organization grow with stability. The Company is determined to be an organization that cares for society, community and environment and provides good service to customers and partners to operate in appropriate directions and create benefits for all stakeholders. This concept is used to formulate the policy on development of sustainability management for the business operations to grow, stabilize, and cover all dimensions of the economy, society and environment. It is the concept of sustainable development.

In addition, the Company attaches great importance to compliance with the laws and regulations relating to environment, occupational health and safety at local, national and regional levels and compliance with international business ethics by requiring directors, executives and employees to act within the framework of the laws, rules, regulations and must not involve, assist or act in any way that violates the laws or other relevant regulations. The Company does not support any actions that are infringement of intellectual property rights and requires directors, executives and employees to act within the framework of the laws, rules, regulations and must not involve, assist or act in any way that violates the laws, rules and other regulations relating to intellectual property rights.

## Strategies for Sustainable Development Goals

Strategy Direction	Corporate Governance	Social	Environment
Strategy	Comply with the principles of good corporate governance.	Improve the quality of life for the community and society.	Conduct environmentally friendly business.
	Adapt to changes in a timely manner, strive to develop business growth.	Create a good working environment based on the principles of human rights.	Use resources economically and cost-effectively.
		Prepare personnel to support future business growth.	

Each year, the Company must review and adjust its strategy in according to the situations. Economic conditions and other factors, including customer decisions, affect competition and business operations. The Company, therefore, adheres to the principle of development according to the situations but still follows the Company's vision and goals which is provision of solution services that change life and simplify your business.

The Company has always strived to operate in accordance with the established strategy and aims to develop and promote the efficiency of each business to continuously create values for the society and environment.

The Company's business strategy is always aware of the real need of the customers, whether it is solution, new services, new product and innovation. We always find new method, customer's need, and competitive edge over our competitors. The Company creates services that meets the needs of customers. In 2021, the Company has set a strategy that meets customers' needs and probable in the current situations.

The business of Siamrajathanee Public Company Limited  
(the “Company”) can be categorized into 2 main business units:

1

**Outsourcing Services consists of:**

Management service can be categorized into 3 types of services:

1. management of drivers and office staff
2. management of technicians
3. data entry and management service.

Landscape maintenance service can be categorized into 3 types of services

1. large-scale landscape maintenance service
2. landscape design service
3. large tree cutting service (Tree Care)

2

**Rental and services consists of:**

1. vehicle rental service and
2. property lease.

SO

# PEOPLE

## Workforce Management

Challenges and Objectives

Changes for Sustainability

Success and Progress

Growing in the midst of a shrinking economy is a challenge that requires strategic planning and creating services that contradict with the Covid-19 situation. We will be a tool or solution that meets the needs of customers, being flexible, providing reliefs to customers, and making customers' business more streamlined.

Creating a new recruitment system that reaches a wide range of people to be a central market for job search, stimulating new form of employment suitable for usage.

Lean management causing the Company to develop cost potential for competitive opportunities. The Company is the first company in Thailand that has been awarded standard certification, building confidence for customers and providing practical advice with results that are measurable at every step.

Automated system which reduces complex work processes, but creates a good standard for employees, applicants, and customers, creating happiness at work and increasing convenience for customers.

Formation of a lean management team to continuously expand results and measure goal, generating profitable growth in the form of S-Curve.

Automated system which reduces complex work processes, but creates a good standard for employees, applicants, and customers, creating happiness at work and increasing convenience for customers.



Eco car



Economy Class



Business Class



Luxury Class



Single Cab



Double Cab



Van



SUV Class



### Challenges and Objectives

The fierce competition in the market is increasing. There are challenges faced by the Company. And the Company must devise a strategy to match the competitive market by finding new markets and bring technology tools to create differentiation in the services. Opening new markets with specific characteristics by making product differentiation, including adopting platform technology.

### Changes for Sustainability

Build a modified car market to accommodate the change and market growth in industries such as logistics, food and medicine, and consumer goods etc.

Implementation of a platform technology on booking management system is used to make a difference in business and increase convenience for customers.

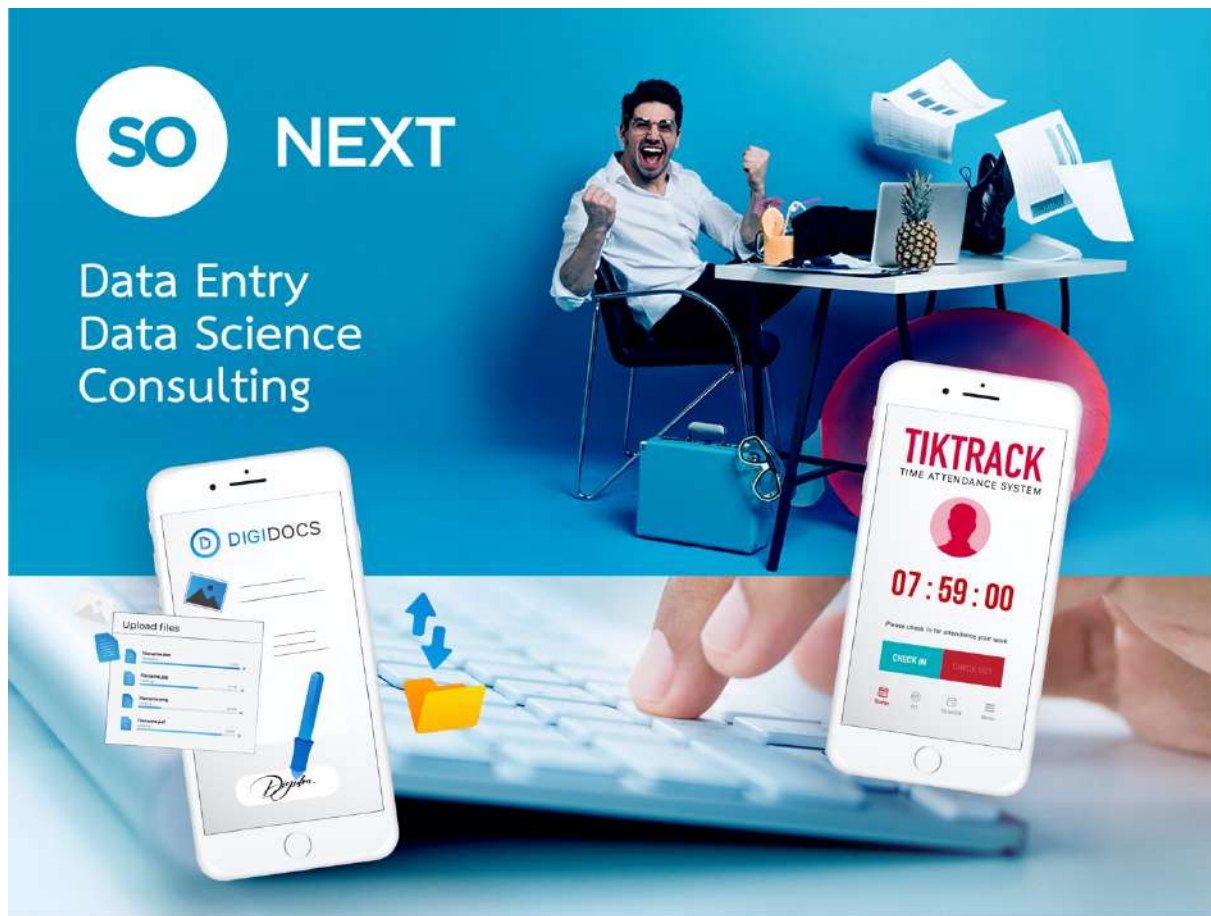
### Success and Progress

Expansion of a specific diversified customer base to meet the expansion of customers in different markets.

Creating partners in the business partnerships to meet the needs and design products to meet the various applications of customers.

Building on the business by organizing the seminar on "Guru and Modified Cars" to educate organizations that would like to use the cars.





#### Challenges and Objectives

Market competition that uses technology to differentiate and drives service usage is a challenge that has been defined as the Company's strategy to achieve the goal of becoming the number one outsourcing service provider in terms of quality. The Company has continuously learned to develop. In the year 2021, the Company aims to bring its in-house platform to be used with existing customers of over 300 contract in order for customers to start using technology in the organization to manage various work processes and to develop the Company's platform to support and solve customer problems in many businesses, such as health and beauty business group, automotive group, and real estate consulting group etc.

#### Changes for Sustainability

Introduction of technology development team and platform solution to develop the potential of the organization and transform between the Company and customers to create good experience from using the Company's services. Bringing problems and obstacles as a driving force to make a difference.

Consideration and selection of partners to help strengthening the team and support business growth.

There are experts in technology to support and promote learning to inspire the organization for changes, including building business connections, cooperation with partners, increasing sales opportunities and learning to create innovations that truly meet the needs of customers.

#### Success and Progress

The platform solution developed by the Company to solve enterprise problems has been expanded to provide services to contracted customers and has been enhanced to make usage more convenient, which has received a good response. Cooperation is given to develop good services in the future.

Collaboration with platform solutions to respond quickly to customer needs and keeping up with the situation which result in creating new and unlimited services for new customer groups and being open to opportunities with supportive partners.



#### Challenges and Objectives

Global warming or climate change has caused an increase in average global temperature, which is a threatening issue to the world. Therefore, all organizations focus on the campaign to reduce global warming. The first thing that every organization thinks of is creating as much green space as possible. Therefore, there is a need for vendors who are ready in terms of equipment, tools, expertise, and experience.

So Green is equipped with modern equipment, tools and machinery and has over 40 years of experience by taking care of large green areas. It provides garden care service with the minimum area of 30 Rai and above. Although in the Covid-19 situation, the cost of care can be a burden of which many companies need to reduce, the Company is still fighting and maintain SLA standards to create a difference, such as ISO 14001 standards and arborist standards or tree doctor that can design and prolong the life of tree to tell good stories and memories.

#### Changes for Sustainability

Shifting from sales to consulting and designing a service to suit budget of the customer.

Promoting learning and encouraging decrease in the use of chemical fertilizer by producing compost for use which will reduce toxic residues that are harmful to people, animals, and environment.

Adopting new technology and the introduction of lean system into the management of the organization to create an office automation. This is to reduce administration cost and increase efficiency of modern services. It is convenient to inspect and store tree data for each customer.

#### Success and Progress

Development of a team of arborists to create a sustainable service strategy. In the past, the Company has been reliable and accepted for providing services with standards and has created differentiation compared to competitors.

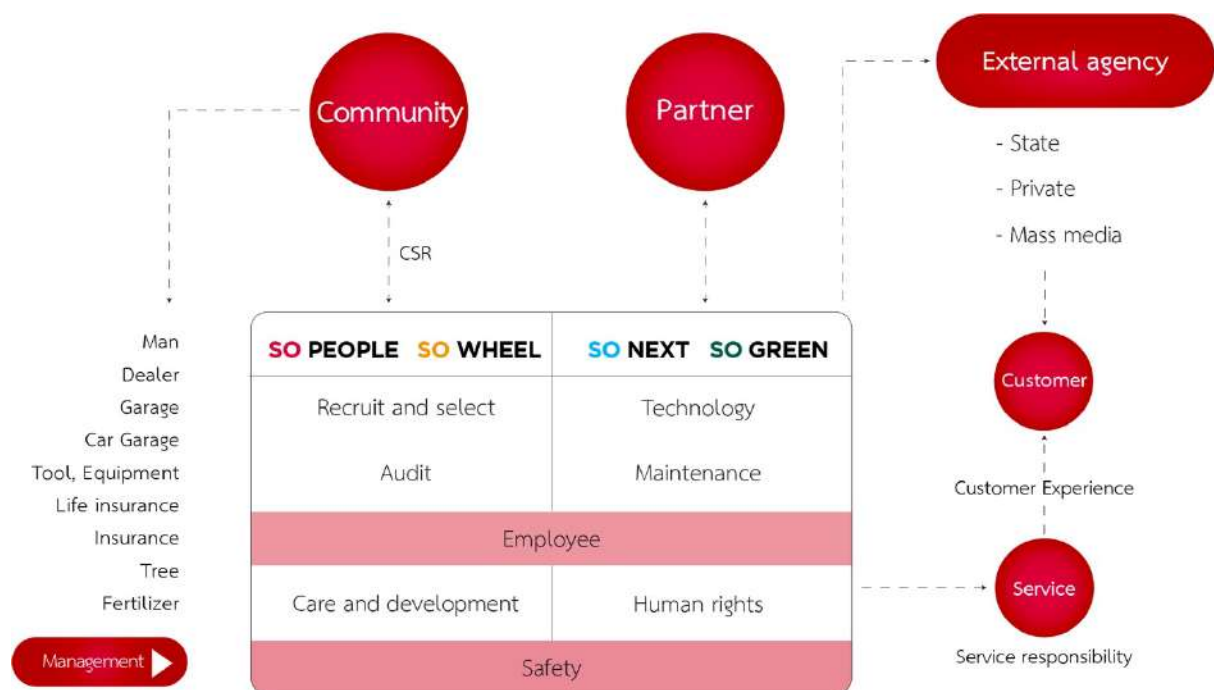
Large tree care advisor, Kru Toh Naradol Tanduan, has increased potential and competitive opportunities for the Company. There is an innovation in learning that makes the team successful and recognized continuously.

Being a member of Thai Association of Landscape Architects.

### 3.2 Managing impact on stakeholders in the business value chain

The Company emphasizes on creating value that is in line with good corporate governance principles, promotes fair competition, develops skills and knowledge in various fields for employees, promotes suitable and safe working environment, creates a diverse and equitable corporate culture, and creates values for key operations in the supply chain to meet the requirements of stakeholders.

#### 3.2.1 Business value chain



#### 3.2.2 Stakeholder analysis in business value chain

The Company defines relevant stakeholders based on the extent of their involvement and the characteristics of group of stakeholders or individual stakeholders that affect the Company, as well as those being affected by the operations and activities of the Company directly or indirectly. Therefore, the Company provides various communication channels to obtain stakeholders' opinion and expectations which will lead to developments in response to comments.



Stakeholder Group	Participation and communication channels	Interest and Expectation	Response
Employee	- Orientation for new employee.	<ul style="list-style-type: none"> <li>- Work with ease and speed according to clear operational standards to minimize errors to customers.</li> <li>- Work in safe environment without pollution in the workplace.</li> <li>- Appropriate basic welfare to boost work morale.</li> <li>- Career advancement.</li> <li>- Measures to take care of employees under the Covid-19 situation.</li> </ul>	<ul style="list-style-type: none"> <li>- Develop a plan to upgrade employee knowledge, skills and capabilities.</li> <li>- Review employee compensation and welfare to be appropriate and fair.</li> <li>- Set measures to help employees affected by the Covid-19 situation.</li> </ul>
Suppliers	- Communication via online and offline channels.	<ul style="list-style-type: none"> <li>- Payment on time.</li> <li>- Receive regular orders.</li> <li>- Advance procurement plan.</li> </ul>	- Selection criteria.
Government	<ul style="list-style-type: none"> <li>- Communicate via online channel and fax.</li> <li>- Interaction while providing services.</li> </ul>	- Compliance with the laws and regulations.	- Compliance with the criteria.
Customer	<ul style="list-style-type: none"> <li>- Customer's satisfaction survey after service.</li> <li>- Interaction with customer while providing services.</li> <li>- Complaints through channels for complaints.</li> <li>- Communication via online channel.</li> </ul>	<ul style="list-style-type: none"> <li>- Service according to conditions under the contract.</li> <li>- Fair prices.</li> <li>- Convenient and speedy services.</li> <li>- Quality services under the Covid-19 pandemic.</li> <li>- Variety of services to meet customers' needs.</li> </ul>	<ul style="list-style-type: none"> <li>- Develop technology so customers receive efficient services.</li> <li>- Present true and complete information about the services.</li> <li>- Develop continuous and sustainable services.</li> </ul>



Stakeholder Group	Participation and communication channels	Interest and Expectation	Response
Community	<ul style="list-style-type: none"> <li>- Community relations activities through volunteer activities.</li> <li>-Listen to opinion of the community and society through various channels.</li> </ul>	<ul style="list-style-type: none"> <li>- Unaffected by the Company's activities in respect of pollution or Company's transportation.</li> <li>-Support community activities.</li> <li>-Develop community to grow together sustainably.</li> </ul>	<ul style="list-style-type: none"> <li>- Promote, develop, and build good relationships with the community and society to be able to live together in a worthwhile and sustainable way.</li> <li>- Build a career and income for people in the community.</li> </ul>
Company owner / Shareholder	<ul style="list-style-type: none"> <li>-Investor relations activities.</li> <li>-General meeting of shareholders.</li> <li>-Company's website.</li> <li>-Online and printed media.</li> <li>- Channels for receiving information by investor relations.</li> </ul>	<ul style="list-style-type: none"> <li>- Gain more profit from business.</li> <li>- Develop diversity in the business.</li> <li>- Modernized services.</li> <li>- Transparency at work (without corruption)</li> </ul>	<ul style="list-style-type: none"> <li>- Participate in and provide comments on the business operations.</li> <li>-Arrange regular meetings with investors, analysts and shareholders.</li> <li>- Listen to recommendations from every shareholder equally.</li> <li>- Present the Company's operating performance, business directions and business plan.</li> </ul>
Trade partner	<ul style="list-style-type: none"> <li>- Communication via online and offline channels.</li> </ul>	<ul style="list-style-type: none"> <li>- Business expansion.</li> <li>- Create a variety of new services.</li> <li>- To meet the needs</li> </ul>	<ul style="list-style-type: none"> <li>- Entry into memorandum of understanding.</li> </ul>

Stakeholder Group	Participation and communication channels	Interest and Expectation	Response
	- Interaction while providing services.	of customers quickly. - Use new technology to create service experiences.	- Create mutual opportunities.

The Company conducts customer satisfaction survey at least once a year to understand impact or issues that may have occurred during the services and reduce risks or be used as guidelines for improvement or modification to meet customers' needs. It is also to create an opportunity to add value to the business. Overall, customer satisfaction of the services is approximately 00. In respect of other groups of stakeholders, the process in collecting data to form a survey is still being under consideration.

### Identify key sustainability issues

The Company has considered issues that are important or affect the Company from changes of sustainability directions which fluctuate according to current events, organizational context, and analysis on the impact of the Covid-19 pandemic and stakeholders for management. The Company has considered only issues that affect the Company directly and indirectly. These key issues will be reviewed annually.



#### 1. Identifying key sustainability issues

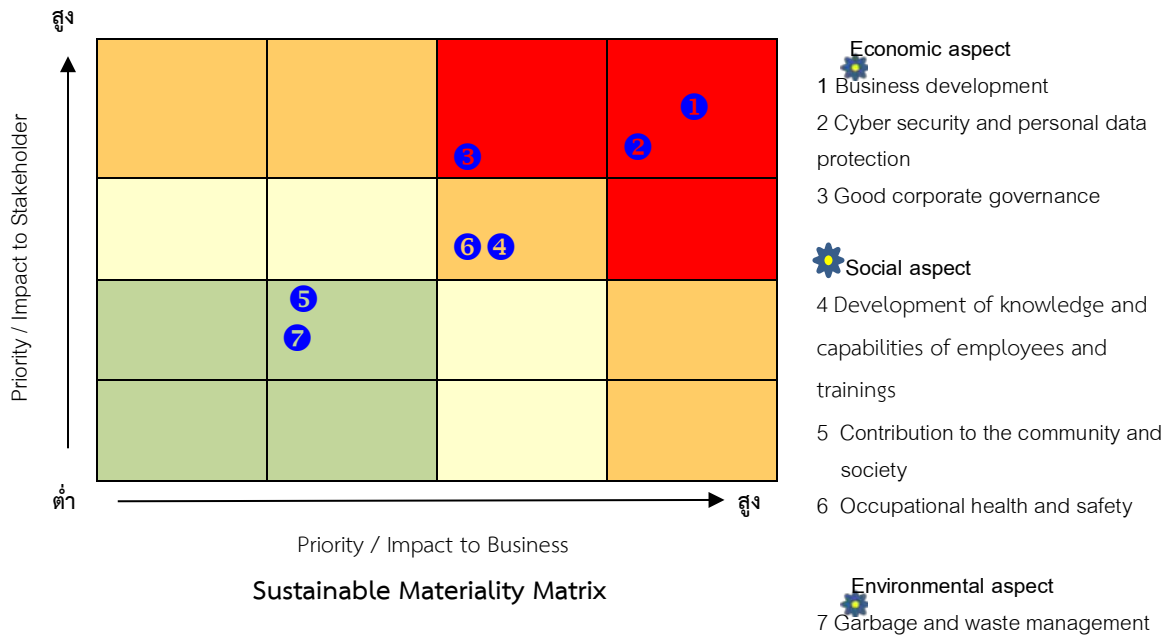
The Company considers risks that are important to the business and key issues from the stakeholder groups from every group's participation. The Company makes a comparative study with sustainability issues and assessment on the importance of all issues, and proposes them to the Executive Committee and the Board of Directors for consideration.

#### 2. Prioritizing important issues

The Company has prioritized important issues by conducting an analysis and considering sustainability data. The consideration is divided into 3 groups, namely economic, social and environmental aspects. The Company considers important issues that affect, and are of interest to, all stakeholder groups, both within and outside the organization.

### 3. Review significant issues and follow up on results

The Company has reviewed completeness of significant sustainability issues by reviewing according to priority and connection to stakeholders to verify issues from additional comments and put together in Form 56-1 One Report and present to the meetings of the Executive Committee and the Board of Directors respectively.



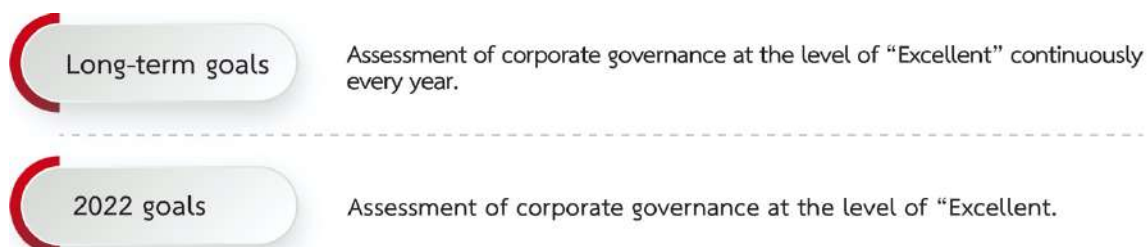
### Key sustainability issues

Key sustainability issues	Extent of impact (within/outside the organization)	Topics presented in the report
1 Business development	All departments/trade partners, customers, shareholders	Business development
2 Cyber security and personal data protection	All departments/customers	Cyber security and personal data protection
3 Good corporate governance	All departments/trade partners, customers, shareholders	Good corporate governance.
4 Development of knowledge and capabilities of employees and trainings	All departments/employees	Development of knowledge and capabilities of employees and trainings

Key sustainability issues	Extent of impact (within/outside the organization)	Topics presented in the report
5 Contribution to the community and society	All departments/employees, community	Contribution to the community and society
6 Occupational health and safety	All departments/employees	Occupational health and safety
7 Garbage and waste management	All departments/employees, community	Garbage, waste and pollution management

## Sustainability Performance

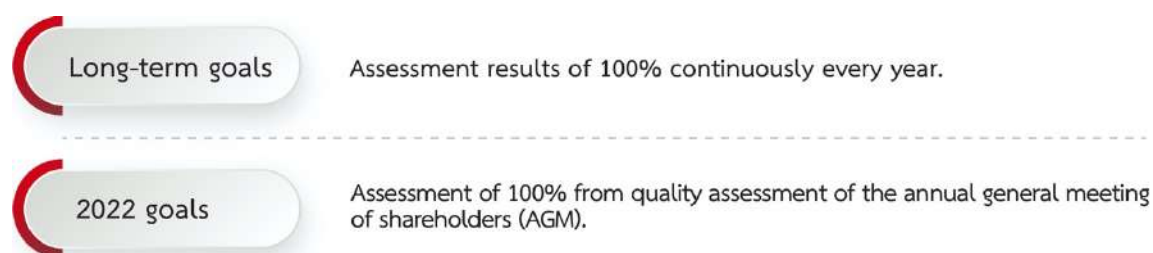
### Corporate governance assessment of listed companies



The operating performance in the year 2021 was the first year of achieving “Very Good” assessment result from the Corporate Governance Report of Thai Listed Companies (CGR) by Thai Institute of Directors (IOD), under the support of the Stock Exchange of Thailand (SET).



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**Quality assessment of the annual general meeting of shareholders (AGM)**


In respect of performance in the year 2021, assessment results was 98%, which was the first year for quality assessment of the 2021 Annual General Meeting of Shareholders of companies listed on the Stock Exchange of Thailand by Thai Investors Association.

### 3.3 Sustainability management in economic aspect

#### 3.3.1 Business development

The Company continues to focus on creating innovation within the organization and promoting and supporting development of new products and services in response to the goal of driving an ever-changing business that focuses on SDGs to add values and mutual growth according to the Company's sustainable development framework. The Company has evolved from a traditional outsourcing company to a company that uses technology and creates new innovation or Tech company as it has personnel for the use of technology (Peopleware) with database on human resources of more than 100,000 persons. This has become the Company's strength as it enables the Company to create additional innovations, ranging from peopleware, software and hardware, leading to a variety of services and fully integrated solutions. It will also help meeting customers' requirement in terms of convenience and will save cost and time.

In addition, the Company has adjusted its organizational structure to be in line with business development with emphasis on the Technology Department and the Investment Department, being separated from the core business. These departments can commit and focus on building a business that has the opportunity for exponential growth (New S-Curve) in both technology and digital transformation after adjusting the workflows to reduce difficult steps by using more "Agile" methodology. The Company has also signed contracts and joint investments with many business partners, including trade partners, full integrated solution providers that are similar to the Company, and startups such as cooperation to build IT infrastructure with Huawei Technology, being one of the co-investors of Strategic Partners in Krungsri Finnovate's VC Fund, and being in the process of co-developing outsourcing solutions with other startups. The Company has also established a committee on strategies with expertise in startups and blockchain technology to create an infrastructure that will be jointly developed into various applications in the future for use in public and private agencies.

### 3.3.2 Cyber security and personal data protections

The Company has prepared for changes in technology. The security policy of the information technology system which covers cyber security has been established and approved through review from the Board of Directors' Meeting No. 4/2021 held on 11 August 2021. The Company has a personal data protection policy in place, which has been approved by the Board of Directors' Meeting No. 2/2021 on 23 February 2021. The Company has also been certified for information security system standard ISO27001:2013. The certified period is from 1 February 2021 to 31 January 2024. Details of personal data protection process according to the laws and proper permission to use personal data are set out under the personal data protection policy. Please refer to additional details on the Company's website at [www.siamrajathanee.com](http://www.siamrajathanee.com).

### 3.3.3 Good corporate governance

The Company gives great importance to corporate governance to build trust and credibility with all groups of stakeholders. The Company is determined to manage the organization with good corporate governance principles and realizes the importance of good corporate governance. It has a corporate governance structure that consists of committees with the ability to supervise and manage with transparency and operate in accordance with good corporate governance policy framework. It is also aware of the management of risks arising from internal and external factors for the organization to operate the supply chain with continuity. Actions are taken to support risk culture to provide all employees with knowledge and understanding of the importance of risk management throughout the organization (please refer to additional details in the topic of Management Structure and Corporate Governance in One Report).

## 3.4 Sustainability management in environmental aspect

### 3.4.1 Environmental policy and practices

The Company attaches great importance to the analysis of risks and impacts on the environment and safety in all processes of its business operations, including the efficient use of resources and energy saving according to the international principles.

#### Preparation of social and environmental report

The Company will disclose information on compliance with social responsibility guidelines to benefit all stakeholders. A report is prepared for disclosure of actions relating to social and environment, covering business undertakings on environmental, safety and social aspects. Such information has been accurately prepared and various information dissemination channels are provided, allowing stakeholders to access information conveniently.

### 3.4.2 Environmental performance

The Company encourages directors, executives and employees at all levels in the organization to use resources efficiently, appropriately and sufficiently for maximum benefits. The Company also

communicates, educates, supports and creates awareness among employees and all related parties to manage the use of available resources for the maximum benefits of the organization.

- Campaign to reduce the use of paper by sending information via electronic means such as e-mail and secure authorized approval through the platform designed and built by the Company under the name “DIGIDOCs”
- Reduce process or steps in the operations for simplicity and convenience by adopting “Lean” system. This helps reducing paperwork and workload with the use of computers for certain work process of some departments.
- Campaign to use LED bulbs to save electricity

1. Energy management. The management recognizes the importance of energy management and has established the energy conservation policy for executives and employees to comply with in the same directions. It realizes the importance of efficient use of energy resources and focuses on providing guidelines for energy conservation and building controls for employees within the organization to enable all employees to participate in energy conservation which is aimed at reducing the Company's expenses, such as having electricity and air conditioning turned off during lunch time from 12.00 p.m. – 1.00 p.m. and after office hours of 5.00 p.m.

2. Water management. The Company manages wastewater from cleaning of containers, toilets or other activities to the building's central sewage system (the Company is not required by the laws to test water quality).

3. Management of garbage, waste, and pollution. The management has assigned a department to be responsible for management of garbage, waste, and pollution. Employees and executives have been informed that the Company has categorized waste bins into 3 types. Waste should be separated before disposing into general bins, water bottle, plastic or glass bins, and recycling bins.

Food scraps or wet garbage should not be disposed in the building. They should be separated and disposed outside the building in the place provided by caregivers for cleanliness and convenience for caregivers.

4. Management to reduce greenhouse gas. Since the Company is a medium-sized office, the use of electricity is not very high, depending on the climate and the number of working days in each month. The details are as follows:

#### Definitions

Activity Data	Information on activities that cause greenhouse gas emission.
Emission Factor	It is greenhouse gas emission coefficient or fixed that is used to change the Activity Data into the amount of greenhouse gas emission.

**Calculation guidelines**

Activity Data that generate greenhouse gas emission multiplied by Emission Factor will be equal to the activity's greenhouse gas emission (kgCO<sub>2</sub>e).

**Table illustrating electricity usage in the year 2021**

Table illustrating greenhouse gas emission of electricity use in 2021			
Month	Usage (kWh)	Emission Factor	Gas Emission
Jan	37,000	0.5986	22,148.20
Feb	39,000	0.5986	23,345.40
Mar	51,000	0.5986	30,528.60
Apr	42,000	0.5986	25,141.20
May	46,000	0.5986	27,535.60
Jun	49,000	0.5986	29,331.40
Jul	43,000	0.5986	25,739.80
Aug	46,000	0.5986	27,535.60
Sep	41,000	0.5986	24,542.60
Oct	44,000	0.5986	26,338.40
Nov	46,000	0.5986	27,535.60
Dec	35,000	0.5986	20,951.00

**Water usage in the year 2021**

Table illustrating greenhouse gas emission of water use in 2021			
Month	Usage	Emission Factor	Gas Emission
Jan	318	0.7948	252.746
Feb	350	0.7948	278.180
Mar	353	0.7948	280.564



Table illustrating greenhouse gas emission of water use in 2021			
Month	Usage	Emission Factor	Gas Emission
Apr	280	0.7948	222.544
May	277	0.7948	220.160
Jun	333	0.7948	264.668
Jul	231	0.7948	183.599
Aug	259	0.7948	205.853
Sep	274	0.7948	217.775
Oct	327	0.7948	259.900
Nov	331	0.7948	263.079
Dec	347	0.7948	275.796

#### Paper usage in the year 2021

Table illustrating greenhouse gas emission of paper use in 2021							
Month	Quantity of photocopy	Quantity of printing	Paper usage	Paper (ream)	Paper (kilogram)	Emission Factor	Emission of CO <sub>2</sub>
Jan	37,890	143,911.00	181,801.00	363.60	909.01	2.1020	1,910.73
Feb	23,645	131,923.00	155,568.00	311.14	777.84	2.1020	1,635.02
Mar	34,534	158,353.00	192,887.00	385.77	964.44	2.1020	2,027.24
Apr	28,096	136,404.00	164,500.00	329.00	822.50	2.1020	1,728.90
May	14,753	107,235.00	121,988.00	243.98	609.94	2.1020	1,282.09
Jun	35,754	171,861.00	207,615.00	415.23	1,038.08	2.1020	2,182.03
Jul	22,428	123,422.00	145,850.00	291.70	729.25	2.1020	1,532.88
Aug	26,320	143,887.00	170,207.00	340.41	851.04	2.1020	1,788.88
Sep	20,629	144,322.00	164,951.00	329.90	824.76	2.1020	1,733.64
Oct	19,102	125,039.00	144,141.00	288.28	720.71	2.1020	1,514.92
Nov	22,975	181,187.99	204,162.99	408.33	1,020.81	2.1020	2,145.75
Dec	21,476	177,511.00	198,987.00	397.97	994.94	2.1020	2,091.35

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**Remarks:**

Thank you for the information from the website : Greenhouse Gas Management Organization (Public Organization) or

<http://thaicarbonlabel.tgo.or.th/index.php?lang=TH&mod=Y0hKdlpIVmpkSE5mWlcxcGMzTnBiMjQ9>

Reference data of Emission Factor CFP March 2021 : Electricity group Article 59 Electricity, grid mix (Electricity): Tap water and industrial water group Article 60 Water supply - Metropolitan Waterworks

Authority: Pulp and paper group Article 592 Uncoated printing paper.

Some waste such as toner from the use of copiers and printers have been outsourced to third party. The Company has also adopted the energy conservation policy for employees and executives to appreciate the importance of efficient use of energy resources.

### 3.5 Sustainability management in social aspect

#### Social policy and practices

The Company has a corporate social responsibility (CSR) policy under ethical principles to ensure fairness to all stakeholders and has adopted the principles of good corporate governance as a guideline to maintain a balanced operations in terms of economy, community, society and environment, which will lead to sustainable business development.

The Company attaches importance to respecting human rights with the needs to create fairness and equality within and outside the organization by constant inspection to ensure that the Company's business is not involved in infringement of rights and freedoms of individuals, whether directly and indirectly. The Company does not support forced labor and is against child labor. The Company treats all stakeholders with fairness based on human dignity without discrimination. This includes treating all of the Company's personnel equally without discrimination on origin, race, sex, age, color, religion, physical conditions, status, nationality or other status that is not directly related to work performance. The Company also monitors compliance with human right requirements within the Company and encourages compliance with international human rights principles. The responsibility of the human rights extends also to its affiliates, joint ventures, trade partners, and disabled workers whom the Company sees the potential. In addition, it creates opportunities and generates income for these groups of persons.

In addition, the Company has a policy to ensure that all employees work together under a happy and accepting work environment and treat employees at all levels like siblings, without taking advantage of each other. In taking care of employees, the Company applies human resources management in every step for maximum efficiency from recruiting to personnel development, continuous trainings for employees, and fair remuneration and appropriate welfare arrangements. The Company also supports and encourages all employees to have the opportunity for career advancement. There are learnings at all levels of the

organization and development of skills to enhance work professionally and in the right working environment.

### Social performance

1. Employee and labor. The Company adheres to human rights principles from the employment to the care of employees and personnel so that all employees and personnel feel connected to the organization. In 2021, the Company has the following performance in relation to employees:

#### 1.1 Employment

Details	Number of employee (persons)	
	Male	Female
Head office employees	81	179
Site workers	8,207	763
Disabled workers	38	43
<b>Total</b>	<b>8,326</b>	<b>985</b>

#### 1.2 Compensation and benefits for employees

SO assesses the annual performance of employees by considering success of the work according to the assessment indicators (Key Performance Indicators : KPIs) that is consistent with job descriptions along with Predictive Index (Behavioral Assessment), which clearly defines the criteria and monitors the performance.

The Company considers adjusting the position and paying compensation fairly and appropriately in accordance with the annual performance appraisal in the year 2021. The Chairman of the Executive Committee, the Chief Executive Officer, and executives of all departments jointly consider welfare and compensation of employees.

#### 1.3 Development of knowledge and capabilities of employees and trainings

SO continuously develops capabilities of its employees by emphasizing on work-based learning skills and hands-on experience. This requires skills in all three areas as follows:

- Technology. To create continuous work efficiency and maximum effectiveness, the Company has implemented program work tracking technology so that employees can work at the office and from home.
- Analytical thinking and problem management.
- Teamwork. There are training sessions and exchange of ideas in each part of the business to create efficient work.

There are also improvement of knowledge (upskill), adding new knowledge (reskill), upgrading skills and promoting multi-skills which are necessary for self-development and job completion. There are also switching and job rotation to enhance skills and capabilities and create diverse work experiences.



The Company also has a training center for employees under the name “SO ACADEMY”. Such center is considered another channel for recruiting personnel to serve customers’ requirements. Training is provided for drivers, valet drivers, forklift drivers, administrative and public relations staff with a variety of courses, including safety driving, defensive driving, hazardous test to prevent accidents, service mind, traffic rules, basic laws, and routes and preparation before starting work. This is to uplift potential and increase skills and capabilities of the employees.



**Professional executive driver program “ SO ACADEMY”**

The program is a training course to increase driving skills for new generation, women and elderly interested in driving or would like to change the line of work.

The training will take 3 days with intensive content of becoming a driver in terms of theory and practice with professional trainers to become a professional executive driver.

**Rationale and objectives of the program**

At present, Siamrajathanee Public Company Limited is continuously growing and advancing in the line of outsourcing services for which the driver position is the number one position that the Company delivers to customers all over the country.

As a result, the Company has a high demand for qualified personnel in this line of work. Therefore, the project "SO ACADEMY" has been established to meet the needs, increase service efficiency, create greater customer satisfaction, and create opportunities for elderly with capabilities to work and generate income and not being a burden on the society and children.

**Target group**

After completing the program, the participants will acquire driving skills and safe driving, personality development and service development. The important matter is that there is a guarantee to all participants that they will have jobs, stable income, and opportunities for advancement in the field of driving such as a senior executive driver position.

The target group of the project includes:

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- New generation group without driving experience;
  - Retirees with the age of 50 – 60, who are still in good health;
  - Women who love to drive and would like to change career.

#### 1.4 Occupational health and safety policy

In 2021, the Covid-19 pandemic affects performance of work and living of employees. The Company has provided masks, alcohol gel, anti-Covid vaccines, and biweekly ATK tests and immunity check after vaccination to ensure the safety of the Company's employees and build customer confidence in practice. A covid preventive measure plan has been developed and a team has been established to take care of employees in case of risks and for procurement of equipment, survival bags, medicines, and transportation for staff in case of quarantines. The Company provides annual health check-ups for employees and executives, including accident and health insurance.

## 2. Customers and consumers

The Company considers the maximum satisfaction to customers who are persons purchasing goods and services from the Company and consumers who are persons using goods and services produced by the Company with fair prices, quality and responsibility to customers and consumers by adhering to the following guidelines:

- 2.1 The Company is committed to product development and provision of comprehensive, fast, and quality services to continuously meet the needs of customers and consumers. The Company's personnel must be fully dedicated to meet the needs of customers and consumers with reasonable prices, adapting promptly to situations with quality and without limiting the rights of consumers. The Company also provide fair conditions to consumers.
- 2.2 The Company must not do anything to deceive or create false belief in the quality of the products and services of the Company.
- 2.3 The Company is committed to improving safety in the use of the Company's products and services. Consumer safety is most important. The Company must set up warning signs, strictly inspects safety in the workplace, and continuously campaign and train employees on safety for consumers.

## 3. Community and society

The Company has a policy to conduct business that is beneficial to the economy and society, adheres to being good citizenship, and complies with all relevant laws and regulations. The Company will strive to develop, promote and enhance the quality of life in the society and the community where the Company is located to improve quality along with the growth of the Company.

The Company adheres to the policy in taking care of and building relationships with nearby communities. The Company supports activities of the community on a regular basis. Projects are being implemented



based on suitability and benefits to the community and the society for sustainable community development. The Company also sends employees to participate in community activities and supports activities in the community on a constant and regular basis.



#### Contribution to the society and community

The Company realizes the importance of the society and community. Therefore, activities for the benefits of society and community have been continuously undertaken. Examples of such activities organized by the Company are:

**SO volunteers to help medical personnel with proactive examination to control the outbreak in Khlong Toei area**



On 12 May 2021, SO participated in supporting people in the Khlong Toei community to have jobs by volunteering to help medical personnel Sor.Thor. 41. At that time, there was a lack of medical assistants to help answering the phones and completing registration forms.

Spray disinfectant inside car to prevent the spread of the Covid-19



On 11 June 2021, SO recognized the importance of hygiene and the needs to increase measures to prevent the spread of the Covid-19 and to reinforce confidence from all customers in the services, the Company provided disinfectant spray to kill bacteria and virus inside the cars of all employees who had made requests and all of the Company's cars before being delivered to customers. In addition, the Company reminded every employee to strictly adhere to hygiene care to reduce the risk of the spread of the Covid-19.

The Company would like to express our gratitude to Toyota Motor Thailand Co., Ltd., who kindly came to provide disinfectant spraying service in the cars for the safety of all employees and customers.





### Saeng Haeng Jai Field Hospital

In respect of SO+ projects that have continuously helped the society, Siamrajathanee Public Company Limited or SO donated Baht 1 million to build a field hospital in the name of "Saeng Haeng Jai Field Hospital" to help the Covid-19 patients. The hospital is located at Bangna-Trad, Km.5, Soi Wat Khlong Palat Priang, Bang Kaew Sub-district, Bang Phli District, Samut Prakan Province. It can accommodate 450 green and light yellow Covid-19 patients (patients with mild symptoms).

As of 9 August 2021, call center information has been opened and ready to accept patients. Tel : 02 116-7888 during 8:00 a.m. and 6:00 p.m. everyday.

**Siamrajathanee transforms vans with hydraulic to transport green Covid-19 patients**

Siamrajathanee Public Company Limited or SO, a leader in outsourcing services, is another partner to provide moral support for Thai people overcome the Covid-19 crisis by supporting specially customized vans with drivers to provide transportation services for Covid-19 patients at a green level (mild symptoms).

**Mr. Nattaphol Vimolchalao**, Chief Operating Officer of SO, said that the Company had joined with a group of volunteers to be another encouragement for Thai people to overcome the Covid-19 pandemic by supporting specially customized van with driver to provide transportation of green-level COVID-19 patients from their homes to quarantine centers or hospitals for treatments.

“The vans are customized by installing hydraulic lifts, suitable for transporting patients in wheelchairs who can be lifted up and down easily and can support weight up to 350 kg.”

At present, there are a total of 4 SO vans in service, comprising of 2 conventional vans and 2 vans equipped with hydraulic lifts, in collaboration with volunteer groups such as Ms. Diana Jongjintanakarn group for quarantine centers and Wat Pa Charoen Tham, Bo Thong District, Chonburi Province, and as well as for servicing SO customers. SO volunteer staffs have undergone a basic training in patient transportation and have an understanding and readiness to work. They wear PPE protective clothing and protective gear for operator's safety.



**Siamrajathanee joins with PEA Khon Kaen and Villa Market to donate survival bags to help flood victims on 23 November 2021**

Siamrajathanee Public Company Limited or SO brings employees to the area to continuously help the society. The Company joined with the Provincial Electricity Authority in Khon Kaen Province and Villa Market to donate survival bags to help flood victims through the project "Healing, nourishing happiness" (Bumbad Took, Bumrung Sook) at Ban Pak Puei Flood Management Center, Bueng Niam Sub-district, Mueang Khon Kaen District Khon Kaen Province. 150 sets of survival bags were delivered to support those who have been affected by the flood.





**Donation of survival bags**

On 1 November 2021, Mr. Nattaphol Vimolchalao, Chief Executive Officer of Siamrajathanee Public Company Limited or SO, the number one outsourcing services in Thailand, led employees to help flood victims at Bang Ban District, Phra Nakhon Si Ayutthaya Province to provide survival bags containing necessary items and drinking water to the people in the area to express concern for people whose life and properties were affected by flood. SO Siamrajathanee would like to join as another encouragement for people to move through this crisis situation and sincerely hopes that the situation would resolve soon. The event was held at Bang Ban District, Phra Nakhon Si Ayutthaya Province.



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## 4. Management Discussion and Analysis (MD&A)

### 4.1 Management discussion and analysis

#### Overview of past performance

Siamrajathanee Public Company Limited (the “**Company**” or “**SO**”) started as the business of Vimolchalao family. The Company was incorporated on 17 May 1976 with the registered capital of Baht 4.00 million to operate the business of manufacturing and distribution of agricultural products, consumer goods, and animal feeds. Subsequently, the Company expanded its business operations to design and distribution of industrial pump systems and related engineering equipment system, construction of measurement stations and natural gas pipelines, automotive natural gas, landscape maintenance service, technician service, office staff service, data entry service, and car rental and driver service. The Vimolchalao family subsequently allocated family assets by separating Siamraj Public Company Limited to provide construction of measuring stations and natural gas pipelines service. The company was listed on the Stock Exchange of Thailand in 2015. As a result of the separation of business in the family, the Company currently operates 2 main business groups as follows:

#### Group 1 Outsourcing services consist of:

1. Management services which can be divided into 3 categories: 1) driver and office staff management service; 2) technician management service; and 3) data entry and management service.
2. Landscape maintenance service

#### Group 2 Rental and services consist of:

1. Car rental service
2. Property lease business

In the year 2021, Thailand had the 2<sup>nd</sup> and 3<sup>rd</sup> wave of Covid-19 pandemic which severely and continuously affected the Thai economy as a whole, particularly tourism and hospitality industry and restaurants which were heavily affected. In addition, the Thai government announced lockdown measures to curb the spread of the disease, thus potentially causing Thailand to have a negative economic growth rate. However, the number of customers from government sector increased compared to the number of customers from private sector. Currently, revenue from government agencies accounted for more than 60% of the Company's revenues from outsourcing services and rental and services in aggregate. While in the past three years, the Company's government customers accounted for about 56% of its revenues from outsourcing services and rental and services in aggregate. Due to the quality of services that has been accepted by the Company's customers, customers wish to continuously use the Company's outsourcing services. This can be seen from the Company's operating performance in both revenues and net profit that have grown compared to the same period of last year. Such growth has left the Company unaffected in relation to its funding sources and operating liquidity. During the past economic crisis, most companies choose to recruit in the form of outsourcing contracts. This trend may be a positive factor for the Company's business which focuses on outsourcing services.

The Covid-19 pandemic has caused the government to declare a state of emergency and prohibit anyone across the country from leaving their homes for a specified period (curfew). Therefore, most customers were using lower driver service during overtime hours, causing a decrease in overtime payment, which is one of the Company's key supplementary income. But there was a good signal that customers were using more driver service during overtime hours at the end of the year.

In the year 2020 and 2021, the Company's total revenues were Baht 2,067.58 million and Baht 2,113.06 million respectively. There was an increase of Baht 45.48 million or an increase of 2.20% year-over-year. The increase was due to growth in revenue from outsourcing services, which was mainly from technician management service. The Company's government customers have increased the number of employees and wage rates under the contracts. There was an increase in service usage while the state of emergency was declared. Therefore, overtime payments from the service increased. Revenue from rental and services also grew due to increase in revenue from car rental service. The Company secured a large government agency customer for car rental service with a long term contract of 5 years during April 2020. Based on acceptable quality of service and competitive price, the Company won the bidding. As a result, the Company recorded additional income from such contract for a full year in 2021.

In the year 2020 and 2021, the Company's costs of outsourcing services and rental and services were Baht 1,663.32 million and Baht 1,693.99 million respectively. There was an increase of Baht 30.67 million or an increase of 1.8% compared to the same period of last year. Most of the increase were in line with revenue growth, but increased in a smaller ratio. As a result, the Company's gross profit and gross profit margin are better than those of the previous year. Part of the increase came from expenses relating to new contracts with customers such as guarantee fee and stamp duty etc. This was caused by an increase in the number of contracts and contract values.

The Company's service and administrative expenses in the year 2020 and 2021 were Baht 218.50 million and Baht 208.40 million respectively. There was a decrease of 4.7% compared to the same period of last year due to: 1) improved internal expense management with Lean project; 2) there was an allowance for doubtful accounts in the amount of Baht 5.78 million as a result of a state enterprise customer who entered into a rehabilitation plan in the year 2020. By adopting a conservative basis, the Company decided to set up an allowance for doubtful accounts in the full amount.

In respect of net profit in the year 2020 and 2021, the Company's net profit excluding gain on sale of assets for lease held for sale and equipment in the year 2021 was Baht 153.00 million. There was an increase of Baht 37.40 million compared to the same period of the year 2020. The increase was a result of an increase in operating profit, which was driven by an increase in revenues from outsourcing services and rental and services. Direct costs increased at a lower rate than revenues due to the Company's better cost management, resulting in better gross profit and gross margin than last year. The Company's overall

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administrative expense has declined as a result of the economy of scale from the Company's readiness to expand its business with investments in human resources, buildings, and various IT equipment and systems during the past three years. Therefore, such expense has reduced in the year 2021.

The Company's net profit for the year 2021 was Baht 168.26 million or equivalent to net profit margin of 8.07%. There was an increase in net profit for the year 2020 which was in the amount of Baht 139.55 million or equivalent to net profit margin of 6.85%.

As of 31 December 2019, the Company's total assets was Baht 1,089.92 million, an increase of 7.13% compared to the end of the year 2018. The increase was mainly due to an increase in trade receivables and assets for lease. The Company's total liabilities was Baht 774.04 million, an increase of 18.53% compared to the end of the year 2018. The increase was mainly due to an increase in liabilities under hire purchase contracts relating to the acquisition of assets for lease and short-term loans from financial institutions in the amount of Baht 160.00 million for dividend payment. The Company's shareholders' equity was Baht 315.88 million or a decrease of 13.31% compared to the end of the year 2018. This was due to the dividend payment in Quarter 3 of the year 2019 in the amount of Baht 160.00 million.

As of 31 December 2020, the Company's total assets was Baht 1,534.65 million or an increase of 40.80% compared to the end of the year 2019. The increase was mainly due to increases in assets for lease from securing a long-term contract from a large government agency and bank deposits from the initial public offering (IPO) on 14 October 2020. The Company's total liabilities was Baht 665.47 million or a decrease of 14.03% compared to the end of the year 2019. This was mainly due to repayment of all short-term loans from financial institutions. The Company's shareholders' equity was Baht 869.17 million or an increase of 175.16% compared to the end of the year 2019. The increase was due to share premium from the initial public offering.

As of 31 December 2021, the Company's total assets was Baht 1,539.72 million with an insignificant increase from that of the year 2020. In the year 2021, there was an increase of Baht 120 million in current financial assets due to 6-month fixed deposit, and assets for lease decreased due to depreciation.

The Company's total liabilities was Baht 587.84 million, a decrease of 11.67% compared to the end of the year 2020. The decrease was mainly due to a decrease in hire purchase liabilities as a result of repayment. This was in line with decrease in assets for lease.

As for the guidelines on preparation of financial statements for the year ending 31 December 2021, the Company applies the same important accounting policies used in the preparation of the interim financial statements as that used in the preparation of the financial statements for the year ending 31 December 2021, except for accounting policy regarding digital assets. As a validator node for verification of transactions,

the Company has considered its digital assets to be a long-term investment. Therefore, principles of the Financial Reporting Standard 38 - Intangible Assets have been applied. The digital assets are classified as non-current assets and included as part of intangible assets under the statement of financial position.

### Operating performance analysis

For the year 2021, the Company's total revenues was Baht 2,112.39 million, an increase of 2.18% which was driven by revenue growth from growth in revenue from outsourcing services, which was largely driven by technician management service and growth in revenue from rental and services. The increase in revenue from rental and services was mainly due to increase revenue from car rental as the Company acquired a large government agency customer with a long-term contract from the former government agency with a contract term of 5 years during April 2020. Therefore, the Company recorded an additional revenue from such contract for the full year 2021. In the year 2021, the Company also generated lower profit from sale of assets for lease held for sale and equipment due to a decrease in the number of vehicles sold compared to the year 2020.

### Operating Performance Analysis by Revenue Structure

Table illustrating revenue structure for the year ending 31 December 2019 to 2021

Item	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Revenue from outsourcing services</b>						
– Revenue from management services	1,588.28	81.20	1,653.18	79.96	1,694.22	80.18
– Revenue from landscape management service	138.06	7.06	140.74	6.81	140.57	6.65
<b>Total revenue from outsourcing services</b>	<b>1,726.34</b>	<b>88.26</b>	<b>1,793.92</b>	<b>86.76</b>	<b>1,834.79</b>	<b>86.83</b>
<b>Revenue from rental and services</b>						
– Revenue from car rental service	195.43	9.99	234.86	11.36	245.47	11.62
– Revenue from investment property rental	6.23	0.32	6.98	0.34	5.84	0.28
<b>Total revenue from rental and services</b>	<b>201.66</b>	<b>10.31</b>	<b>241.84</b>	<b>11.70</b>	<b>251.31</b>	<b>11.89</b>
Gain on sale of assets for lease held for sale and equipment	20.15	1.03	24.34	1.18	16.37	0.77
<b>Total operating income</b>	<b>1,948.15</b>	<b>99.60</b>	<b>1,948.15</b>	<b>99.60</b>	<b>2,102.47</b>	<b>99.50</b>



Item	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Other income	7.83	0.40	7.48	0.36	10.59	0.50
<b>Total revenues</b>	<b>1,955.98</b>	<b>100.00</b>	<b>2,067.58</b>	<b>100.00</b>	<b>2,113.06</b>	<b>100.00</b>

### Revenue from outsourcing services

For the year 2020, the Company's revenue from outsourcing services was Baht 1,793.92 million, accounting for an approximate of 86.76% of total revenue, which can be classified into 79.96% of total revenue as revenue from management service and 6.81% of total revenue as revenue from landscape management service.

For the year 2021, the Company's revenue from outsourcing services was Baht 1,834.79 million, accounting for an approximate of 86.83% of total revenue, which can be classified into 80.18% of total revenue as revenue from management service and 6.65% of total revenue as revenue from landscape management service.

Revenue from outsourcing services can be analyzed as follows:

### Revenue from management services

Revenue from management services consists of: 1) revenue from driver and office staff management service; 2) revenue from technician management service; and 3) revenue from data entry service. In the year 2019 and 2020, the Company's revenue from management services were Baht 1,588.28 million and Baht 1,653.18 million or accounting for 92.00% and 92.15% of revenue from outsourcing services respectively or equivalent to an increase of 4.09%. Such revenue has grown from the quality of service that has been accepted by customers leading to continuous service contract renewal. The Company has also been awarded new contracts to increase the number of employees providing services to the existing customers. In terms of finding new customers, the Company has expanded its customer base to new customer groups such as banks and hospitals etc. and an expansion into a new business by providing short-term driver management service. Such factors have created revenue growth and reduced risk of dependency from major customers.

In the year 2021, the Company's revenue from outsourcing services was Baht 1,694.22 million or an increase of 2.48% compared to the same period of the year 2020. Even though Thailand's overall economy is affected by the Covid-19 outbreak, the Company was able to retain its existing customers and tried to find

new customers and had a slight increase in revenue. Most of the growth came from the technician management unit. The Company's contracted government clients have increased the number of employees and contracted wage rates compared to the previous contracts awarded to the Company in the same period of last year. Part of such growth was contributed by data management service of which the Company was awarded additional service contracts from customers in logistics service, hospital service, and digital assets.

#### **Revenue from landscape management service**

Revenue from landscape management service consists of 3 forms including: 1) large garden maintenance service; 2) garden design service; and 3) tree care service. The scope of each landscape maintenance service depends on the contract that the Company has agreed with each customer.

In the year 2019 and 2020, the Company's revenue from landscape management service were Baht 138.06 million and Baht 140.74 million or an increase of 1.94%, accounting for 8.00% and 7.85% of revenue from outsourcing services respectively. Such revenue has grown slightly because the Company wanted to maintain standard quality of work and service in order to maintain the existing customer to which the Company has provided garden maintenance service. Most customers are confident in the quality of service and continuously renew the service contract with the Company.

In the year 2021, the Company's revenue from landscape management service were Baht 140.57 million which was similar to revenue of the same period in 2020 due to the impact of Covid-19. Some customers slowed down their spending on landscape improvements or focused on cutting costs. As a result, the revenue in this segment of the Company was similar to the previous year.

#### **Revenue from rental and services**

Revenue from rental and services accounted for approximately 10.3% to 11.7% of the Company's total revenue. In 2019 and 2020, the Company's revenue from rental and services were Baht 201.66 million and Baht 241.84 million respectively. Revenue from this group can be divided into 2 segments: 1) car rental service with revenue in 2019 and 2020 equivalent to 9.99% and 11.36% of total revenue respectively; and 2) investment property rental business with revenue in 2019 and 2020 equivalent to 0.32% and 0.34% of total revenue respectively

In the year 2021, the Company's revenue from rental and services was Baht 251.31 million or accounting for 11.89% of total revenue. This can be classified as revenue from car rental service, accounting for 11.62% of total revenue and revenue from investment property rental business, accounting for 0.28% of total revenue. Revenue from rental and services can be analyzed as follows:

**Revenue from car rental service**

Revenue from car rental service is revenue derived from car rentals with rental periods ranging from short-term rentals, daily and monthly, until long-term rentals of 3 years or more. In terms of the nature and type of rented cars, the Company offers a variety of car rental services, including sedans, pickup trucks, vans, trucks and modified cars to meet the needs of customers. As of 31 December 2021, the Company has a total of 982 cars for rent.

In the year 2019 and 2020, the Company's revenue from car rental service was Baht 195.43 million and Baht 234.86 million, accounting for 96.91% and 97.11% of total revenue from rental and services or an increase of 20.18%. The increase was driven by revenue from a large government customer who had a contract with the Company since Quarter 2 of the year 2019. Such contract continued to recognize revenue through Quarter 1 of the year 2020. In addition, after the expiration of such short-term contract, the Company participated in the bidding with the same customer. The Company won the bidding and was awarded a long-term contract with a term of 5 years in April 2020, causing the Company to recognize additional revenue from the contract.

In the year 2021, the Company's revenue from car rental service was Baht 245.47 million or an increase of 4.52% compared to revenue from the same period of the year 2020. The increase was a result of revenue from a large government agency customer who has a long-term contract with a term of 5 years since April 2020, causing the Company to recognize revenue from such contract for the full year of 2021.

**Revenue from investment property rental**

Revenue from investment property rental is income from renting an area of 1,158.00 square meters on 11<sup>th</sup> Floor, Building A of Country Complex Building. The Company acquired such property as its asset in the year 2011.

In the year 2020, the Company's revenue from investment property rental was Baht 6.98 million, an increase of 12.00% compared to revenue in the same period of 2019 because the Company had full capacity of tenants in the first half of the year 2020.

In the year 2021, the Company's revenue from investment property rental was Baht 5.84 million, a decrease of 16.33% compared to revenue in the same period of 2020. This was due to some customers requesting for reduction of rental area in the year 2021 from impact of the Covid-19 situation.

**Gain on sale of assets for lease held for sale and equipment**

The Company has a policy relating to disposal of vehicles for lease. In the event that a vehicle for lease under a long-term lease has expired, the Company has a policy for the relevant agency to consider

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guidelines for handling such vehicle within 3 months after the contract expiry date. The Company requires that sale of vehicle for lease be completed within 3 months after the date of classification of such asset.

The segment of vehicles set aside for sale is presented under assets for lease under current assets. It is measured at the lower of the carrying amount and fair value less costs to sell. The Company requires that the sale of such vehicles be completed within 3 months after the date of classification of the said assets.

In respect of vehicles held for sale under assets for lease held for sale which is classified as current asset, the value of vehicles for lease held for sale is equivalent to book value or fair value after deduction of cost of sale, whichever is lower. The Company requires that sale of such vehicle be completed within 3 months after the date of classification of such asset.

Due to the aforementioned reason, gain from disposal of assets for lease held for sale will be different each year, depending on the number of cars of which rental contracts have expired in that year. The Company has a department that is responsible for determining the market for selling out-of-contract cars under the most profitable period and price.

In the year 2019, the Company's gain on sale of assets for lease held for sale and equipment was Baht 20.15 million or a decrease of 36.09% compared to the same period of the year 2018. Such decrease was due to different types of vehicles being sold in each year. Particularly in the year 2018, vans were popular in the used car market. This allowed the Company to sell such vehicles at high prices. While in the year 2019, most of the vehicles sold were pick-up trucks of which selling prices were not as high as vans.

In the year 2020, the Company's gain on sale of assets for lease held for sale and equipment was Baht 24.34 million or an increase of 20.79% compared to the same period of the year 2019. This was because the Company had a total of 143 vehicles for lease sold, which was an increase compared to the first half of 2019 with a total of 101 vehicles.

In the year 2021, the Company's gain on sale of assets for lease held for sale and equipment was Baht 16.37 million or a decrease of 32.74% compared to the same period of the year 2020. This was because the Company had a total of 89 vehicles for lease sold, which was an increase compared to the first half of 2020 with a total of 143 vehicles.

#### **Other income**

In the year 2019, the Company's other income was Baht 7.83 million, which slightly increased compare to the same period of last year with other income of Baht 6.82 million. In the year 2019, the Company had dividend income from joint venture in the amount of Baht 1.80 million.

In the year 2020, the Company's other income was Baht 7.48 million or a decrease of 4.47% compared to the same period of the year 2019. This was because, in the year 2019, the Company had dividend income from joint venture in the amount of Baht 1.80 million, while in the year 2020, the Company had dividend income from joint venture in the amount of Baht 0.11 million. However, such joint venture had ceased its business on 31 May 2020.

In the year 2021, the Company's other income was Baht 10.59 million or an increase of 41.58% compared to the same period of the year 2020. This was because, in the year 2021, the Company had other income from provision of verification and confirmation of transactions service (Validator node). The Company generated return in the form of digital assets, which is recognized using cost method according to the Company's policy.

#### Operating performance analysis by cost structure

Table illustrating cost structure for the year ending 31 December 2019 to 2021

Item	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	%	Million Baht	Million Baht	%	Million Baht
Cost of outsourcing services	1,427.81	73.00	1,474.06	71.29	1,506.35	71.29
Cost of rental and services	170.37	8.71	189.26	9.15	187.64	8.88
<b>Total cost of outsourcing services and cost of rental and services</b>	<b>1,598.18</b>	<b>81.71</b>	<b>1,663.32</b>	<b>80.45</b>	<b>1,693.99</b>	<b>80.17</b>

Remark: Percentage to total revenue

#### **Cost of outsourcing services**

Cost of outsourcing services mainly consists of wage/salary and overtime payment, accounting for approximately 80% of the total cost of outsourcing services for the year 2021.

In the year 2019 and 2020, the Company's cost of outsourcing services were Baht 1,427.81 million and Baht 1,474.06 million respectively, accounting for 73.00% and 71.29% of total revenue respectively. There was an increase of 3.24%, which was mainly due to increase in revenue from outsourcing services and increase in expenses relating to preparation of new contracts with customers such as guarantee fee and stamp duty etc. as a result of increase in the number of contracts and the contract value.

In the year 2021, the Company's cost of outsourcing services were Baht 1,506.35 million or an increase of 2.19% compared to the same period of the year 2020. The increase was mainly consistent with increase in revenue from outsourcing services. However, the increase in cost was proportionately lower than the increase in revenue since the Company was able to manage cost more effectively.

### Cost of rental and services

Cost of rental and services consists of depreciation on assets held for lease and depreciation on investment property which account for 60% of total cost of rental and services. The Company has a policy for depreciating rental cars on a straight line method. The cost will be allocated throughout the estimated useful life as follows:

- Vehicles for lease under long-term lease (from 3 years and above): according to lease term
- Vehicles for lease under short-term lease and spare vehicles held for lease: 8 years

The Company estimates the salvage value of the leased asset from the estimated value that the vehicle will be sold at the end of its useful life less the direct cost of disposing of the asset. As a result, cost of rental and services, particularly depreciation, are variable costs that vary with the amount of revenue and lease contracts incurred during the year.

In the year 2019 and 2020, the Company's cost of rental and services were Baht 170.37 million and Baht 189.26 million, accounting for 8.71% and 9.15% of total revenue respectively or an increase of 11.09%. The increase was mainly due to car rental-related expenses, which increased in line with a significant increase in the number of rental cars in the first six-month of 2020 from car rental contracts during April with a large government agency entering into a five-year contract with 244 vehicles for lease, consisting of 98 trucks, 16 pickup trucks and 130 vans.

In the year 2021, the Company's cost of rental and services were Baht 187.64 million or a decrease of 1.62% compared to the same period of the year 2020. The decrease was due to the entry into five-year contract in April 2020. There was initial costs of sending vehicles across the country. The cost in the year 2020 was high during the first 1-2 months of preparing and sending the vehicles under such contract.

### Gross profit

Table illustrating gross profit and gross profit margin for the year ending 31 December 2019 to 2021

	For the year ending 31 December		
	2019	2020	2021
<b>Gross profit (Unit:Million Baht)</b>	<b>329.82</b>	<b>372.44</b>	<b>392.11</b>
- Gross profit from outsourcing services	298.53	319.86	328.44

	For the year ending 31 December		
	2019	2020	2021
– Gross profit from rental and services	31.29	52.58	63.67
<b>Gross profit margin (Unit:%)</b>	<b>17.11</b>	<b>18.30</b>	<b>18.80</b>
– Gross profit margin from outsourcing services	17.29	17.83	17.90
– Gross profit margin from rental and services	15.52	21.74	25.34

In the year 2020, the Company had gross profit of Baht 372.44 million, representing a gross profit margin of 18.30%, which increased from the gross profit margin of the year 2019, which was 17.11%. This was mainly due to: 1) increase in gross profit from rental and services due to the entry into a long-term contract with large customer, allowing better cost management; and 2) better cost control by the Company.

In the year 2021, the Company had gross profit of Baht 392.11 million and gross profit margin of 18.80%, respectively. The increase in gross profit margin was mainly due to the Company's continuous cost control.

#### Gross profit from outsourcing services

In the year 2019 and 2020, the Company's gross profit from outsourcing services was Baht 298.53 million and Baht 319.86 million, which slightly decreased or equivalent to gross profit margin of revenue from outsourcing services of 17.29% and 17.83% respectively. The Company's gross profit margin slightly increased as a result of provision of technician management service. There was a new contract for technician management service at the beginning of 2020 with higher profit margin and the Company also had better cost management.

In the year 2021, the Company's gross profit from outsourcing services was Baht 328.44 million or equivalent to gross profit margin of revenue from outsourcing services of 17.90%. The Company's gross profit margin slightly increased as a result of provision of technician management service. There was a new contract at the beginning of 2021 with a higher profit margin. And the Company continuously managed costs so that it could maintain a better gross profit margin.

#### Gross profit from rental and services

In the year 2019 and 2020, the Company's gross profit from rental and services were Baht 31.29 million and Baht 52.58 million respectively, representing an increase of 68.04% or equivalent to gross profit margin of



revenue from rental and services of 15.52% and 21.74% respectively. The main factor causing a higher gross profit margin from rental and services in the year 2020 than the same period of the previous year was because many cars were being due for maintenance at the same time during the year 2019. There was also costs of preparing 86 vehicles for lease before delivery to another large government agency. Government agencies had to send cars to various locations across the country, causing the Company to have high costs of service, thus bringing gross profit level in the year to a lower than normal level.

In the year 2019 and 2020, the Company's gross profit from rental and services were Baht 63.67 million or equivalent to gross profit margin of revenue from rental and services of 25.34%. Gross profit increased from the same period last year by Baht 11.09 million or 21.09%. This was due to a 5-year contract with a customer in April 2020, causing high initial cost of preparation during the first 1-2 months. As a result, gross profit in the year 2020 was lower. However, the Company recognized revenue from such contract for the full year in the year 2021.

#### **4.2 Analysis of service and administrative expenses**

Most of the Company's service and administrative expenses are expenses related to salaries and welfare of office employees and executives such as salary and bonuses etc., accounting for approximately 80% of total service and administrative expenses.

In the year 2019, the Company's service and administrative expenses were Baht 214.89 million, accounting for 10.99% compared of total revenue, or a decrease of 5.15% compared to the same period of the year 2018. Although expenses relating to salaries and benefits for office employees were at the same level as the same period of the previous year, the Company managed to reduce expenses such as IT consulting expenses and depreciation related to computer equipment etc. As a result, there was an overall decrease in administrative expenses.

In the year 2020, the Company's service and administrative expenses were Baht 218.53 million or an increase of 2.3% compared to the same period of the year 2019 due to: 1) allowance for doubtful accounts in the amount of Baht 5.78 million as a result of a state enterprise customer entering into business rehabilitation plan. Based on conservative basis, the Company has recorded allowance for doubtful accounts for such contract in the full amount of outstanding receivables; 2) expenses related to charitable donations to hospitals and those affected from the Covid-19 pandemic is the amount of Baht 2.48 million.

In the year 2021, the Company's service and administrative expenses were Baht 208.30 million or a decrease of 4.7% compared to the same period of the year 2020 due to: 1) internal management which helped

controlling and optimizing works without increasing the number of employees and lean projects; and 2) in the year 2020, there was a one-time costs incurred as mentioned in the previous paragraph.

### **Finance cost**

Majority of finance cost consists of interest expenses from short-term loan. In the year 2019, the Company's finance cost was Baht 6.03 million or accounting for 0.31% of total revenue, and the Company had repaid such loan in full in the fourth quarter of 2020. Thereafter, the Company had no finance costs. In the year 2021, the Company had no additional loans and, therefore, there was no finance cost.

### **Operating profit and net profit**

Table illustrating operating profit and net profit for the year ending 31 December 2019 to 2021

Item	For the year ending 31 December		
	2019	2020	2021
Operating profit (Million Baht) <sup>/1</sup>	135.08	178.83	210.78
Operating profit margin (%) <sup>/1</sup>	6.93	8.65	9.98
Net profit (Million Baht) <sup>/2</sup>	109.06	139.55	168.26
Net profit margin (%) <sup>/2</sup>	5.58	6.75	7.96
Net profit – exclusive of gain on sale of assets for lease held for sale and equipment (Million Baht)	88.91	115.21	151.88
Net profit margin - exclusive of gain on sale of assets for lease held for sale and equipment (%)	4.55	5.57	7.19
Return on equity (%)	32.06	23.55	18.48

**Remarks** <sup>1</sup> The Company's operating profit includes gain on sale of assets for lease held for sale and equipment.

<sup>/2</sup> The Company's net profit includes gain on sale of assets for lease held for sale and equipment.

The Company's operating profit (inclusive of gain on sale of assets for lease held for sale and equipment) for the year 2019 and 2020 were Baht 135.08 million and Baht 178.83 million respectively, representing operating profit margin of 6.93% and 8.65%, or equivalent to an increase of 32.39% compared to the same period of 2019. The Company's net profit (exclusive of gain on sale of assets for lease held for sale and equipment) was Baht 115.21 million, which was equivalent to net profit margin of 5.57% or an increase of 27.96% compared to the same period of the year 2019 due to: 1) overall revenue from both main units

increased; 2) the Company was able to achieve better gross profit margin in the year 2020 compared to the same period of the previous year; 3) increase in expenses was lower than revenue growth due to economy of scale resulting from the Company's readiness to expand its business with investment in human resources and investments in buildings and IT equipment and system during the past three years. As a result, in the six-month period of 2020, there was no increase in such expenses. The Company's overall expenses increased at a lower rate than the increase in the Company's revenue.

The increase in service and administrative expenses that has significantly reduced the Company's net profit over the past three years has been attributed to fixed expenses by the Company to improve and develop the Company's internal resources to be ready for supporting future growth.

The Company's operating profit (inclusive of gain on sale of assets for lease held for sale and equipment) for the year 2021 were Baht 210.78 million or equivalent to operating profit margin (inclusive of gain on sale of assets for lease held for sale and equipment) of 9.98% or an increase of 17.87% compared to the same period of the year 2020. Even though the Covid-19 pandemic has severely affected the Company, the Company remains focused on growth in operating profit. The contributing factors include most efficient cost management and management of administrative expenses to be able to increase sales without affecting administrative expenses such as adding people or increasing working hours etc. In addition, the Company uses a Lean project to continuously help increase work efficiency.

The Company's net profit (exclusive of gain on sale of assets for lease held for sale and equipment) for the year 2021 were Baht 151.88 million. Most of the increase in net profit (exclusive of gain on sale of assets for lease held for sale and equipment) was due to the increase in operating profit as mentioned in the above paragraph.

In the year 2021, the Company's net profit was Baht 168.26 million or equivalent to a net profit margin of 7.96%. The increase in net profit and net profit margin was due to the increase in revenue and better cost control, resulting in higher growth rate of revenue than growth rate of selling and administrative expenses.

#### **Return on equity**

The Company's shareholders' equity as of 31 December 2020 was Baht 869.18 million. The return on equity for the year was 23.55%.

In the year 2021, the Company's return on equity was 18.48%. The decrease was due to the initial public offering (IPO) in the year 2020, resulting in a share premium in the year 2020. As a result, the average shareholders' equity (beginning of 2020 - end of 2020) is lower than average shareholders' equity in 2021, causing a lower return on equity.

#### 4.3 Financial position analysis

##### Assets

As of 31 December 2019 and 2020, the Company's total assets were Baht 1,534.65 million and Baht 1,089.92 million respectively or an increase of 40.80%. The increase was mainly due to: 1) increase in cash and cash equivalents from Baht 23.44 million to Baht 183.75 million or 684.03% increase as a result of the initial public offering; 2) increase in trade and other receivables from Baht 311.23 million to Baht 327.95 million or 6.01% increase in line with increase in 2020 revenue; 3) increase in assets for lease from Baht 434.86 million to Baht 727.19 million or 67.22% increase since the number of vehicles for lease as of 31 December 2020 increased from 770 vehicles at the end of the year 2019 to 983 vehicles (excluding vehicles under sub-lease agreements with other companies).

As of 31 December 2021, the Company's total assets was Baht 1,539.72 million or a slight increase of 0.33% compared to as of the end of 2020. Item which significantly increased was other current financial assets, consisting of a 6-month fixed deposit account. There was a decrease in assets for lease held for sale due to depreciation, while the number of vehicles for lease in the year 2021 was at a similar level to the year 2020.

##### **Current assets**

##### Cash and cash equivalents

As of 31 December 2019 to 2021, the Company's cash and cash equivalents was Baht 23.44 million, Baht 183.75 million, and Baht 147.90 million, accounting for 2.15%, 11.97%, and 9.61% of total assets respectively. Such item consists of cash and bank deposits. The increase in cash and cash equivalents in 2020 was mainly driven by the initial public offering.

In the year 2021, the Company opened a 6-month fixed deposit account in the amount of Baht 120 million. Such account is categorized as other current financial asset. As a result, the Company had only Baht 147.90 million in cash and cash equivalents.

##### Trade and other receivables

As of 31 December 2019 to 2021, the Company's trade and other receivables were Baht 311.23 million, Baht 327.95 million, and Baht 319.29 million, accounting for 28.56%, 21.37%, and 20.74% of total assets respectively. The Company's credit term is an approximate of 4-60 days. The average collection period as of 31 December 2019 to 2021 were 53.79 days, 56.49 days, and 55.85 days respectively. Most of the trade and other receivables included trade receivables, which accounted for approximately 99% of all trade and other receivables.

Table illustrating trade and other receivables aging

As of 31 December 2019 to 2021

Age of Account	As of 31 Dec 2019		As of 31 Dec 2020		As of 31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Not yet due</b>	233.59	75.09	243.86	74.37	240.27	75.29
<b>Overdue</b>						
Not more than 3 months	73.34	23.58	74.90	22.85	72.69	22.78
3 - 6 months	4.13	1.33	8.92	2.72	5.82	1.82
6 months and above	0.00	0.00	5.97	1.82	6.11	1.91
<u>Less</u> Allowance for doubtful accounts	0.00	0.00	(5.78)	(1.76)	(5.78)	(1.81)
<b>Total trade receivables – net</b>	<b>311.06</b>	<b>100.00</b>	<b>327.87</b>	<b>100.00</b>	<b>319.11</b>	<b>100.00</b>
Other receivables	0.17		0.08		0.18	
<b>Trade and other receivables</b>	<b>311.23</b>		<b>327.95</b>		<b>319.29</b>	

In respect of the Company's trade receivables analysis, most of the trade receivables are receivables that have not yet been due and are overdue for not more than 6 months. As of the end of 2019 to 2021, all receivables are receivables that have not yet been due and are overdue for not more than 6 months. The main factor contributing to the low proportion of the Company's account receivables overdue for more than 6 months is due to effective debt collection and service quality of which allows the Company to secure government agencies, state enterprises and large private companies with strong financial status and operating results as customers. Such customers have no problem in paying for the Company's services. As the Company provides continuing services, most customers pay for their services on time since non-payment may cause lack of personnel by customers.

As of 31 December 2020, the Company's trade and other receivables was Baht 327.95 million or an increase of 5.37%. Trade and other receivables slightly increased compared to the end of 2019 since there was an increase in trade receivables at the end of 2020. However, such receivables have been paid according to payment installments during the first 6-month of the year 2021. The Company's average collection period as of 31 December 2020 was 56 days. However, a state enterprise customer to whom the Company provided driver recruitment service was severely affected by the Covid-19 pandemic and had entered into a rehabilitation plan. Based on conservative basis, the Company has set an allowance for doubtful accounts for such contract in the amount of Baht 5.78 million. At present, the Company has terminated the service contract with such customer.

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As of 31 December 2021, the Company's trade and other receivables was Baht 319.29 million or a decrease of 2.64%. The average collection period as of 31 December 2020 was 55 days.

In respect of allowance for doubtful accounts policy, the Company has a policy to set an allowance for doubtful accounts based on collection experience and analysis of debt aging. In the past, the Company was able to effectively manage its accounts receivables. The majority of the Company's trade receivables or 99% of total trade receivables are receivables that are not yet due and overdue for not more than six months. Such factors has resulted in the Company never having to set up any allowance for doubtful accounts in the past three years.

#### Other current financial assets

Other current financial assets consisted of a 6-month fixed deposit account in the amount of Baht 120 million. Such account was opened in the year 2021. As a result, cash and cash equivalents was classified as other current financial assets.

#### Other current assets

Other current assets consisted of prepaid car insurance premiums, prepaid vehicle registration fee, and withholding taxes. As of 31 December 2019 to 31 December 2021, the Company's other current assets were Baht 19.73 million, Baht 16.45 million, and Baht 20.84 million, accounting for 1.81%, 1.07%, and 1.35% of total assets respectively.

#### **Non-current assets**

##### Assets for lease

The majority of the Company's assets for lease consists of vehicles, which are mostly cars. The Company's assets for lease are determined to have useful life for which depreciation is calculated over a period of time consistent with the lease term with the customer. As of 31 December 2019 to 31 December 2021, the Company's assets for lease were in the amount of Baht 434.86 million, Baht 727.19 million, and Baht 670.91 million, accounting for 39.90%, 47.38%, and 43.57% of total assets respectively.

In respect of increase in assets for lease as of 31 December 2020, the Company's assets for lease was in the amount of Baht 727.19 million or an increase of 67.22% compared to the end of the year 2019. The increase was mainly driven by vehicle rental contracts with a major government agency with a total number of contracted vehicles of 244 vehicles, consisting of 98 trucks, 16 pickup trucks, and 130 vans. As a result, the Company's number of rental cars increased from 770 units at the end of 2019 to 983 units at the end of December 2020. In 2019, the Company had previously provided services to such customer in the form of short-term service contracts. After the expiration of such short-term contracts, the Company participated in a bidding with the same customer. Based on the acceptable quality of service and competitive prices,

the Company won the bidding and was awarded a contract in the form of a long-term contract with a contract term of 5 years in April 2020. The number of vehicles under the new contracts was higher than the number of vehicles under the short-term contracts. In respect of vehicle procurement for the foregoing contract, the Company has directly entered into hire purchase contracts with a car company. As a result, the Company is an owner of all vehicles.

As of 31 December 2021, the Company's assets for lease was Baht 670.91 million or a decrease of 7.74% compared to the end of 2020. The decrease was due to depreciation of assets for lease during 2021. The number of assets for lease as of 31 December 2021 and 2020 were similar.

The determination of salvage value of assets is one of the important steps in the Company's car rental business as salvage value is one of the main factors in calculating depreciation of assets for lease and profit/loss from sale of assets for lease. In calculating salvage value, the Company will estimate the expected selling value at the end of useful life deducted by direct cost of sale in order to accurately estimate salvage value. The Company will estimate the value by considering and analyzing industry outlook, market prices, and form and nature of contract with customer that will affect the conditions of the vehicle at the expiry date of the contract. The Company will consider each vehicle on an individual basis. All estimations of salvage value must be approved by the Company's management. To provide a more accurate estimate of the salvage value, the Company has changed its accounting estimates regarding the residual value of the assets to be in line with the used car market and the Company's current business situations. The Company has changed such accounting estimates under the financial statements for the 3rd quarter of 2019 onwards. As a result, the Company's accumulated depreciation of assets for lease had decreased. Any future profit or loss from sale of vehicles will be in an insignificant amount.

#### Property, building and equipment

The majority of property, building and equipment consisted of land, building and building improvements for the Company's head office. As of 31 December 2019 to 31 December 2021, the Company's property, building and equipment were Baht 213.88 million, Baht 197.26 million, and Baht 184.30 million, accounting for 19.62%, 12.85%, and 11.97% of total assets respectively.

In respect of 9.75% decrease in property, building and equipment as of 31 December 2019 compared to the end of 2018, the decrease was mainly due to depreciation incurred during the period and the Company did not have any high value purchase of property, building and equipment during such period.

In respect of decrease in property, building and equipment as of 31 December 2020, the Company's property, building and equipment was Baht 197.26 million or a decrease of 7.78% compared to the end of 2019. The decrease was mainly due to depreciation incurred during the period and the Company did not have any high value purchase of property, building and equipment during such period.



As of 31 December 2021, the Company's property, building and equipment was Baht 184.30 million or a decrease of 6.57% compared to the end of 2020. The decrease was mainly due to depreciation incurred during the period and the Company did not have any high value purchase of property, building and equipment during such period.

#### Investment Properties

Investment properties consisted of an office building. The Company owns space in Level 11 of Country Complex Tower A. As of 31 December 2019 to 31 December 2021, the Company's investment properties were Baht 18.18 million, Baht 16.06 million, and Baht 13.95 million, accounting for 1.67%, 1.05%, and 0.91% of total assets respectively.

The increase in investment properties as of 31 December 2019 by Baht 5.18 million compared to as of the end of 2018 was due to the transfer of building and systems with a total cost of Baht 7.05 million as investment properties. This was because the Company has leased such building to a related party as office with the rental rate comparable to market rates.

In respect of the decrease in investment properties as of 31 December 2020, the Company's investment properties was Baht 16.06 million or a decrease of 13.20% compared to the end of 2019. Such decrease was due to depreciation incurred during the period.

As of 31 December 2021, the Company's investment properties was Baht 13.95 million or a decrease of 13.16% compared to the end of 2020. Such decrease was due to depreciation incurred during the period.

#### Other non-current assets

The majority of other non-current assets consisted of deposits and deferred tax assets. As of 31 December 2019 to 31 December 2021, the Company's other non-current assets were Baht 7.23 million, Baht 11.54 million, and Baht 7.25 million, accounting for 0.66%, 0.75%, and 0.47% of total assets respectively.

The decrease in other non-current assets as of 31 December 2019 by Baht 1.47 million or 16.93% decrease was due to deferred income tax during the year.

As of 31 December 2020, the Company's other non-current assets was Baht 11.54 million or an increase of 59.61% compared to the end of 2019. This was due to deferred tax in the year 2019 being recorded as non-current assets and in the process of submission for tax return.

As of 31 December 2021, the Company's other non-current assets was Baht 7.25 million. This was due to deferred tax in the year 2020 being recorded as non-current assets and in the process of submission for tax return.

**Source of Funds****Liabilities**

As of 31 December 2020, the Company's total liabilities was Baht 665.47 million or a decrease by 16.31% compared to the end of the year 2019. The decrease was mainly due to a decrease in short-term loans from financial institutions since the Company has working capital from the initial public offering. This corresponded with an increase in cash and cash equivalents.

As of 31 December 2021, the Company's total liabilities was Baht 587.82 million or a decrease by 11.67% compared to the end of the year 2020. The decrease was mainly due to a decrease in lease liabilities as repayment was made during the year. This was in line with a decrease in assets for lease due to depreciation during the year.

**Short-term loans from financial institutions**

As of 31 December 2021 and 31 December 2020, the Company did not have any short-term loan from financial institution. This was a result of repayment of loans from financial institutions. In addition, during that period, the Company did not have additional borrowings from financial institutions.

**Trade and other payables****Table illustrating trade and other payables**

As of 31 December 2019 to 2021

(Unit : Million Baht)	As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021
<b>Trade payables</b>	<b>10.15</b>	<b>4.84</b>	<b>6.51</b>
<b>Other payables</b>			
- Accrued expenses	62.37	55.18	58.19
○ Accrued wages	22.34	20.22	19.02
○ Other accrued expenses	40.03	34.96	39.17
- Other payables	1.11	1.41	2.42
<b>Total</b>	<b>73.63</b>	<b>61.43</b>	<b>67.12</b>

Due to the nature of the Company's business as outsourcing service provider, the majority of the Company's trade and other payables consisted of accrued expenses relating to employee compensation and welfare. As of 31 December 2019 to 31 December 2021, the Company's trade and other payables were Baht 73.63

million, Baht 61.43 million, and Baht 67.12 million, accounting for 6.76%, 4.00% and 4.36% of total assets respectively.

The decrease in trade and other payables as of 31 December 2020 of 16.57% compared to the end of 2019 was due to the Covid-19 pandemic and decrease in accrued wages, which was in line with decrease in service usage by customers.

The increase in trade and other payables as of 31 December 2021 of 9.26% compared to the end of 2020 was due to increase in local payables and other payables.

#### Finance lease liabilities

#### Table illustrating finance lease liabilities

As of 31 December 2019 to 2021

	As of 31 Dec 2019		As of 31 Dec 2020		As of 31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Finance lease liabilities</b>						
Portion of finance lease liabilities due within 1 year	99.81	34.52	162.72	31.41	160.73	38.38
Portion of finance lease liabilities due after 1 year	189.31	65.48	355.32	68.59	258.08	61.62
<b>Total finance lease liabilities</b>	<b>289.12</b>	<b>100.00</b>	<b>518.04</b>	<b>100.00</b>	<b>418.81</b>	<b>100.00</b>

Liabilities under the Company's finance lease agreements are for the purchase of rental cars to provide services to the Company's customers. In general, the Company will enter into a financial lease agreement with a financial institution or a car leasing company. The term of the contract shall be determined in accordance with the service contract entered into between the Company and its customers. Most of the Company's finance lease contracts are for a period of 3 to 5 years. Payment term includes down payment and monthly installments throughout the lease term.

The Company has adopted the Financial Reporting Standard 16 - Leases, which became effective on 1 January 2020. Therefore, as of 31 December 2020, the Company no longer recorded liabilities under financial lease agreements. The outstanding balance of such item as of 31 December 2019 was reclassified as lease liabilities.

Lease liabilities

Since the Company has adopted the Financial Reporting Standard 16 - Leases, which became effective on 1 January 2020. Such standard does not have any significant impact on the Company's financial statements. The effect of the adoption of this financial reporting standard on the Company's financial statements was only in respect of reclassification of the outstanding balance of liabilities under financial lease agreements as of 31 December 2019 as part of lease liabilities.

As of 31 December 2020, the Company's lease liabilities was Baht 518.04 million (consisting of current portion of lease liabilities of Baht 162.72 million and lease liabilities – net of current portion of Baht 355.32 million) or an increase of 79.18% compared to the end of 2019. This was due to a significant increase in lease liabilities resulting from a car rental service contract with a major government agency with a 5-year term. As a result, the Company has 983 vehicles for lease as of 31 December 2020.

As of 31 December 2021, the Company's lease liabilities was Baht 418.81 million (consisting of current portion of lease liabilities of Baht 160.73 million and lease liabilities – net of current portion of Baht 258.08 million) or a decrease of 11.67% compared to the end of 2020. This was due to payment of installments during the year 2021.

Other current liabilities

The majority of the Company's other current liabilities consisted of withholding tax payable, accrued social security, and deferred income. As of 31 December 2019 to 31 December 2021, the Company's other current liabilities were Baht 27.33 million, Baht 30.53 million, and Baht 29.47 million, accounting for 2.51%, 1.99%, and 1.91% of total assets respectively.

Provision for long-term employee benefits**Table illustrating provision for long-term employee benefits**

**As of 31 December 2019 to 2021**

	As of 31 Dec 2019		As of 31 Dec 2020		As of 31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Provision for long-term employee benefits</b>						
Employees directly work with customers	7.47	20.29	4.50	12.13	6.01	14.50
Executives and office employees	29.33	79.71	32.61	87.87	35.45	85.50
<b>Total provision for long-term employee benefits</b>	<b>36.80</b>	<b>100.00</b>	<b>37.11</b>	<b>100.00</b>	<b>41.46</b>	<b>100.00</b>

Provision for long-term employee benefits is an estimate of the compensation to employees upon retirement. As of 31 December 2019 to 31 December 2021, the Company's provision for long-term employee benefits were Baht 36.80 million, Baht 37.11 million, and Baht 41.46 million, accounting for 3.38%, 2.42%, and 2.69% of total assets respectively. The increase in provision for long-term employee benefits in respect of executives and office employees was in line with increase in the number of the Company's employees and increase in salary rates through salary adjustments for office employees and executives.

At the end of 2018, the National Legislative Assembly passed a resolution to approve a new draft of labor protection act. The publication in the Government Gazette of the new Labor Protection Act is under process. The new laws require additional compensation in the event of termination of employment by employer. For employees who have continuously worked for 20 years or more, they are entitled to receive compensation of not less than the last 400 days of their wages. In order to prepare for such matters, the Company has considered and complied with such laws before the effective date. The laws will be effective from 13 December 2018 onwards, which will only affect employees who are terminated or scheduled to retire on or after 13 December 2018, including employees who are scheduled to retire before 13 December 2018, but are still working and the Company is not making statutory termination compensation.

As of 31 December 2020, the Company had provision for long-term employee benefits equal to Baht 37.11 million, a decrease of 0.82% compared to the end of 2019 as a result of an increase in the provision for long-term employee benefits. This was due to the annual salary adjustment of office employees and executives.

As of 31 December 2021, the Company had provision for long-term employee benefits equal to Baht 41.46 million, an increase of 11.73% compared to the end of 2020 as a result of an increase in the provision for long-term employee benefits in respect of site workers with adjustments on turnover and increase in salary of office employees and executives.

#### Other non-current liabilities

Other non-current liabilities of the Company are deposits from car rental business which are generally collected by the Company on the contract date according to the conditions specified in the contract. As of 31 December 2019 to 31 December 2021, the Company's other non-current liabilities were Baht 10.03 million, Baht 11.31 million, and Baht 11.94 million, accounting for 0.92%, 0.74% and 0.77% of total assets respectively. The increase in other non-current liabilities was mainly due to an increase in deposits from the car rental business in line with the business expansion.

As of 31 December 2020, the Company reclassified other non-current liabilities as other non-current financial liabilities in the amount of Baht 11.31 million, representing an increase of 12.65% compared to the end of 2019. This was due to an increase in deposits from the car rental business in line with the business expansion.

As of 31 December 2021, the Company's non-current financial liabilities was Baht 11.91 million, representing an increase of 5.32% compared to the end of 2020. This was due to an increase in deposits from the car rental business which was in line with the business expansion.

#### **Shareholders' equity**

The Company's shareholders' equity as of 31 December 2020 to 31 December 2021 were Baht 869.18 million and Baht 951.88 million, accounting for 56.64% and 61.82% of total assets respectively or an increase of 9.52%. The increase was due to increase in retained earnings from the Company's operations.

#### **Appropriateness of capital structure**

The Company's debt to equity ratio as of 31 December 2019 to 31 December 2021 were 2.45 times, 0.76 times, and 0.62 times respectively.

In respect of the Company's debt to equity ratio as of 31 December 2019, the Company's debt to equity ratio increased from the end of 2018 mainly due to the dividend payment on 13 September 2019 in the amount of Baht 160.00 million. Such transaction caused an increase in the Company's debt to equity ratio from 1.79 times to 2.45 times. At present, the Company does not have any financial restriction under the terms of short-term loans from financial institutions that affect additional borrowing in the future.

As of 31 December 2020, the Company's debt to equity ratio was 0.76 times, a decrease compared to the end of 2019. The decrease was mainly due to the lack of short-term loans from financial institutions. This corresponded to overdrafts and short-term loans from financial institutions.

As of 31 December 2021, the Company's debt to equity ratio was 0.62 times, a decrease compared to the end of 2020. The decrease was mainly due to the lack of short-term loans from financial institutions. This corresponded to overdrafts and short-term loans from financial institutions.

At present, the Company does not have any financial restriction under the terms of short-term loans from financial institutions that affect additional borrowing in the future.

#### **16.1.3 Liquidity analysis**

##### **Cash flow**

Table illustrating cash flow statement for the year ending 31 December 2019 to 2021

Cash flow statement (Unit : Million Baht)	For the year ending 31 December		
	2019	2020	2021
Net cash flows from (used in) operating activities	154.99	250.25	332.38
Net cash flows from (used in) investing activities	41.72	40.95	(91.29)
Net cash flows from (used in) financing activities	(195.55)	(130.90)	(276.94)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1.16</b>	<b>160.31</b>	<b>(35.85)</b>

**Cash flows from (used in) operating activities**

The Company's cash flows from (used in) operating activities were Baht 154.99 million and Baht 250.25 million in 2019 - 2020 respectively. There was an increase compared to the same period of the previous year which was equal to Baht 154.99 million. This was due to an increase in the Company's operating profit.

In the year 2021, the Company's cash flows from (used in) operating activities was Baht 332.38 million, an increase compared to the same period of the previous year which was equal to Baht 250.52 million due to an increase in the Company's operating profit.

**Cash flows from (used in) investing activities**

In the year 2019, the Company's cash flows from (used in) investing activities was Baht 41.72 million. This was mainly from sale of assets for lease (cars) during the year.

In the year 2020, the Company's cash flows from (used in) investing activities was Baht 40.94 million. This was mainly from sale of assets for lease (cars) during the year.

In the year 2021, the Company's cash flows from (used in) investing activities was Baht (91.29) million. This was mainly from cash outflow to a 6-month fixed deposit in the amount of Baht(120) million and cash inflow from sale of assets for lease (cars) in the amount of Baht 32 million.

**Cash flows from (used in) financing activities**

In the year 2019, the Company's cash flows from (used in) financing activities was Baht (195.55) million. This was mainly from dividend payment in the amount of Baht 160.00 million and repayment of liabilities under finance lease agreement in the amount of Baht 126.54 million.

In the year 2020, the Company's cash flows from (used in) financing activities was Baht (130.90) million. This was mainly from repayment of lease liabilities and repayment of short-term loans from financial institutions.

In the year 2021, the Company's cash flows from (used in) financing activities was Baht (276.94) million. This was mainly from repayment of lease liabilities in the amount of Baht (194) million and dividend payment in the amount of Baht (83) million.

### Liquidity ratio

#### Table illustrating the Company's key liquidity ratios

As of 31 December 2019 to 2021

Key liquidity ratio	Unit	As of 31 Dec 2019	As of 31 Dec 2020	As of 31 Dec 2021
Current ratio	(times)	0.69	2.07	2.37
Quick ratio	(times)	0.62	2.00	2.28
Average collection period	(days)	53.79	56.49	55.85
Average payment period	(days)	15.89	14.62	13.66

In the year 2019, the Company's current ratio and quick ratio were 0.69 times and 0.62 times respectively. The decrease in these ratios was mainly due to an increase in short-term loans from financial institutions to pay dividends in the third quarter of 2019.

In the year 2020, the Company's current ratio and quick ratio were 2.07 times and 2.00 times respectively. The increase was due to the initial public offering, which resulted in an increase in the Company's cash. The Company used proceeds from the initial public offering to repay all short-term loans from financial institutions.

In the year 2021, the Company's current ratio and quick ratio were 2.37 and 2.28 times respectively due to higher cash flows from the Company's operations and the Company did not make any investments in the year 2021.

The Company's average collection period in 2019 to 2021 were 53.79 days, 56.49 days, and 55.85 days respectively. The average collection period is based on the Company's credit terms to customers, which is approximately 4 days to 60 days due to the Company's efficient debt collection management. In the past, the Company has never had any customer with overdue payment for a long period, which requires for setting aside of an allowance for doubtful accounts.



However, a state enterprise customer, which was in tourism industry, was severely affected by the Covid-19 pandemic and had entered into a rehabilitation plan. Based on conservative basis, the Company has set an allowance for doubtful accounts for such contract in the amount of Baht 5.78 million in the year 2020.

The Company's average payment periods in 2019 to 2021 were 15.89 days, 14.62 days, and 13.66 days respectively. The Company's low payment periods are a result of the Company's main cost being salary of its personnel, which has a clear payment schedule. Therefore, the Company's trade and other payables were in a low proportion compared to the Company's total cost of services.

The Company's trade and other payables (accrued wages) at the end of the year will be lower compared to other months as a result of wage payment policy for employees directly working with customers during the month of December. The Company will close payroll balance to such employees by 31 December, while the payment of the employee's wages in the other months will be paid to the employees at the beginning of the following month. Therefore, trade and other payables (accrued wages) at the end of the year will be lower than other months of the year. As a result, the average payment period at the end of the year will be lower than in the rest of the year.

According to the nature of the Company's business, the average collection period is 35-37 days which is higher than the payment period. Since the Company is a service provider with no inventories and investment in machinery is unnecessary. The main current assets in the Company's business operations are trade receivables. Therefore, the Company has no issue with lack of funding from maturity mismatch due to the average collection period being higher than the payment period. In addition, if considering the past performance, the Company has always been profitable in doing business. Therefore, the Company has a large amount of remaining credit limits from financial institutions, which can be used to support in the event that the Company faces a lack of sufficient liquidity in the future. At present, the Company does not have any financial restriction under the terms of short-term loans from financial institutions that affect additional borrowing in the future.

Revenue from the Provincial Electricity Authority comes from several segments, namely: 1) driver and office staff management, 2) technician staff management; 3) data entry management; and 4) car rental service. Each contract is clearly separated from each other. The contracts also have different starting and ending dates. Such factors enable the Company to diversify risks that may arise from reliance on the Provincial Electricity Authority.

Approximately 73.15% of the revenue from the Provincial Electricity Authority (in 2021) came from technician staff management. However, the Company has 4 contracts for technician staff management. Each contract is not related to one another. The Company's inability in winning the bidding for any of the contracts would affect only certain contracts, but would not affect all contracts. Such revenue comes from

the service contract of which the Company has been awarded by the Provincial Electricity Authority to continuously provide services (for over 10 years) based on quality of service and reasonable service fees. In addition, the bidding process of the Provincial Electricity Authority requires qualified candidates in terms of performance and financial positions. Therefore, there are a few number of potential bidders to compete with the Company.

The table below illustrates the results of sensitivity analysis. This reflects the potential impact on the operating results for the year ending 31 December 2021 due to the Company's failure to win a service bidding with the Provincial Electricity Authority. It is as if the Company lost such customer in varied proportions. Such circumstance will affect the Company's revenue and gross profit with details as set out below.

Impact on	In the event that the Company loses revenue from the Provincial Electricity Authority (representing a proportion of total revenue in 2021)		
	Loss of revenue by 10%	Loss of revenue by 20%	Loss of revenue by 50% <sup>/2</sup>
Total revenue in the year 2021	Decrease by 4.39% of total revenue	Decrease by 8.78% of total revenue	Decrease by 21.97% of total revenue

Impact on	In the event that the Company loses revenue from the Provincial Electricity Authority (representing a proportion of total revenue in 2020)		
	Loss of revenue by 10%	Loss of revenue by 20%	Loss of revenue by 50% <sup>/2</sup>
Gross profit in the year 2021 <sup>/1</sup>	Decrease by 4.49% of gross profit	Decrease by 8.89% of gross profit	Decrease by 22.25% of gross profit

Remarks: <sup>/1</sup> The average gross profit margin of all contracts with the Provincial Electricity Authority was used as a base for calculating the impact on gross profit in 2021.

<sup>/2</sup> The Company is confident that there is a very low probability of the Company losing revenue from the Provincial Electricity Authority.

## 5. General information and other material information

Issuer	Siamrajathanee Public Company Limited
Head Office	329 Moo 10 Kuson Song Samakkhi Soi 1 Old Railway Road, Samrong Sub-district, Phrapradaeng District, Samutprakarn 10310
Branch Locations	35 Soi Samanchan-Barbos, Sukhumvit 42 Road, Phra Khanong Sub-district, Khlong Toei District, Bangkok 10110 223/37, 11th Floor, Sanpawud Road, Bang Na Sub-district, Bang Na District, Bangkok 10260 73 Moo 4, Surasak Sub-district, Si Racha District, Chonburi Province 20110
Company Registration No	0107562000297
Business Type	Outsourcing Services Business - Management services - Landscape management services Rental and Services Business - Automobile rental services - Property rental services
Industry Sector	Services / Professional Services
Securities Information	Siamrajathanee Public Company Limited's ordinary shares listed on the Stock Exchange of Thailand in year 2020 and the ticker is "SO"
Registered Capital	THB 372,000,000 ณ วันที่ 11 พฤษภาคม 2564
Paid-up Capital	THB 371,999,971 ณ วันที่ 11 พฤษภาคม 2564
Par Value	THB 1.0 per share
Telephone	02-363-9300
Facsimile	02-363-9377
Website	www.siamrajathanee.com
Company secretary, please contact	+66 (0) 2363 9300 ext. 9300 or email: cs@siamraj.com
Investor relations, please contact	+66 (0) 2363 9300 ext. 8000 or +66 (84) 3243083 or +66 (86) 9041872 email: aphiwat.k@siamraj.com / ir@siamraj.com

## Other Material Information

**1. Securities Registrar**

Company's name	:	Thailand Securities Depository Company Limited
Head Office	:	The Stock Exchange of Thailand Building 62 Ratchadaphisek Road, Khlong Toei Sub-district, Khlong Toei District, Bangkok 10110
Telephone	:	02-229-2800
Facsimile	:	02-359-1259

**2. Auditor**

Company's name	:	EY Office Limited
Head Office	:	33rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Ratchadaphisek Road, Khlong Toei District, Bangkok 0110
Telephone	:	02-264-9090
Facsimile	:	02-264-0789-90

**3. Legal Advisor**

Company's name	:	Kudan and Partners Company Limited
Head Office	:	127, Gaysorn Tower, 23rd Floor, Units C&F, Ratchadamri Road, Lumphini Sub-district, Pathum Wan District, Bangkok 10330
Telephone	:	02-838-1750
Facsimile	:	02-838-1795

**Legal Disputes**

Siamrajathanee Public Company Limited did not a party to any legal proceedings or arbitrations which might create a significant impact to the financial position or profits of the Company.



SIAMRAJATHANEE PUBLIC COMPANY LIMITED

## 2. Corporate Governance

## Section 2 Corporate Governance

### Corporate Governance Policy

The Company values the importance of good corporate governance principle of which it will support the efficiency and sustainable growth of the Company's business operation which will lead to the highest interest of all stakeholders such as employees, investors, shareholders and other stakeholders. Therefore, the Board of Directors has resolved to have the good corporate governance principle in place which include the importance principle consisting of structure, roles, duties and responsibilities of the Board of Directors and the management principle with the integrity, transparency, and supportable as the guideline of organization management to ensure the Company's business operation will be performed with fairness and highest interest of all shareholders and stakeholders.

To ensure that the Company will be reliable for all shareholder and stakeholders, and for the benefit of creating sustainable value for the business according to the expectation of the private sector, investors, capital market and society, the Company has prepared the good corporate governance principle in accordance with the good corporate governance principle of the listed companies in 2017 prepared by the Securities and Exchange Commission as the guideline of the corporate governance of companies.

*(Attachment 5 Page 299)*

#### 6.1 Overview of Corporate Governance Policies and Guidelines

##### 6.1.1 Policy and guidelines on the Board of Directors

In the nomination and appointment of directors, sub-committees, and Chief Executive Officer, the Company has established criteria, composition, and qualifications, including the appointment and termination of the position of the Company's directors, to cover and comply with the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand. *(Attachment 5 Page 300)*

**Director and Executive Development** With respect to the training of directors and executives, the Board of Directors has a policy on promoting and facilitating training and educating directors and executives of the Company to ensure continuous, improvement and operation for both internal and external training courses. All members of the Board of Directors must be trained to understand their duties as directors. The Board of Directors and senior executives are focused on participating in trainings or seminars in various courses or developing competencies. The Board of Directors has completed training courses with the Thai Institute of Directors (IOD), namely the Director Certification Program (DCP), the Director Accreditation Program (DAP), the Audit Committee Program. The Company has also sent directors and executives to participate in training courses organized by the Thai Institute of Directors IOD and other institutions.

In the year 2021, Director and Executive have attended training in various courses as follows : The CMO Academy course of Marketing Association of Thailand, CFO Refresher course of The Stock Exchange of Thailand, CEO Learning Through Experiences course of No Name I M C Company Limited, Digital Transformation Xponential Program of Rise Accel Company Limited, and the courses of EY Office Company Limited that the Audit Committee attended the training as follows : Overview of the impact on financial statements after the easing of accounting standards, The latest update of (TFRS : IBOR Reform / Rent concession / Sales and Leaseback) , IPO Trends and Accounting Issues from Venture Capital Investments / Accounting issues related to digital assets , Marking financial statements more efficient by using technology to help, and an overview of digital assets.

### **Supervision of operations in subsidiaries and associated companies**

The Company establishes supervision and management policies for its subsidiaries and/or associated companies with the aim of establishing direct and indirect measures and mechanisms for the Company to be able to supervise and manage the business of subsidiaries and associated companies, as well as monitor subsidiaries and associated companies to comply with the measures and mechanisms established as an entity of the Company itself in order to maintain the interests of the Company's investments in subsidiaries and associated companies, the Company will dispatch qualified persons with appropriate experience to conduct business to represent the Company to act as a director in each subsidiaries and/or associated companies in proportion to the shareholding in each company in order to supervise the subsidiaries and/or associated companies to comply with the law, corporate governance policy, in which the submission of representatives of the Company to act as directors of each subsidiaries and/or associated companies must be considered and approved by the Board of Directors' meeting, taking into account the suitability of each company.

In addition, the Company will closely monitor the performance and operations of such subsidiaries and/or associated companies and present the results of the analysis as well as comments or recommendations to the Board of Directors for consideration, determination or improvement of the business of subsidiaries and/or associated companies for the sustainable development and growth.

#### **6.1.2 Policy and guidelines on shareholders and stakeholders**

The Company values the rights of shareholders by recognizing the importance of shareholders to obtain basic rights and practices fairly and equitably, as well as receiving accurate, adequate and timely information about the Company's information to monitor its operations and to encourage shareholders to attend the shareholders' meeting to exercise their right and to express their opinions including to make recommendations and make decisions on important issues of the Company, including monitoring the operations of the Board of Directors and management and to provide measures to prevent the use of inside information for their own benefit, to protect the interests of shareholders, and not to do anything that

infringes or deprives the rights of shareholders. The Company has good practices for shareholders. as follows:

In regard to the supervision of the use of information within the Company, the Company attaches importance to preventing the use of internal data of the Company, with the aim of having a policy prohibiting directors from using the Company's internal data. The Company's executives and employees shall not disclose confidentiality or internal information of the Company that has not been publicly disclosed or exploited by themselves or others, directly or indirectly, and whether returns are received or not, and the Company's securities must not be traded using the inside information. The Company has established guidelines for preventing the use of internal information as follows:

**Prohibitions on the trading of securities using inside information**

Directors and all executives and employees are required to comply with the prohibition on the trading of securities using internal information, which is defined in the Securities and Exchange Act B.E. 2535 (1992) section 242 "it is forbidden for anyone who knows or possesses inside information concerning the issuing company to do the following:"

- A. buy or sell securities or be bound by futures contracts relating to securities, whether for themselves or others, unless
- To comply with the laws or court's orders or orders of competent authorities
  - To comply with obligations under futures contracts made prior to their know-how or possession of internal information concerning the issuers.
  - It is an act in which he or she does not know or make decisions but has assigned the person who has authorized or registered by the laws to manage funds or investments, or decides on the purchase or sale of securities or be bound by futures contracts relating to such securities;
  - To acts in a manner that does not exploit other persons or in the manner prescribed by the Securities and Exchange Commission.
- B. Disclose inside information to other persons, either directly or indirectly, in any way, knowingly or knowing that the data receiver may use that information for the purpose of buying or selling securities, or being bound by futures contracts relating to securities, whether for themselves or others, unless acting in a manner that does not exploit another person or in the manner prescribed by the Securities and Exchange Commission."

In the event that this circumstance occurs, a person who knows or possesses inside information relating to the Company may be liable as required by the law and the Company shall consider taking a disciplinary offence in accordance with the Company's work rules.



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The Company Secretary is responsible for maintaining the register of persons designated by the Company and notifying them when they are added in or deleted from the register.

**Blackout Period**

- A. Person who knows or possesses inside information, is not permitted to trade the Company's securities in the 30 days before the quarterly and annual financial statements or internal information is made public, and within the 24 hours after such internal information has been made to public and other periods that the Company will determine from time to time.
- B. In exceptional circumstances, a person who knows or possesses inside information concerning the Company may sell the Company's securities during the prohibited period of trading if you are in a situation such as severe financial difficulties or have to comply with legal requirements or fall under a court order and you must always provide a record of the reasons and request approval for the following details:
- The chairman of the Board of Directors (in case the seller is a director or Company Secretary)
  - The chairman of the Audit Committee (in case the seller is chairman of the Board of Directors)
  - The Chief Executive Officer (in case the seller is a person designated by the Company who is not a director and company secretary)

A copy of the request must also be submitted to the Company Secretary.

- C. The Compliance Department will announce the prohibited period of trading in advance to help the persons prescribed by the Company comply with these rules.

**Securities Holding Reporting**

- A. Person responsible for reporting

The person is required to the report means to the director, management team and in the event that the Company undergoes rehabilitation, including interim executives, plan-making officers. In addition, in the reporting of such persons must include spouses or those who live together, underage child, and juristic persons whose shareholdings in total more than 10% of the total voting rights and the largest shareholding in that juristic person.

- B. First reporting

To submit the report to the Company Secretary within 7 business days from the date of appointment.

- C. Reporting on changes

To report the change of holding of securities within 3 business days from the date of trading by submitting the report to the Company Secretary.

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- D. Directors and first four level executives including spouses or underage child are obliged to prepare and disclose the company's securities holding reports and the change of securities' holding to the Office of the Securities and Exchange Commission according to Section 59 of the Securities and Exchange Act B.E.2535 (1992).
- E. The Company Secretary must produce a copy of the report in accordance with Clauses 3.2 and 3.3 and send to the Chairman of the Board of Directors, the Chairman of the Audit Committee and the Chief Executive Officer within 7 days following the date on which the report has been received and it shall report to the Board of Directors in the next meeting.
- F. The changes to the holding of exempted securities (this Policy does not apply in the following circumstances)
- Securities derived from Right Offering
  - Securities derived from stock dividend payments
  - Shares derived from the exercise of rights under convertible securities
  - Securities acquired through inheritance
  - Securities derived from ESOP/EJIP projects
  - Changes in securities holding due to transactions, borrowing or lending securities or depository centers in accordance with the regulations of the Securities and Exchange Commission's notification
  - Securities derived from the transfer of securities from the collateral of the futures trading (only for lending or borrowing transactions)
- G. Other restrictions on securities trading
- The Company encourages individuals designated to invest in the Company's securities in the long term, not to trade the Company's securities in the short term or speculate on the Company's securities. The short term means less than 3 months.
  - The person designated by the Company should avoid the following transactions:
    - Short sales of the Company's securities which will lead the Stock Exchange of Thailand that the seller has no confidence in the Company.
    - Derivatives trading (e.g. futures and options) related to the Company's securities, which may cause securities trading characteristics using internal information.
    - Holding the Company's securities in margin accounts, which may be forced by securities companies to sell such securities without consent if it cannot provide additional collateral.

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**Anti-Corruption Policy and Guidelines**

The Company recognizes the importance of good corporate governance principles by adhering to business operations with integrity, transparency and fairness and takes responsibility and be vigilant under the laws and relevant regulations and standards.

**Best Practices**

- A. Directors, executives, employees at all levels shall comply with the Company's anti-corruption policy and code of conduct and shall not involve in the corruption, either directly or indirectly.
- B. Employees should not be neglected or ignored when a corruption act is seen involving the Company, the supervisor or person in charge must be notified and such employee shall cooperate in the investigation.
  - 1. If you have any questions or inquiries, please consult with your supervisor or the person designated to be responsible for monitoring the Company's compliance with the code of conduct through the specified channels.
  - 2. The Company will provide fairness and protection to employees who deny or report corruption related to the Company by using measures to protect complainants or those who cooperate in reporting corruption as defined by the Company in its policy.
  - 3. A person who commits corruption which is considered as unethical and must be disciplined in accordance with the regulations prescribed by the Company. In addition, it may be punished by laws if the act is illegal.
  - 4. The Company recognizes the importance of disseminating, educating and understanding other persons who are performing duties related to the Company or may have an impact on the Company in matters that must be followed in accordance with this Anti-Corruption Policy.
  - 5. The Company is committed to creating and maintaining an organizational culture that adheres to corruption as unacceptable in both transactions with the public and private sectors.

**Whistleblowing or complaints**

The Company provides a channel through which all stakeholders can contact the Board of Directors. Whistleblowing is based on the basic principles of good understanding and cooperation between the Company and its stakeholders. This is especially beneficial for sustainable development. The Company provides processes and channels for receiving stakeholder complaints and protecting the rights of whistleblowers and related parties to be fair and not bullied. In the event that the stakeholders have doubts or witness any acts suspected of violating or complying with the laws and regulations, or business ethics and corruption in duties such as breaking the laws and regulations and rules of the Company, fraud,

corruption, abuse of power or exploitation, impairment of duties or misconduct, human rights violations, doing things that affect society and community and environment, you can inquire, whistle blow or complaint and provide details of evidence to related parties or department at the company's website [www.siamrajathanee.com](http://www.siamrajathanee.com) or by postal mail to the Company's Directors or e-mail to the Office of Company Secretary at [cs@siamraj.com](mailto:cs@siamraj.com)

or postal mail to the address: Siamrajathanee Public Company Limited  
329 Moo 10 Kusun Song Samakkhi Soi 1  
Old Railway Road, Samrong Sub-district,  
Phrapradaeng District, Samutprakarn 10310

### Disclosure and Transparency

The Company adheres to the principles of accurate, complete, transparent and timely disclosure of both financial and non-financial information to all investors and stakeholders. There is reliable and sufficient information to make decisions through the Stock Exchange of Thailand system and the Company's website to provide all individuals with equal access to the information. The Company has guidelines for maintaining internal information to be limited to the person who need to know only.

### 6.2 Code of Conduct

The Board of Directors intends to promote the Company as an effective organization in both business operations, good management and conducting business with ethical, fair, transparent, accountable and to create highest benefits for shareholders and to take into account the stakeholders, to build mutual confidence and sustainable growth, and to ensure that directors, executives and employees have the best practice and behave in a way that is appropriate for professional and business practices as well as morality, economic and social responsibility (*Attachment 5 Page 338*)

#### Best Practices for Executives

All executives must behave in accordance with rules, regulations, announcements and orders of the Company and its supervisors at higher levels as follows:

- (1) To promote the policy and compliance with regulations, orders, agreements, notices or circulars of the Company which are strictly announced to all employees.
- (2) To perform its duties with integrity as well as report incidents that may damage the Company's reputation and assets as soon as possible.
- (3) Be polite and respectful to colleagues.

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- (4) To perform duties with intent and maintain the Company's rules and governance to set a good example for employees in general in order for the Company to grow and be accurate in accordance with the fairness.
  - (5) To maintain the company's interests and confidentiality of the Company, client or any business related to the Company strictly. The dissemination of information relating to the Company's financial and business must only be carried out in accordance with the appropriate guidelines as permitted and must be done with prudence and efficiency. All employees agree to keep the above-mentioned confidential information as confidential information. If disclosed or sent to others or used such information in matters other than performance of duties to the Company, the employee agrees to be responsible for indemnifying the Company in all respects.
  - (6) To take precautions and to protect the Company's assets without damage or loss, whether from individuals or from any disaster, as far as possible, and not to take any items, whether the Company's equipment or assets, for personal use or for the benefit of others who are not involved in the Company's business operations.
  - (7) To promote morality and ethics at all levels of the Company, as well as monitor and manage potential conflicts of interest in the Company.
  - (8) To close supervision of subordinates and shall have justice without prejudice.
  - (9) Being ready to work as a team and be able to listen to the opinions of others.
  - (10) To comply with the regulations, as well as support and supervise the employees in the command to comply with the regulations relating to the company's requirements for using computer systems, computer information, the company's computer traffic information strictly in order to comply with the computer laws, copyright laws or other applicable laws and prevent damage to the Company's reputation and image.

#### **Best practices for employees**

To enhance good work and efficiency, the employees should have best practices as follows:

- (1) Employees should work with integrity and due diligence and improve productivity. This is for the benefit of ourselves and the Company.
- (2) Employees should strictly comply with the Company's work rules and regulations.
- (3) Employees should respect and obey supervisors who command in favors the Company's policies and regulations.

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- (4) Employees should be friendly and generous in helping each other. This will avoid the conflict between each other which will lead to damage to other parties and the Company.
  - (5) Employees should respect their rights and respect each other, avoiding the disclosure of information or stories of others in terms of performance and personal matters in a way that will cause damage both to employees and to the Company.
  - (6) Employees should avoid receiving any gifts that may make themselves uncomfortable on their duties in the future. If this is inevitable, notify the supervisor immediately.
  - (7) Employees do not use their positions or benefit from their duties, seek personal or partisan interests, or do business with the Company.
  - (8) Employee shall treat the customers and partners with integrity and equality.
  - (9) Employees should strictly maintain the confidentiality of customers, partners and organizations.
  - (10) Employees should report the matter to the supervisor without delay when the matter is acknowledged, it may affect the Company's operations or reputation.
  - (11) Employees should maintain the Company's benefits and assets in good condition to make full use of it, saving, not wasting, damaging or degrading prematurely.

**Past operations**

1. The Company creates a complaint channel for customers or stakeholders through its [website www.siamrajathanee](http://www.siamrajathanee). The complaint channels and complaint handling processes and the complainant's personal information is kept confidential and not disclosed to anyone else.
2. The Company has established a privacy policy and has appointed a Personal Data Protection Officer, including documents and contracts as well as forms relating to personal information, including customers, partners and employees, to prevent potential risks on the subject of confidentiality.

**6.3 Major changes and developments of policy guidelines and corporate governance system in the past year****6.3.1 Past Actions**

In respect of review of good corporate governance policy and charters of sub-committees, the good corporate governance policy has been reviewed. In the past year 2021, the Company has reviewed the good corporate governance policy 2 times according to the resolution of the Board of Directors' Meeting approving review of the charters in early February 2021 and during middle of May 2021 to review vision, duties of the Board of Directors, and investor relations information.

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As for the charters' review of various committees, the Company reviews them annually. The Company will present to the Board of Directors' meeting for acknowledgement and present it to the meeting of the sub-committees for approval and subsequently propose to the Board of Directors for approval.

For the shareholders' meeting, the Company gives shareholders the opportunity to propose agenda and nominate candidates to be nominated as directors and to submit questions in advance for the 2022 Annual General Meeting of Shareholders in advance before the date of the meeting by determining the criteria for submitting questions in advance and publishing them on the Company's website and informing them on the Stock Exchange of Thailand's website in order to promote fair and equitable treatment of shareholders.

For the Board of Directors' Meeting, the Corporate Governance Policy of the Company requires the Board of Directors to have the meeting at least every 3 months in which the Board of Directors has guided and determined the direction of business operations, including setting policies and setting goals for the Company through the meeting. The Board of Directors, which is held at least 6 times a year and the meetings of sub-committees throughout the year. The Board of Directors has considered the policy regarding the attendance of the Board of Directors, which is stated in the Code of Conduct and Good Corporate Governance Principles, that the Board of Directors is obliged to attend Board of Directors' meetings regularly, with directors should attend the Board of Directors' meetings at least 75% of total number of meeting per year. In 2021, the Company held 6 meetings of the Board of Directors. The proportion of attendees of the Board of Directors' meetings was 100%, Excluding meetings, only independent directors.

The Chairman of the Board of Directors, the Chief Executive Officer and the Company Secretary will jointly consider determining the agenda before each meeting provided that the appropriateness of the agenda shall be considered by the Chairman of the Board of Directors.

The Company Secretary shall deliver the documents for the meeting in the agenda that can be disclosed in writing without affecting the Company. The directors shall have at least 7 days in advance together with the invitation letter stating the date, time, place and agenda.

During the meeting, the Chairman of the meeting shall allocate a sufficient time to discuss important issues and shall promote all directors to express their opinions constructively and independently. The Company Secretary and legal advisor will attend the meeting and take note of the minutes of every meeting.

Meeting documents, minutes of meetings, and related information or documents are fully stored in a safe place, stored in electronic file format along with the storage of original documents.

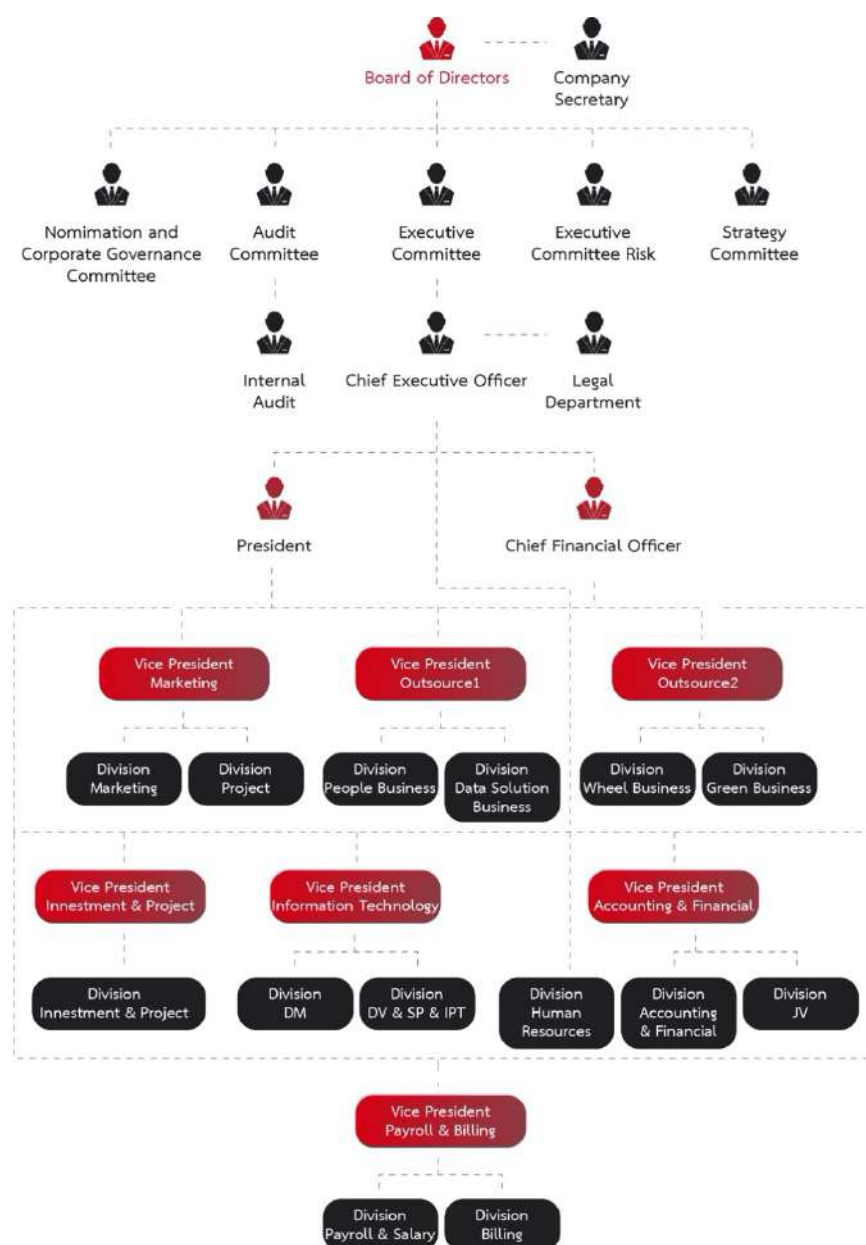
In case of inquiries at the meeting and it is important to follow up on information from related parties, the Company Secretary will be a coordinator and send the management's additional clarification to the Board of Directors as soon as possible.

The Board of Directors shall consider the changes in laws and regulations, the important of rules as well as news and movements regarding good corporate governance in order to ensure that the duties of directors will comply with the up-to-date laws and regulations, rules and best practices and guidelines.



## 7. Corporate Governance Structure and Information of the Board of Directors, Sub-committees, Managements and employees and other information

### 7.1 Corporate Governance Structure As of 31 December 2021



#### Remark

\* The Company has appointed IVL Audit Company Limited ("IVL") to act as the internal auditor. (Attachment 3)

\*\* The Outsource 1 group focuses on people business and datasolution business and the Outsource 2 group focuses on wheel business and green service.

\*\*\* The Company has reorganized the organizational structure / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021

## 7.2 Information of Board of Directors

The Board of Directors consists of directors with diverse knowledge and experience that are beneficial to the Company's business operations. The management structure of the Company consists of the Board of Directors and sub-committees, namely the Audit Committee, Executive Committee, Nomination and Corporate Governance Committee, Risk Management Committee, Strategic Committee and management team.

### SO Committee Composition

Componant		Sex		Age	
Non- Executive Director	5/10	male	7/10	31-40	2/10
Independent Director	4/10	female	3/10	41-50	1/10
Executive Director	5/10			51-60	3/10
				61-70	4/10

### Board of Directors

The Board of Directors consists of 10 directors as follows:

Name	Position
1. Mr.Weidt Nuchjalearn	Chairman of the Board of Directors /Independent Director
2. Mr.Udomsak Rojviboonthai	Chairman of the Audit Committee / Independent Director
3. Mr.Nattakit Tangpoonsinthana, Ph.D.	Member of the Audit Committee / Independent Director
4. Mr.Supachai Parchariyanon, M.D.	Member of the Audit Committee / Independent Director
5. Mr.Krai Vimolchalao	Director
6. Mrs.Naowarat Vimolchalao	Director
7. Mr.Jiranu Kulchanarat	Director
8. Mr.Nattaphol Vimolchalao	Director
9. Mrs.Sopa Aroonratana	Director
10. Miss.Kanthima Jangwansook	Director

### Remark :

1. 4 Independent Directors representing 1 in 3 of the total number of directors. All Independent Directors shall perform their duties and give opinions with independence and take into account the benefits of the Company and shareholders including all stakeholders appropriately.

2. The Chairman of the Board of Directors is the representative of the shareholders and is not the same person as the Chief Executive Officer in order to have a clear separation of roles and a balance of power in operations.

3. The Board of Directors no. 6/2021 held on 23 December 2021 has resolved to approve the appointment of Mr.Jirayut Srupsrisopa to act as the director of the Company and strategy committee.

### **Authorized Directors to bind the Company**

“Mr. Krai Vimolchalao or Mr. Jiranu Kulchanarat or Mrs. Sopa Aroonratana or Miss Kanthima Jangwansook or Mrs. Naowarat Vimolchalao or Mr.Nattaphol Vimolchalao any two of directors jointly sign to bind the company together with the company’s seal affixed”

The information and details of the Board of Directors are presented in the Attachment 1 (Details of directors, managements, controlling persons, a person who is responsible for accounting and finance group, person who is responsible for supervising the preparation of accounting and company secretary)

### **Roles and Duties of Directors**

#### Term of Director

At every annual general meeting of shareholders, one-third of the directors shall retire from office at that time. If the number of directors cannot be divided into three parts, the number closest to one-third shall retire, provided that a retiring director may be re-elected to take office.

#### Scope of power, duties and responsibilities of the Board of Directors

1. To perform duties in accordance with the law, objectives, regulations of the company and the resolutions of the shareholders' meeting with duty of loyalty, duty of care, accountability, and ethics, taking into account the interests of shareholders.
2. To consider and approve the appointment of persons having qualifications and not having the prohibited characteristics as specified in Public Companies Act B.E. 2535 (1992) and the law concerning securities and exchange, including announcements, regulations and/or rules related to director positions. In the event that the director position is vacant due to reasons other than the retirement by rotation.
3. To consider and appoint independent directors and sub-committees based on qualifications and prohibited characteristics under the laws concerning securities and exchange, as well as relevant announcements, regulations and/or rules of the Stock Exchange of Thailand or to propose to the shareholders' meeting for appointment as an Independent Director and member of sub-committee.
4. To determine and amend the names of directors who are authorized to bind the Company.
5. To appoint any other person to operate the Company's business under the control of the Board of Directors or may authorize such person to have power and / or within the period as the Board of Directors deems appropriate, in which the Board of Directors may cancel, withdraw, change or amend that power.

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6. To consider and approve the acquisition or disposition of assets of the Company, except in the event that such transactions require approval from the shareholders' meeting. In consideration of such approval, it shall be in accordance with the announcement. Regulations and / or related regulations of the Stock Exchange of Thailand.
  7. To consider and approve connected transactions, except in the event that such transactions require approval from the shareholders' meeting, such approval shall be in accordance with the announcement. Regulations and / or regulations related to the Stock Exchange of Thailand.
  8. To consider and approve the payment of dividends to the shareholders when it sees that the company is profitable to do so and reports such dividend payment to the shareholders 'meeting at the next shareholders' meeting.
  9. To consider and appoint a qualified person to take the position of Chief Executive Officer if the position of Chief Executive Officer becomes vacant
  10. To define vision, policy and operating direction of the company, business strategy, annual budget and supervise the management to perform its duties according to the specified policies efficiently and effectively to add maximum economic value for shareholders and sustainable growth.
  11. Be responsible to shareholders regularly and perform duties to protect shareholders' interests and disclose accurate, complete, standardized and transparent information that is essential to investors
  12. To evaluate the performance of directors and senior management.
  13. To supervise the management to have an appropriate and efficient risk management system.
  14. To consider matters such as business policies and plans, large-scale investment projects, administrative powers, acquisition or disposition of assets, and other items as required by law.
  15. To determine the authority and level of authorization for transactions and actions related to the work of the company for the group or individual as appropriate and in accordance with the relevant law by preparing a manual of authorizations and giving an effective review at least once a year
  16. To arrange to prepare a balance sheet and profit and loss statement at the end of the company's fiscal year and sign it to certify such financial statements to present to the Annual General Meeting of shareholders for consideration and approval.
  17. To approve the nomination of auditor and to approve the annual audit fees to propose to the shareholders for consideration and approval of the appointment.
  18. To report of the Board of Directors' responsibility for preparing financial transactions, which is presented together with the auditor's report in the annual report, covers important matters in accordance with the policy of good practices for directors of listed companies of the Stock Exchange of Thailand.
  19. To supervise the performance of various committees to be in accordance with the specified charter.
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20. The Board of Directors is required to self-assess performance and assess overall performance.
  21. To ensure that the Company and its subsidiaries adopt an appropriate and efficient accounting system, including an internal control system and an internal audit system.
  22. To establish a written corporate governance policy and implement such policy effectively to ensure that the company is responsible for all stakeholders with fairness and encourages communication to everyone in the Company to understand and comply with it.
  23. Independent directors should exercise independent judgment in determining strategies, administration, resource utilization, appointment of directors and setting of business standards, as well as being ready to object to the actions of management or other directors in the event of the conflicts of opinion on matters affecting the equality of all shareholders.
  24. To provide accurate, complete, transparent, reliable, timely and equitable disclosure of information to shareholders and stakeholders.
  25. To establish an appropriate and efficient risk management process that can assess, monitor and manage critical risks.
  26. To arrange for a company secretary to assist in supervising the activities of the Board of Directors and to assist the Board of Directors in complying with relevant laws and regulations.
  27. To provide a code of business ethics for directors, executives and employees as the standard of business conduct of the Company.
  28. To arrange for a succession plan for the senior executives of the Company.
  29. To regularly review and update important policies and plans to be up to date and appropriate to business conditions.
  30. To organize a review and amendment of the Board of Directors Charter to be in line with the circumstances.
  31. Be able to seek professional opinion on business operations by hiring an outside consultant at the expense of the Company.
  32. To perform any other duties in connection with the Company's business as assigned by the shareholders. Independent directors may be assigned by the Board of Directors to make operational decisions of the Company, parent companies, subsidiaries, associated companies, same level subsidiaries, major shareholders or controlling persons of the Company as the collective decision

#### Scope of Powers, Duties and Responsibilities of the Chairman of the Board of Directors

1. To call a meeting of the Board of Directors and chair the meeting of the Board of Directors and chair the shareholders' meeting as well as have a role in setting the meeting agenda with the Chief Executive Officer

2. To have a role in controlling meetings to be efficient in accordance with the Company's regulations, supporting and allowing directors to express their opinions independently.
3. To support and promote the Board of Directors to perform their duties to the best of their ability in accordance with the scope of powers, duties, responsibilities and in accordance with good corporate governance principle
4. To oversee and monitor the management of the Board of Directors and other sub-committees to achieve the specified objectives.
5. To be the casting vote in the event that the Board of Directors' meeting has equal votes.
6. 6. To give approval in arranging agendas for the Board of Directors' meetings in consultation with the Chief Executive Officer.
7. The Chairman of the Board of Directors is independent from the management and does not interfere in the normal day-to-day management of the management by clearly dividing roles and duties.
8. To supervise the efficient performance of duties of the Board of Director, to support and to give advice and assistance to the management's operations in accordance with the scope of powers assigned by the Board of Directors.

### 7.3 Information of the Sub-Committees

The Company's sub-committees consist of the Audit Committee, the Nominating and Corporate Governance Committee, the Risk Management Committee, the Strategic Committee and the Executive Committee.

#### Audit Committee

The Audit Committee consists of 3 member as follows:

Name	Position
1. Mr. Udomsak Rojviboonchai	Chairman of the Audit Committee / Independent Director
2. Mr. Nattakit Tangpoonsinthana, Ph.D.	Member of the Audit Committee / Independent Director
3. Mr. Supachai Parchariyanon, M.D.	Member of the Audit Committee / Independent Director

Mr. Udomsak Rojviboonchai is a person with sufficient knowledge and experience in accounting and finance to review the reliability of the financial statements of Siamrajathanee Public Company Limited. Mr. Udomsak Rojviboonchai graduated with a bachelor's degree in accounting, University of the Thai Chamber of Commerce and master's degree, Faculty of Commerce and Accountancy, Chulalongkorn University, currently holding a position as a company director of Krungthai Panich Insurance Public Company Limited and Terabyte Net Solution Public Company Limited. The details of qualifications and experience of 3 members of the Audit Committees are set out in *the Attachment 1 (Details of directors, executives, controlling person, persons assigned to the*

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*highest responsibility in accounting and finance, a person assigned to have a direct responsibility for accounting supervision and Company Secretary)*

Scope of duties and duties in the recruitment area

The Audit Committee consists of at least 3 independent directors having powers, duties and responsibilities as follows:

1. To review the financial reports to ensure they are accurate and reliable, including adequate information disclosure by coordinating with the external auditors and the management responsible for preparing the quarterly and annual financial reports.
2. To review to ensure that the Company has an internal control system and internal audit to be appropriate and efficient, and to consider the independence of the internal audit unit as well as to approve the appointment, transfer and termination of the head of the internal audit department or any other function responsible for the internal audit and may recommend a review or audit of any items deemed necessary and important. In addition, recommendations on important and necessary improvements to the internal control system are presented to the Board of Directors by reviewing together with the external auditors and the internal audit manager.
3. To review the compliance with the law on securities and exchange or regulations of the Stock Exchange of Thailand, policies, rules, regulations and other laws related to the business of the Company
4. To consider, select and propose to appoint an independent person to act as the auditor, including to consider proposing the remuneration of the Company's auditors to the Board of Directors, as well as to attend a meeting with the auditor without the management team attending the meeting at least once a year.
5. To review the internal audit plan of the Company according to generally accepted methods and standards
6. To consider related party transactions or transactions that may lead to conflicts of interest in accordance with the laws and regulations of the Stock Exchange, as well as the disclosure of the Company's information on such matters to ensure accuracy and completeness to ensure that the transaction is reasonable and is in the best interest of the Company.
7. To review to ensure that the company has an appropriate and efficient risk management system.
8. To report the performance of the Audit Committee to the Board of Directors at least 4 times a year.
9. To prepare the Audit Committee's report and disclose in the Company's annual report, which must be signed by the Chairman of the Audit Committee and must contain at least the following information:
  - a. Opinions on the accuracy, completeness and creditability of the Company's financial reports.
  - b. Opinion on the adequacy of the Company's internal control system.

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- c. Opinion on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws related to the Company's business.
  - d. Opinion on the suitability of the auditor.
  - e. Opinions on transactions that may lead to conflicts of interest.
  - f. Number of Audit Committee meetings and the attendance of each member of the Audit Committee.
  - g. Opinions or overall observations received by the Audit Committee in the performance of their duties under the Charter.
  - h. Other items that should be known to shareholders and general investors within the scope of duties and responsibilities assigned by the Board of Directors.
- 10. To prepare reports to share opinions on the appointment, dismissal, and evaluate the performance of the staff of the internal audit department.
  - 11. In the performance of duties according to the scope of duties, the Audit Committee has the power to request the management, executives or employees of the Company to give opinions, attend meetings or send documents that are relevant or necessary.
  - 12. To have the power to engage consultants or third parties according to the Company's regulations to give opinions or give advice if necessary.
  - 13. The Audit Committee shall report the results of the assessment as well as problems and obstacles in the work that may cause the performance of the work to not achieve the objectives of the establishment of the Audit Committee for the consideration of the Board of Directors every year.
  - 14. To review and revise the Audit Committee Charter at least once a year.
  - 15. To perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

### Nominating and Corporate Governance Committee

The Nomination and Corporate Governance Committee consists of 3 members as follows:

Name	Position
1. Mr. Nattakit Tangpoonsinthana, Ph.D.	Chairman of the Nomination and Corporate Governance Committee / Independent Director
2. Mr. Udomsak Rojviboonchai	Member of the Nomination and Corporate Governance Committee / Independent Director
3. Mr. Krai Vimolchalao	Member of the Nomination and Corporate Governance Committee



Scope of duties and duties in the recruitment area

1. To determine the criteria and methods for nominating directors of the Company.
2. To consider the structure, size and composition of the Board of Directors and sub-committees to be appropriate with the Company's strategy and changing situations.
3. To determine appropriate methods for recruiting persons to hold director positions are suitable for the nature and business operations of the organization by defining qualifications and expertise.
4. To determine the qualifications of those who will hold the position of director, taking into account the diversity of knowledge, expertise, skills and experience that are beneficial to the Company's business operations and devote their time.
5. In the event that the director position is vacant due to
  - 5.1 Retire by rotation - To consider recruiting and selecting qualified persons as directors in order to propose opinions to the Board of Directors and seek approval from the Annual General Meeting of Shareholders.
  - 5.2 Leave for reasons other than the expiration of the term - To consider recruiting and selecting qualified persons to be directors to propose to the Board of Directors for appointment to replace the vacant positions.
6. To encourage the Company to provide opportunities for minority shareholders to propose names of persons to be nominated as directors of the Company.
7. To consider and select suitable Company directors to be members of the sub-committees to propose to the Board of Directors for appointment as appropriate or when there are vacant positions.
8. Review succession plans for the Chief Executive Officer and high-level executives to prepare potential individuals for succession positions in the event that such positions are retired, resigned, or unable to perform their duties in order for the Company to continue to operate, and to propose a list of suitable candidates to be considered for succession to the Board of Directors for appointment.

Scope of Duties and Responsibilities for Consideration of Compensation

1. To consider the criteria of remuneration to be appropriate by reviewing the appropriateness of the current criteria, comparing with the compensation information of other companies in the same industry as the Company and setting appropriate criteria for the effect in order to create work as expected and it shall be fair and it shall compensate the person who help to the work of the Company successful.
2. To determine the remuneration both in monetary and non-monetary compensation of the directors, the Chief Executive Officer, the member of the Executive Committee and senior executives in accordance with the payment criteria which have been considered and presented to the Board of Directors for approval of the

remuneration of the Chief Executive Officer, the member of the Executive Committee and senior executives. For the directors, the company shall propose the director's remuneration to the shareholders' meeting for approval.

3. To review the operating framework and the compensation structure, annual salary increase, annual bonus, and other benefits as follows:

- To consider the overview and operational framework of the compensation structure, annual salary increase and annual bonus, as well as any other benefits of senior management and employees according to the management's proposal to suit and contribute the results as expected with fairness and it shall compensate the employees that help the works of the Company successful.
- To consider the budget, annual salary increase and annual bonus, as well as other special compensation as determined by the Company for its employees.

4. Consideration of Directors' Remuneration

- To provide opinions to the Board of Directors on the structure and composition of remuneration for directors annually
- To consider and approve and review the performance assessment form of the Board of Directors to propose to the Board of Directors for approval whereby the Nomination Committee will use the results of the aforementioned assessment in determining the directors' remuneration.
- To propose remuneration criteria appropriate to the duties and responsibilities of the directors by linking the compensation with the assessment results of the business plan and the overall performance of the Company to be able to motivate and retain capable, quality and potential directors. The Board of Directors shall consider and approve it before proposing to the Annual General Meeting of shareholders for consideration and approval.

5. Consideration of Chief Executive Officer Compensation

- To consider, approve and review the annual performance assessment form of the Chief Executive Officer.
- To consider, approve and review the structure and composition of compensation for the Chief Executive Officer annually.
- To conduct an annual performance assessment of the Chief Executive Officer and to use the aforementioned results to consider and determine the appropriate compensation for the Chief Executive Officer.

#### Scope of powers and duties of corporate governance

1. To establish a good corporate governance policy, ethics and business ethics of the Company and corporate social responsibility policy by proposing to the Board of Directors for approval.
2. To supervise the performance of the Board of Directors, various committees and management in order to comply with the principles of good corporate governance and good practice of ethics and business ethics.

3. To promote an ethical organizational culture, to supervise the implementation of the policy and good corporate governance practices of the Company's personnel in order to comply with the principles of good corporate governance and the Company's business ethics.
4. To review and improve the good corporate governance policy to be suitable for proposing to the Board of Directors.
5. To perform any other acts as assigned by the Board of Directors in connection with the good corporate governance of the Company.

### Risk Management Committee

The Risk Management Committee consists of 3 members as follows:

Name	Position
1. Mr. Weidt Nuchjalearn	Chairman of the Risk Management Committee / Independent Director
2. Mr. Jiranu Kulchanarat	Member of the Risk Management Committee
3. Miss Kanthima Jangwansook	Member of the Risk Management Committee

### Scope of powers and duties

1. To set up a risk management framework (which includes Risk management policy, structure and process of risk management), including regular reviews and reviews at least annually to ensure that the risk management framework is effective in accordance with international standards and in line with the strategic directions and business plans before proposing to the Board of Directors for acknowledgment.
2. To consider and approve the determination of the risk appetite of the Company before proposing to the Board of Directors for acknowledgment.
3. To supervise, monitor and review the reporting of critical risk management. The Company also provides advice and opinions on the results of the risk assessment, risk management measures and the remaining risk management plans of the Company to ensure that the risk management is effective and suitable for the Company's business operations and able to manage various risks to an acceptable level in line with the risk management policy.
4. To establish and review the Risk Management Committee Charter to be in line with the risk management policy for effectiveness and sufficiency in accordance with changing circumstances
5. To provide support for the development of risk management and risk management tools at all levels throughout the organization on a continuous and efficient basis, as well as promoting and supporting the continual improvement and development of the internal risk management system on continuous and consistent basis.

6. To report significant risk management results to the Board of Directors for acknowledgment if there have any events which may have a material effect on the Company.
7. To responsible for any other activities assigned by the Board of Directors regarding risk management.
8. In the performance of duties, the Risk Management Committee may seek independent advisor's opinion when it considers that it is necessary and appropriate, where the Company is responsible for the expenses.
9. To regularly communicate, exchange and coordinate information about risks and internal controls with the Audit Committee.

### Strategy Committee

The Strategy Committee consists of 3 members as follows:

Name	Position
1. Mr.Nattakit Tangpoonsinthana, Ph.D.	Chairman of the Strategy Committee / Independent Director
2. Mr.Supachai Parchariyanon, M.D.	Member of the Strategy Committee
3. Mr.Krai Vimolchalao	Member of the Strategy Committee

#### Remark:

The Board of Directors no. 6/2021 held on 23 December 2021 has resolved to approve the appointment of Mr.Jirayut Srupsrisopa to act as the director of the Company and strategy committee effective from 4 January 2022. This is an independent director, not executive.

#### Scope of powers and duties

1. To supervise the management to formulate a strategic plan in order for the Company to be an organization that is able to compete effectively and can generate sustainable returns including the operation of the group companies (if any).
2. To consider and scrutinize the management's proposals from presenting various investment projects or expanding IT investment businesses to present to the Board of Directors meeting and it shall consider all risks that may have as well.
3. To supervise and study feasibility for business investment projects and monitor the performance of the investment project progress, as well as report any problems or obstacles that occur with improvement guidelines for the Board of Directors.
4. To follow up and acknowledge progress, including monitoring and supervising the strategic plan, and giving advice to the management to implement the said plan, as well as to supervise the management to have the executive responsible for the implementation of each strategic plan clearly

5. To appoint advisors to support the formulation and implementation of the strategic plan as it deems appropriate.
6. To evaluate the performance of the Strategy Committee and report the results to the Board of Directors (including the disclosure of the assessment results in the annual report).
7. To able to request documents and relevant persons to clarify for information on consideration.
8. To appoint a working group to carry out action as necessary and appropriate.
9. To perform any other acts as assigned by the Board of Directors from time to time.

### Executive Committee

The Executive Committee consists of 6 members as follows:

Name	Position
1.Mr. Jiranu Kulchanarat	Chairman the Executive Committee
2. Mrs. Naowarat Vimolchalao	Vice Chairman the Executive Committee
3. Mr. Krai Vimolchalao <sup>1</sup>	Executive Director
4. Mrs. Sopa Aroonratana	Executive Director
5. Mr. Nattaphol Vimolchalao	Executive Director
6. Mr. Vatcharaphol Vimolchalao <sup>2</sup>	Executive Director

#### Remark:

1. Mr.Krai Vimolchalao was appointed as an executive director but was not an executive in the year 2021.
2. Mr.Vatcharaphol Vimolchalao was appointed as an executive and began to hold executive positions according to the resolutions of the Board of Directors' Meeting No. 4/2021 held on 11 August 2021

#### Scope of powers and duties

1. The Executive Committee is responsible for administering the Company's business in accordance with the Company's objectives or any order of the Board of Directors. In addition, the Executive Committee is responsible for considering various matters to be presented to the Board of Directors for approval.
2. To control the Company's management in accordance with the policy set by the Board of Directors and report the performance to the Board of Directors.
3. To consider the determination of the appropriate authority and level of approval of each individual and to establish a segregation of duties that may lead to corruption, including the formulation of procedures and methods of conducting transactions with major shareholders, directors, executives or those related

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- to such persons appropriately to prevent the transfer of interests and then propose to the Board of Directors for approval in principle including ensuring that the approved principles and requirements are complied.
4. To consider the annual budget and budget expenditure procedure to submit to the Board of Directors and to supervise the expenditure in accordance with the budget approved by the Board of Directors.
  5. To consider and improve the Company's business operation plan to be appropriate for the benefit of the Company.
  6. To consider approving investments and setting investment budgets according to the authorization in the authorization level manual.
  7. To consider entering into various contracts that are binding on the Company according to the authorization in the authorization level manual and to be responsible for having sufficient important information of the Company to support decision-making of the Board of Directors, shareholders, including preparing financial reports that are reliable, in accordance with good standards and transparency.
  8. To consider the profits and losses of the Company and propose annual dividends to the Board of Directors for approval.
  9. To consider new business operations or business dissolution to propose to the Board of Directors for approval.
  10. To supervise a procedure for employees and to report unusual incidents or acts or illegal acts to the Executive Committee in a timely manner and in the event that such events have a material impact, they must be reported to the Board of Directors for rectification within a reasonable time.
  11. To take any action to support the aforementioned actions or as per the opinion of the Board of Directors or as authorized by the Board of Directors.
  12. To proceed to propose to the Executive Committee Meeting on any matter which has been approved and/or approved by the Executive Committee Meeting and must be reported to the Board of Directors at the next Board Meeting.

In this regard, the Executive Committee will not be able to approve transactions that may have special interests, or other conflicts of interest with the Company or its subsidiaries.

#### 7.4 Information of Managements

**Managements** (Pursuant to the definition of the management of the Notification of the Securities and Exchange Commission No. KhorJor. 17/2551 re: the determination of the definitions of the notification regarding the issuing and offering of securities (as amended))

The management team consists of 8 members as follows:

Name	Position
1. Mr.Jiranu Kulchanarat <sup>1</sup>	Chairman the Executive Committee
2. Mr.Nattaphol Vimolchalao	Chief Executive Officer
3. Mrs.Sopa Aroonratana	Chief Financial Officer
4. Miss.Kanthima Jangwansook	President
5. Mr.Vatcharaphol Vimolchalao <sup>2</sup>	Vice President – Marketing
6. Miss.Essara Vimolchalao	Vice President – Outsource 2
7. Mr.Chinnapat Jadcharoen	Vice President – Information Technology
8. Mr.Nattanont Krissanarungreung	Vice President – Accounting & Financial
9. Mrs.Suchitra Dittapan	Vice President – Payroll & Billing

Remark:

1. Siamrajathanee Public Company Limited has reorganized the organizational structure and appointed Mr. Jiranu Kulchanarat to be the Chairman of the Executive Committee and appointed Mr. Nattaphol Vimolchalao as the Chief Executive Officer according to the resolutions of the Board of Directors' Meeting No. 4/2021 held on 11 August 2021.
2. Mr. Vatcharaphol Vimolchalao has been appointed as Vice President - Marketing according to the resolutions of the Board of Directors' Meeting No. 4/2021 held on 11 August 2021.
3. The Board of Directors' Meeting No. 6/2021 held on 23 December 2021 appointed Mr. Aphiwat Kriengwattanakul as Vice President – Investment & Project effective from 4 January 2022.

Scope of Duties and Responsibilities of the Chief Executive Officer

1. To oversee, manage, operate and perform regular business operations for the benefit of the Company in accordance with the Company's objectives and regulations, including policies, plans and budgets as determined by the Board of Directors' meeting and/or the shareholders' meeting within the relevant legal framework and the scope of powers prescribed by the Board of Directors.
2. To supervise the business operation of the Company and/or to manage the daily work of the Company.
3. Being the Company's authorized person for managing the Company's business in accordance with the objectives, regulations, policies, rules, requirements, orders, resolutions of the shareholders' meeting and/or the resolutions of the Board of Directors' meetings.

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4. To prepare and present business policies, business plans, goals, operational plans, business strategies, annual budgets of the Company used in business operations, budget, annual reports and to determine the managements of the administration which will be presented to the Executive Committee and the Board of Directors.
  5. To comply with the policy of the Board of Directors to determine directions, strategies, and business goals in order to determine the main missions for the management to implement.
  6. To control, audit and follow up the performance of the management and to suggest solutions to solve problems and obstacles in order for the executives and the management to execute the strategies and business plans laid out in accordance with the Company policy.
  7. To delegate power and duties to the Company's executive officers to have the power to act in any matter or several matters as deemed appropriate.
  8. To have the power, duties and responsibilities in managing subsidiaries and other departments in the Company.
  9. To promote development of knowledge, abilities and potential of employees to increase the organization's abilities.
  10. To monitor and evaluate the performance of the management team and to regularly report on the performance of the management of the work progress to the Executive Committee, the Audit Committee and the Board of Directors.
  11. To approve the appointment of advisors in matters necessary to the operation of the business and to comply with the requirements of the SEC and the Stock Exchange of Thailand.
  12. To have the power to approve the related party transactions which are normal commercial conditions and expenses for operating the normal business of the Company such as the purchase of property, the significant investment expenditures for the benefit of the Company and other transactions for the benefit of the Company whereby the authorization shall be in accordance with the authorization manual.
  13. To consider the entering into the business operation contract of the Company in accordance with the authorization manual.
  14. To perform other duties as assigned by the Executive Committee and/or the Board of Directors
  15. To have the power to hire, appoint, transfer persons as he deems appropriate, as well as the determination of jurisdiction and appropriate remunerations, and to have the power to lay off as appropriate for employees of various levels as specified in the authorization manual.

In this regard, in any matters that the Chief Executive Officer or an authorized person of the Chief Executive Officer or person who may have a conflict (according to the definition of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant authorities) having an interest or a conflict of interest



with the Company and/or its subsidiaries and/or related companies. The Chief Executive Officer has no authority to approve the action in this regard. Such matters must be proposed to the Board of Directors and/or the shareholders' meeting (as the case may be) for further approval, saved for the approval of transactions that are normal commercial conditions in accordance with the Notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related authorities.

### Remuneration of Directors and Executives

The Company pays remuneration to directors and sub-committees considering suitability of duties and assigned responsibilities with transparency and fairness and comparable with compensation of companies listed on the Stock Exchange of Thailand in similar industry and business size to retain directors with required qualifications and enable the directors to perform their duties to achieve the goals and business directions set by the Company. The Nomination and Corporate Governance Committee is responsible for considering and scrutinizing the remuneration of directors and sub-committees to propose to the Board of Directors for consideration before proposing to the shareholders' meeting for approval.

### Meeting allowances and monthly compensation

Position	Remuneration
<u>Meeting allowance</u>	
(1) Chairman of the Board of Directors	THB 20,000/person/time
(2) Member of the Board of Directors	THB 15,000/person/time
(3) Chairman of the Sub-Committee	THB 20,000/person/time
(4) Member of the Sub-Committee	THB 15,000/person/time
Position	Remuneration
<u>Monthly compensation</u>	
Non-Executive Director	THB 10,000/person/month

Directors who are executives will not receive meeting allowances and monthly remuneration. In addition, the Company does not pay remuneration and other benefits to the Board of Directors and sub-committees, in addition to those listed above.

**Non-Monetary Remuneration**

The Company has no policy to pay non-monetary remuneration.

**7.5 Information of Employees**

As of 31 December 2021, the Company has 9,230 employees dividing into 260 employees at the Company's office and 8,970 employees at the customers' sites. Details of employees per department are as follows:

Department	2019	2020	2021
<b>Office Staff</b>			
Executive Officers	-	-	1
Managements	7	7	8
Outsource 1 Group	122	104	118
Outsource 2 Group	54	44	33
Human resources Group	36	25	27
Technology Information Group	27	25	24
Accounting and Finance Group	71	64	49
<b>Total Office Staff</b>	<b>317</b>	<b>269</b>	<b>260</b>
<b>Employees sent to work with customers.</b>	<b>8,557</b>	<b>8,654</b>	<b>8,970</b>
<b>Total</b>	<b>8,874</b>	<b>8,923</b>	<b>9,230</b>

Remark

1. Outsource 1 Group provides management services and Outsource 2 Group provide landscape and vehicle rental services

2. The general management department was changed to the HR department due to a restructuring of the organization structure according to the resolutions of the Board of Directors' Meeting No. 4/2021 held on 11 August 2021

The significant shift in the number of employees involved in the workforce of the customer is in line with the growth of the Company's business.

**Compensation of Employees****Monetary Compensation**

The Company has paid compensation to employees in the form of salary, bonus, and other types of compensation with the following details:

Type of Employee	2019		2020		2021	
	No. (Person)	No. of Amount (Baht Million)	No. (Person)	No. of Amount (Baht Million)	No. (Person)	No. of Amount (Baht Million)
Office Staff	317	147.61	269	148.24	260	144.46
Staff at Customers' Sites	8,557	1,283.25	8,654	1,328.28	8,970	1,366.34
<b>Total</b>	<b>8,874</b>	<b>1,429.96</b>	<b>8,923</b>	<b>1,476.52</b>	<b>9,230</b>	<b>1,510.80</b>

Remark

In the year 2021, an executive director, namely Mr. Krai Vimolchalao, is not an employee of the Company. and another executive director, Mr. Vatcharaphol Vimolchalao, was appointed as an executive and was not an employee of the Company on 1 September 2021. Mrs. Naowarat Vimolchalao requests not to receive a salary as an employee of the Company. **Non-monetary compensation** The Company does not have a policy for non-monetary compensation.

The Company provides a provident fund for its employees. There are 209 employees who joined the provident fund as of 31 December 2021 out of a total of 260 employees

**7.6 Other Information****The person taking the highest responsibility in finance and accounting**

The company appointed Mrs. Sopa Aroonratana is assigned the highest level of responsibility in the accounting and finance field of the company. Mrs. Sopa Aroonratana has the qualifications in accordance with the Notification of the Capital Market Supervisory Board No. 39/2559 regarding the application and permission to offer for sale of newly issued shares. (Attachment 1 Page 266)

**The person supervising accounting**

The Company has appointed Mr. Nattanont Krissanarungreung to act as the person supervising accounting of the Company of which Mr. Nattanont Krissanarungreung has the qualification pursuant to the Notification of the Capital Market Supervisory Board no. ThorJor. 39/2559 re: the approval and permission of the offering of newly issued shares. (Attachment 1 Page 271)

**Company Secretary**

The Board of Directors has appointed Miss Chorfa Chamcherdanantakul to act as the Company Secretary with the effective date on 26 September 2017, with duties and responsibilities as stipulated under the Section 89/15

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of the Securities and Exchange Act. The details of duties and responsibilities of a person holding a position as the Company Secretary. (Attachment 1 Page 273)

The profile of the Company Secretary is set out in the Attachment 1 (*Details of directors, executives, controlling person, a person assigned to the highest responsibility in accounting and finance, a person assigned directly to be responsible for supervision of accounting and Company Secretary*).

### Investor Relations

The Company realizes the importance of business operations in accordance with good corporate governance principles in order to ensure that the performance of the Investor Relations segment is correct, complete, transparent and in accordance with the laws and regulations of the Company. The Investor Relations segment is the center and agent for disclosing information about the company, both financial and non-financial information, as well as strengthening and managing relationships with shareholders, investors, securities analysts, public and private individuals. Stakeholders are equally correct, complete, consistent, timely and in accordance with the Stock Exchange of Thailand. The Company discloses important information in both Thai and English and is useful in making investment decisions to shareholders and investors through various channels such as Disclose information through the Stock Exchange, the Securities and Exchange Commission, newspapers and press releases, etc., including published on the Company's website under the topic of Investor Relations (and updated regularly).

Mr.Aphiwat Kriengwattanakul

Vice President – Investment & Project, acting as the Investor Relations

Address: Siamrajathanee Public Company Limited

329 Moo 10 Old Railway Road,

Samrong, Phrapradaeng Samut Prakarn 10310

Telephone : 02-363-9300 ต่อ 8000 , 084-3243083

E-mail : [aphiwat.k@siamraj.com](mailto:aphiwat.k@siamraj.com)

### Remark:

According to the resolution of the Board of Directors' Meeting No. 1/2022 held on 20 January 2022, Mr. Aphiwat Kriengwattanakul was appointed as Vice President - Investment & Project and another position as investor relations officer.

### Auditor's remuneration

#### Audit Fee

For the fiscal year ended 31 December 2021, the 2021 Annual General Meeting of shareholders has resolved to approve the audit fees for EY Office Limited of THB 2.45 million.

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	2019	2020	2021
Quarterly financial statements review fee	2.31	2.45	2.45
Annual audit fee	Baht million	Baht million	Baht million
Quarterly financial information system audit fee			

**Non-Audit Fee**

In 2021, the Company did not pay other non-audit fees to EY Office Limited.

## 8. Corporate Governance Report

### 8.1 Summary of the performance result of the Board of Directors in the past year

In 2021, the Board of Directors of SO realized and placed great emphasis on good corporate governance. It has a mandate to perform duties in accordance with the Company's Articles of Association, the Public Limited Company Act, the law relating to securities and stock exchange, and other relevant laws.

#### 8.1.1 The selection, development and assessment of performance of the Board of Directors

In respect of the nomination of directors, directors and shareholders are given the opportunity to nominate qualified persons. The selection process aims to select persons with complete qualifications, suitability, knowledge, capabilities, skills, and experience, which are considered beneficial to the Company's operations, and persons who understand the Company's business very well and are able to manage the work to achieve the objectives and goals determined by the Board of Directors.

#### Independent Director

##### Qualification of director

Pursuant to Section 68, a director shall be a individual person and shall have the following qualifications:

1. Age of legal capacity
2. Not a bankrupt, incompetent, or virtually incompetent.
3. He or she has never served a prison sentence by a final judgment for property offences committed fraudulently.
4. He or she has never been convicted of dismissal or dismissal from a government agency due to the corruption.
5. Director shall be qualified and shall not have any prohibited characteristics as specified in the laws concerning public company and shall not have characteristics indicating that he or she lacks of suitability to be trusted to manage a company that has the public as the shareholders as specified by the notification of the Securities and Exchange Commission (Section 89/3 of the Securities and Exchange Act B.E. 2551 (2008))
6. Being a director of not greater than 5 companies listed on the Stock Exchange of Thailand
7. Being a person who has a knowledge, integrity and business ethic and sufficient time to devote knowledge and expert to perform the duties.
8. Directors may or may not be a shareholder of the Company.
9. Director can hold positions in other companies, but this must not affect the performance of his or her duties.

**Qualification of Independent Director**

1. Hold shares in the Company not greater than 1% of total shares with the voting right of the Company, subsidiaries, associated companies, and major shareholders including the shareholding of the relevant parties of the Independent Director.
2. Not being an executive director, employee, advisor who earns monthly salary of the Company, subsidiaries, associated companies, and subsidiaries in the same level or juristic persons that may have conflict of interest (at present and 2 years before the appointment)
3. No blood relationship or relationship by registration in the categories of father, mother, spouse, brother and sister and children including a spouse of children with executive, major shareholder, controlling person or a person who will be nominated as the executive or controlling person of the Company or subsidiaries.
4. No business relationship and no benefits or interests whether direct or indirect in term of financial or management of the Company, group companies, associated companies or a person that may have conflict of interest in a way that causes a lack of independence.
5. Not being or ever been the auditor of the Company, subsidiaries, associated companies or a juristic person that may have conflict of interest or executive director, management, managing partner of the audit firm of the auditor of the Company, parent company, subsidiaries, associated companies, or a juristic person that may have conflict of interest unless he or she retired from such characteristics at least 2 years before the date of application for permission to the Office of the Securities and Exchange Commission.
6. Not being or ever been a professional service provider including a legal or financial advisor which earns a service fee over THB 2 million per annum from the Company, parent company, subsidiaries, associated companies, or a juristic person that may have conflict of interest. In addition, if the professional service provider is a juristic person, it shall include a major shareholder, executive directors, managements, or managing partner of the professional service provider unless he or she retired from such characteristics at least 2 years before the date of application for permission to the Office of the Securities and Exchange Commission.
7. Not being a director the appointment as the representative of the director of the Company, major shareholder, or shareholder.
8. Other characteristics that prevent from giving an independent opinion on the Company's operations.
9. The Company has a policy to set the term of office of an independent director no later than 9 years from the date of appointment to the first independent director if necessary, to appoint the independent director to the position, the Board of Directors must reasonably consider such a necessity.

**Qualification of the Audit Committee**

The Audit Committee shall have the qualification as follows:

1. Hold shares in the Company not greater than 1% of total shares with the voting right of the Company including the shareholding of the relevant parties of the Independent Director.
2. Not involved in the management of the Company, its affiliates, subsidiaries, Related companies or major shareholders of the Company.
3. Not being an employee or advisor who earns monthly salary of the Company, subsidiaries, associated companies, and relevant companies of major shareholder of the Company.
4. There are no interests or interests, either directly or indirectly, both in finance and management of the Company, subsidiaries, associated companies, or major shareholders in the past year before the appointment as audit committees unless the Board of Directors carefully considers that the previous benefits or interests will have no impact on the performance of duties and independent opinions.
5. Not be related or close relatives of the Company's executives or major shareholders.
6. Not appointed as an agent to protect the interests of the Company's directors, major shareholders or shareholders who are related to the Company's major shareholders.
7. Able to express opinions or report performance in accordance with the duties assigned by the Board of Directors without being under the control of the Company's executives or major shareholders, including those involved or close relatives of such persons (those involved, including those who are related to or related to the Company, so that they cannot act independently or agilely, such as suppliers, customers, creditors, debtors or those with significant business relevance, etc.).

**Nomination of director**

- The appointment of directors shall be in accordance with the laws, Company's Articles of Association and relevant rules and it shall proceed with transparency and 1 shareholder shall have 1 vote.
- In the election of directors, it may vote to elect 1 director, or more than 1 director as specified by the shareholders' meeting as it deems appropriate. For each voting, a shareholder shall use all of its vote under Clause 1 and such vote cannot be divided, therefore, a shareholder cannot divide its vote in the election of director according to Section 70 paragraph 1 of the Public Companies Act.
- The person who receives the highest votes, respectively, shall be elected as a director as much as the number of directors shall be elected at that time. In the event that the person who is elected in the following order has the same number of votes with the others and it exceed the number of directors that are available at that time, the chairman of the meeting shall be the casting vote.

**Dismissal of director**

In addition to the retirement by rotation, a director shall be retired if the following circumstances occur:

- (a) Death



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- (b) Resignation
- (c) Lack of qualification or have prohibited characteristics according the laws concerning public companies or securities and exchange
- (d) Retirement by the resolution of the shareholders' meeting with the voting of not less than three-fourth of the total number of shareholders who attend the meeting and have the right to vote
- (e) Retirement by court's order
- Any director will resign from his position to submit his resignation to the Company, with the resignation effective from the date of resignation to the Company. Directors who resign under the first paragraph may also inform the registrar of their resignation.
  - In the event that the position of director is vacant for reasons other than the retirement by rotation, the Board of Directors shall select a person who is qualified and has no prohibited characteristics under the law concerning public companies or securities and exchange to serve as the director unless the term of the director who resigned is less than two months, the person who is appointed as the director will be in the position of director only as far as the remaining term of the director who resigned. The resolution of the Board of Directors in accordance with the first paragraph shall consist of at least three-fourth of the remaining number of directors.
  - Directors of the Company who will serve as directors of other companies must be approved by the Board of Directors. In the event of retirement of the entire Board of Directors, such the entire Board of Directors shall remain in office to continue to operate the Company until the new Board of Directors takes over unless otherwise ordered by the court if the Board of Directors retires from office in accordance with the court order.

### Evaluation of directors' performance

The Board of Directors has conducted the performance assessment form of the Board of Directors at least once a year, which the Company Secretary will send the assessment form and compile a summary report to the Board of Directors' meeting to jointly consider the work and make further improvements. The evaluation criteria are more than 85% = excellent, more than 75% = very good, more than 65% = good, more than 50% = enough, below or equal to 50% = should be improved. The results of assessment are as follows:

- 1) **The entire Board of Directors** has topics to evaluate, including the structure and qualifications of the Board of Directors, roles, duties and responsibilities of the Board of Directors, the meetings of Board of Directors, duties of the Board of Directors, relationship with management and self-development of directors and executive development. The average score is 95.33% which is equivalent to excellent.
- 2) **The sub-committees** have topics to evaluate, including the structure and qualifications of the committees in regards to the appropriateness of the performance, the meeting of the sub-committees,

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the effective performance of duties and responsibilities of the three sub-committees as a whole. The average score is 99.08%.

- 3) **Individual Director**, by each director, topics used in the assessment include the structure and qualifications of the directors, meetings and roles and responsibilities of the directors. The average score is 96.75% which is equivalent to excellent.

**The Chief Executive Officer's performance evaluation** includes the following topics: plan progress, performance measurement, leadership, strategy determination, strategy practices, planning and financial performance. relations with the Board of Directors, third party and employees, succession, product and service knowledge, and personal characteristics. The average score is 95.28% which is equivalent to excellent.

#### **Succession plan and executive development**

The Company has a policy to proactively prepare personnel to prevent shortage of personnel in important positions in the organization in the future. According to the resolution of the Board of Directors' Meeting No. 2/2022 of Siamrajathanee Public Company Limited held on 21 February 2022, the principles and reasons, objectives, procedures for implementing the succession plan were determined. Positions which require succession plan, including important and necessary knowledge, skills and abilities required such positions were determined.

In selecting each position, the Company will consider the determined criteria to comply with the Company's succession planning guidelines.

#### **Succession plan and executive development**

The Company has a policy to proactively prepare personnel to prevent shortage of personnel in important positions in the organization in the future. According to the resolution of the Board of Directors' Meeting No. 2/2022 of Siamrajathanee Public Company Limited held on 21 February 2022, the principles and reasons, objectives, procedures for implementing the succession plan were determined. Positions which require succession plan, including important and necessary knowledge, skills and abilities required such positions were determined.

In selecting each position, the Company will consider the determined criteria to comply with the Company's succession planning guidelines.

#### **8.1.2 Attendance and remuneration of each director**

In 2021, the Board of Directors held 6 meetings to review good corporate governance policies, charters of various committees and to establish privacy policies and potential risks as well as to determine visions and operational directions to catch up with the changing of business environments (especially the COVID-19 pandemic).

## Summary of the attendance of the Board of Directors

Name of Director	Position	Board of Directors' Meeting (Attendance/No. of Meeting)
1. Mr. Weidt Nuchjalearn	Chairman of the Board of Director Chairman of the Risk Management Committee Independent Director	6/6
2. Mr. Udomsak Rojviboonchai	Chairman of the Audit Committee Member of the Nomination and Corporate Governance Committee Independent Director	6/6
3. Mr. Nattakit Tangpoonsinthana. Ph.D.	Chairman of the Nomination and Corporate Governance Committee Chairman of the Strategy Committee Member of the Audit Committee Independent Director	6/6
4. Mr. Supachai Parchariyanon, M.D.	Member of the Audit Committee Member of the Strategy Committee Independent Director	6/6
5. Mr. Krai Vimolchalao	Member of the Executive Committee Member of the Nomination and Corporate Governance Committee Member of the Strategic Committee Executive Director	6/6
6. Mrs. Naowarat Vimolchalao	Vice Chairman of the Executive Committee Director of HR Executive Director	6/6
7. Mr. Jiranu Kulchanarat	Chairman of the Executive Committee Member of the Risk Management Committee Executive Director	6/6
8. Mr.Nattaphol Vimolchalao	Chief Executive Officer Executive Director Director	6/6
9. Mrs. Sopa Aroonratana	Chief Financial Officer Executive Director Director	6/6
10. Miss Kanthima Jangwansook	President Member of the Risk Management Committee Director	6/6

**Remark :**

Resolutions of the Board of Directors' Meeting No. 6/2021 dated 23 December 2021, Considered the appointment of Mr. Jirayut Srupsrisopa as the Company's director and member of the Strategy Committee with effect from 4 January 2022. He is an independent director, but not an executive.

**Directors and management remuneration****Monetary compensation****Directors' remuneration**

The Company has appointed 5 sub-committees, namely the Audit Committee, the Executive Committee, the Nominating and Corporate Governance Committee, the Risk Management Committee, and the Strategy Committee.

At the 2021 Annual General Meeting of Shareholders on April 9, 2021, it resolved to approve directors' remuneration by paying in the form of meeting allowances and monthly remuneration according to the tenure of office according to the following criteria:

Remark : Directors who are executives will not receive meeting allowances and monthly remuneration. In addition, the Company does not pay remuneration and other benefits to the Board of Directors and sub-committees.

For the year 2019, the Company has paid remuneration to 11 directors totaling the amount. 1,155,000 baht with details as follows:

List of Directors	Remunerations (2019)					
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee	Total
1. Mr. Weidt Nuchjalearn	120,000	-	-	40,000	-	160,000
2. Mr. Krai Vimolchalao	60,000	-	15,000	-	160,000	235,000
3. Mrs. Naowarat Vimolchalao	60,000	-	-	-	105,000	165,000

List of Directors	Remunerations (2019)					
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee	Total
4. Mr. Jiranu Kulchanarat	-	-	-	-	-	-
5. Mrs. Sopa Aroonratana	-	-	-	-	-	-
6. Mr. Pongnimit Dusitnitsakul	-	-	-	-	-	-
7. Mrs. Nawarat Chuarak	-	-	-	-	-	-
8. Miss Kanthima Jangwansook	-	-	-	-	-	-
9. Mr. Udomsak Rojviboonthai	90,000	120,000	30,000	-	-	240,000
10. Mr. Nattakit Tangpoonsinthana, Ph.D.	75,000	75,000	40,000	-	-	190,000
11. Mr. Pawut Phongwitthayapanu	75,000	90,000	-	-	-	165,000
<b>Total</b>	<b>480,000</b>	<b>285,000</b>	<b>85,000</b>	<b>40,000</b>	<b>265,000</b>	<b>1,155,000</b>

**Remark:** In 2019, the Company has paid the remuneration to the executive directors, namely Mr. Nattaphol Vimolchalao and Mr. Vatcharaphol Vimolchalao in the amount of THB 195,000.

For the year 2020, the Company has paid remuneration to 11 directors totaling the amount. 1,695,000 baht with details as follows:

Siamrajathanee Public Company Limited

(Form 56-1 One Report 2021)

List of Directors	Remunerations (2020)					
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee	Total
1. Mr. Weidt Nuchjalearn	160,000	-	-	40,000	-	200,000
2. Mr. Krai Vimolchalao	105,000	-	90,000	-	220,000	415,000
3. Mrs. Naowarat Vimolchalao	105,000	-	-	-	165,000	270,000
4. Mr. Jiranu Kulchanarat	-	-	-	-	-	-
5. Mrs. Sopa Aroonratana	-	-	-	-	-	-
6. Mr. Pongnimit Dusitnitsakul	-	-	-	-	-	-
7. Mrs. Nawarat Chuarak	-	-	-	-	-	-
8. Miss Kanthima Jangwansook	-	-	-	-	-	-
9. Mr. Udomsak Rojviboonchai	120,000	120,000	90,000	-	-	330,000
10. Mr. Nattakit Tangpoonsinthana, Ph.D.	120,000	90,000	120,000	-	-	330,000
11. Mr.Pawut Phongwitthayapanu	90,000	60,000	-	-	-	105,000
<b>Total</b>	<b>700,000</b>	<b>270,000</b>	<b>300,000</b>	<b>40,000</b>	<b>385,000</b>	<b>1,695,000</b>

For the year 2021, the Company has paid remuneration to 10 directors totaling the amount. 1,460,000 baht with details as follows:

List of Directors	Remunerations (2021)						
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Strategy Committee	Executive Committee	Total
1. Mr. Weidt Nuchjalearn	120,000	-	-	40,000	-	-	160,000
2. Mr. Udomsak Rojviboonchai	90,000	80,000	60,000	-	-	-	230,000
3. Mr. Nattakit Tangpoonsinthana, Ph.D.	90,000	60,000	80,000	-	20,000	-	250,000
4. Mr. Supachai Parchariyanon, M.D.	90,000	60,000	-	-	15,000	-	165,000
5. Mr. Krai Vimolchalao	90,000	-	60,000	-	15,000	220,000	385,000
6. Mrs. Naowarat Vimolchalao	90,000	-	-	-	-	180,000	270,000
7. Mr. Jiranu Kulchanarat	-	-	-	-	-	-	-
8. Mr. Nattaphol Vimolchalao	-	-	-	-	-	-	-
9. Mrs. Sopa Aroonratana	-	-	-	-	-	-	-
10. Miss Kanthima Jangwansook	-	-	-	-	-	-	-
Total	570,000	200,000	200,000	40,000	50,000	400,000	1,460,000

**Remark :**

In 2021, the Company has paid the meeting allowances to the executive directors, Mr. Vatcharaphol Vimolchalao in the amount of THB 180,000.

### **Executive Remuneration**

In 2021, the Company paid compensation to 9 executives totaling approximately THB 33,726,400 and other benefits in the amount of THB 921,596 consists of provident funds, which the Company contributes to a ratio of 3-5% of salary and benefits.



## Remuneration of Directors

## (1) Monetary remuneration

- 1.1 Remuneration of Directors consists of a meeting allowance, and monthly remuneration for independent directors and company directors who do not hold executive position as follows:

List of Directors	Position	Remunerations (Baht)							Total
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Strategy Committee	Executive Committee	Remuneration (monthly) only for independent directors	
1. Mr. Weidt Nuchjalearn	Chairman of the Board of Director Chairman of the Risk Management Committee Independent Director	120,000	-	-	40,000	-	-	120,000	280,000
2. Mr. Udomsak Rojviboonthai	Chairman of the Audit Committee Member of the Nomination and Corporate Governance Committee Independent Director	90,000	80,000	60,000	-	-	-	120,000	350,000

List of Directors	Position	Remunerations (Baht)							
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Strategy Committee	Executive Committee	Remuneration (monthly) only for independent directors	Total
3. Mr. Nattakit Tangpoonsinthana, Ph.D.	Chairman of the Nomination and Corporate Governance Committee Chairman of the Strategy Committee Member of the Audit Committee Independent Director	90,000	60,000	80,000	-	20,000	-	120,000	370,000
4. Mr. Supachai Parchariyanon, M.D.	Member of the Audit Committee Member of the Strategy Committee Independent Director	90,000	60,000	-	-	15,000	-	120,000	285,000
5. Mr. Krai Vimolchalao	Member of the Executive Committee Member of the Nomination and Corporate Governance Committee Member of the Strategic Committee Executive Director	90,000	-	60,000	-	15,000	220,000	120,000	505,000

List of Directors	Position	Remunerations (Baht)							
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Strategy Committee	Executive Committee	Remuneration (monthly) only for independent directors	Total
6. Mrs. Naowarat Vimolchalao	Vice Chairman of the Executive Committee Director of HR Executive Director	90,000	-	-	-	-	180,000	-	270,000
7. Mr. Jiranu Kulchanarat	Chairman of the Executive Committee Member of the Risk Management Committee Executive Director	-	-	-	-	-	-	-	-
8. Mr. Nattaphol Vimolchalao	Chief Executive Officer Executive Director Director	-	-	-	-	-	-	-	-
9. Mrs. Sopa Aroonratana	Chief Financial Officer Executive Director Director	-	-	-	-	-	-	-	-

List of Directors	Position	Remunerations (Baht)							
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Strategy Committee	Executive Committee	Remuneration (monthly) only for independent directors	Total
10. Miss Kanthima Jangwansook	President	-	-	-	-	-	-	-	-
	Member of the Risk Management Committee								
	Director								

**Remaek :**

In the year 2021, the Company has paid remuneration to an Executive Director, Mr. Vatcharaphol Vimolchalao, in the total amount of Baht 180,000 because Mr. Vatcharaphol Vimolchalao has been appointed as the Company's executive, effective from 1 September 2021. However, he accepts only meeting allowances, but not salary.

**Supervision of subsidiaries and associated companies**

The Company has not had subsidiaries or associated companies, but the Company has implemented investment policies in subsidiaries and associated companies.

**Monitoring the compliance with corporate governance policies and practices.**

The Company attaches importance to good corporate governance by establishing relevant policies and practices in the Company's corporate governance policy and business ethics, while promoting real action to build trust among all stakeholders.

In the past year, The Company has followed up to ensure compliance with good corporate governance on each issue including employee care, non-discrimination, anti-unfair competition, environmental stewardship, hygiene and safety in the organization and information security.

In addition, the Company has pursued four good corporate governance issues. You can:

1. Prevention of conflicts of interest

The Company has established a policy that the Board of Directors, executives and employees must perform their duties in the best interests of the Company. In the event that any person has a conflict of interest or involve in the transaction and such person will be part of committee to consider the transaction, the person must notify the responsible department and must not participate in such transaction.

In the past year, the Company has reviewed the code of conduct of the Company. If there may have any conflict of interest on the prevention of the use of customer's information to reduce the risk on such matter, the Company has established the policy on such matter in year 2019.

2. Use of inside information for exploitation

The Company has established a policy to prevent the use of inside information for exploitation in order to prevent the use of information for trading of the Company's securities by having directors and executives, as well as the department involved in important information, refrain from trading the Company's securities, such as not trading 30 days in advance of the financial statements, and trading after the publication of 1 business day, as well as refraining from trading during periods when other important information that directors and executives know about, but which has not yet been released to investors.

3. Anti-Corruption Policy

The Company has established an anti-corruption policy. Details have been disclosed on the Company's website [www.siamrajathanee.com](http://www.siamrajathanee.com) under the heading Corporate Governance > Good Corporate Governance Documents.

## 4. Whistleblowing

The Company has opened channels for stakeholders to report whistleblowing and complaints through the company's website. The audit committee, which is independent of management, considers and moderates such leads and complaints. In recent years, the company has not received any whistleblowing on the matter.

**8.2 Report on the performance of duties of the Audit Committee over the past year**

The Company's Audit Committee consists of directors who are independent and experienced, with Mr. Udomsak Rojviboonchai as the Chairman of the Audit Committee and Mr. Nattakit Tangpoonsinthana, Ph.D. and Mr. Supachai Parchariyanon, M.D. are the member of the Audit Committee. In 2021, the Audit Committee has 4 meetings and 1 of total meetings was attended by an auditor without management, which detailed the number of times the meeting was attended as follows:

Member of the Audit Committee	Position	Attendance / No. of Meeting
1. Mr. Udomsak Rojviboonchai	Chairman of the Audit Committee Member of the Nomination and Corporate Governance Committee Independent Director	4/4
2. Mr. Nattakit Tangpoonsinthana, Ph.D.	Chairman of the Nomination and Corporate Governance Committee Chairman of the Strategy Committee Member of the Audit Committee Independent Director	4/4
3. Mr. Supachai Parchariyanon, M.D.	Member of the Audit Committee Member of the Strategy Committee Independent Director	4/4

**Performance of duties of the Audit Committee**

In 2021, the Audit Committee has performed significant duties.

1. Review of financial statements Review of quarterly financial statements and annual financial statements, including related financial reports together with the auditor, internal audit department and management. The Audit Committee made inquiries and give opinions on matters affecting the financial statements such as changes in accounting and financial policies, financial reporting standards. This is to ensure that the financial statements are prepared in accordance with the accounting standards and the generally accepted accounting principles and adequate disclosure of information.

2. Review of related party transaction Review related party transactions or transactions that may lead to conflicts of interest and is of the view that the related party transactions are in accordance with normal business conditions and beneficial to the Company's business operation including the disclosure of information sufficiently.

3. Consideration of appointment of auditor To consider, select, nominate and propose compensation to EY Office Limited as the Company's auditor for the year 2022. At the meeting, the Audit Committee and Auditor had an opportunity to discuss issues from the audit and find solutions to solve important issues promptly.

4. Review of the risk management processes Review the sufficiency of the Company's risk management process and conduct an audit in accordance with the risk identification in 2021.

5. Review of the internal control system Review internal controls to reduce errors or damage to assets or sensitive information, reliability of financial reports, and compliance with laws, regulations, and compliance with the risk management measures from the 2019 coronavirus situation to ensure a good internal control system

6. Internal Audit Supervision Review the Charter of the Audit Committee to be in accordance with the rules and regulations of the SEC and SET, and the good corporate governance policy to provide confidence to shareholders, business partners and customers, as well as other stakeholders of the Company that the operations of the organization are in compliance with the requirements and in accordance with the code of ethics that should be performed and maintained an effective internal control system.

The Audit Committee has followed up on the implementation of the year 2021 in accordance with the assigned duties and responsibilities, with the opinion that the Company has prepared the financial statements correctly, in essence, in accordance with the accounting principles generally accepted and has adequate information disclosure of related party transactions or transactions that may create a conflict of interest, and has the Company's internal control and risk management systems that are appropriate for the business situation and has the Company to comply with the regulations of the Stock Exchange of Thailand and relevant laws.

## 8.3 Summary of duties of other sub-committees

List of Directors	Position	Nomination and Corporate Governance Committee  (Attendance / No. of Meeting)	Risk Management Committee  (Attendance / No. of Meeting)	Executive Committee  (Attendance / No. of Meeting)	Strategic Committee  (Attendance / No. of Meeting)	Independent Board Committee  (Attendance / No. of Meeting)
1. Mr. Weidt Nuchjalearn	Chairman of the Board of Director Chairman of the Risk Management Committee Independent Director	-	2/2	-	-	1/1
2. Mr. Udomsak Rojviboonchai	Chairman of the Audit Committee Member of the Nomination and Corporate Governance Committee Independent Director	4/4	-	-	-	1/1
3. Mr. Nattakit Tangpoonsinthana. Ph.D.	Chairman of the Nomination and Corporate Governance Committee Chairman of the Strategy Committee Member of the Audit Committee Independent Director	4/4	-	-	1/1	1/1
4. Mr. Supachai Parchariyanon, M.D.	Member of the Audit Committee Member of the Strategy Committee Independent Director	-	-	-	1/1	-/1



List of Directors	Position	Nomination and Corporate Governance Committee  (Attendance / No. of Meeting)	Risk Management Committee  (Attendance / No. of Meeting)	Executive Committee  (Attendance / No. of Meeting)	Strategic Committee  (Attendance / No. of Meeting)	Independent Board Committee  (Attendance / No. of Meeting)
5. Mr. Krai Vimolchalao	Member of the Executive Committee Member of the Nomination and Corporate Governance Committee Member of the Strategic Committee Executive Director	4/4	-	12/12	1/1	-
6. Mrs. Naowarat Vimolchalao	Vice Chairman of the Executive Committee Director of HR Executive Director	-	-	12/12	-	-
7. Mr. Jiranu Kulchanarat	Chairman of the Executive Committee Member of the Risk Management Committee Executive Director	-	2/2	12/12	-	-
8. Mr.Nattaphol Vimolchalao	Chief Executive Officer Executive Director Director	-	-	12/12	-	-
9. Mrs. Sopa Aroonratana	Chief Financial Officer Executive Director Director	-	-	12/12	-	-

List of Directors	Position	Nomination and Corporate Governance Committee  (Attendance / No. of Meeting)	Risk Management Committee  (Attendance / No. of Meeting)	Executive Committee  (Attendance / No. of Meeting)	Strategic Committee  (Attendance / No. of Meeting)	Independent Board Committee  (Attendance / No. of Meeting)
10. Miss Kanthima Jangwansook	President Member of the Risk Management Committee Director	-	-	12/12	-	-
11.Mr. Vatcharaphol Vimolchalao	Vice President - Marketing Executive Director			12/12		

**Remark :**

1. Mr. Vatcharaphol Vimolchalao is an Executive Director and Executive, Receive only meeting allowance no salary.
2. Resolutions of the Board of Directors' Meeting No. 6/2021 dated 23 December 2021
  - Mr. Jirayut Srupsrisopa as the Company's director and member of the Strategy Committee but not an executive,
  - Mr. Aphiwat Kriengwattanakul was appointed as Vice President - Investment & Project,
 Effective from 4 January 2022

**Performance of duties of sub-committees****- Nomination and Corporate Governance Committee**

In 2021, the Nomination and Corporate Governance Committee had 4 meetings to consider the followings matters:

**Recruitment** n considering the selection of persons to replace the directors who retired by rotation and those who resigned before the expiration of their term, taking into account their experience, knowledge and ability, working experience, and being a leader that has a vision as well as having a positive attitude towards the organization, able to devote sufficient time for the benefit of the Company's operations.

Consideration of improving the organizational structure to prepare for the business expansion and to have clarity and flexibility in management both new and old businesses according to the acknowledgment and approval of the Nomination and Corporate Governance Committee No. 3/2021 dated 11 August 2021 and the Board of Directors' resolution No. 4/2021 dated 11 August 2021.

Consideration of reviewing the succession plan policy to make it consistent and appropriate for the growing organization in the future, according to the acknowledgment and approval of the Nomination and Corporate Governance Committee No. 3/2021 dated 11 August 2021.

**Remuneration Determining** the remuneration of the Board of Directors and Sub-committees by taking into account the suitability of the duties and responsibilities. Delegated responsibilities and performance are comparable to those listed on the Stock Exchange of Thailand in similar industries and businesses. Such compensation is sufficient to motivate directors and executives to be qualified and able to perform their duties in achieving their goals. In addition to determining the directors' remuneration, in 2021, the annual remuneration for senior management and employees is also considered as a whole, in which management and employees receive 3.04 times of the average bonus per person and 5.3 % in the adjustment of the average salary rate, which is more than that in the year 2020 due to the increase in operating results depending on individual performance (Key Performance Indicator)

**Governance.** Review Good Corporate Governance Policy and the charter of the various committees to cover the main principles, from the structure roles, duties, and responsibilities of the Board of Directors, to the principles of transparent management of executives, to be clear and verifiable; and to ensure that the Company's operation is fair as well as taking into account the best interests of the shareholders and all stakeholders.

## Risk Management Committee

In 2020, the Risk Management Committee held two meetings to formulate policies to support and promote risk management and uncertainty that may affect the Company's operations, including strategic, financial, credibility and reputational risks of the company are as follows:

**Business continuity** From the situation of the coronavirus outbreak 2019, the Company has considered adjusting marketing plans and lowering costs to be able to manage operations efficiently in every situation.

**Safety** To promote the implementation of the business continuity management plan This covers the epidemic situation with great emphasis on the safety of employees, customers and related parties. A home-based information system systematically announces policies and plans, and communicates with employees and stakeholders to achieve mutual understanding.

**Investment** Risk Management Committee gives importance to all groups of stakeholders of the Company, therefore, before the Company invests in any projects, there must be consideration, analysis, and risks prevention before the investment for the best benefits to the organization and all groups of stakeholders.

The Risk Management Committee is committed to providing appropriate oversight and risk management to ensure that the Company's operations are efficient and achieve their goals.

## Report on changes in securities holdings of the Board of Directors and executives

Directors and executives are obliged to report their securities holdings, spouses or persons living together as husband, wife, and underage children, including juristic persons in which the above persons hold shares of more than 30 percent of the total number of voting shares of a juristic person within 30 days of being appointed as a director and executive of the Company and any change in holding of such securities must be reported to the SEC within 3 business days.

First Name – Last Name	No. of Shares (shares) 31 December 2020	No. of Shares (shares) 27 August 2021	Increase (Decrease) (share)
<b><u>Member of the Board of Directors</u></b>			
1. Mr. Weidt Nuchjalearn	250,000	300,000	50,000
2. Mr. Udomsak Rojviboonchai	300,000	360,000	60,000
3. Mr. Nattakit Tangpoonsinthana, Ph.D.	500,000	600,000	100,000
4. Mr. Supachai Parchariyanon, M.D.	-	-	-
5. Mr. Krai Vimolchalao	33,450,000	40,140,000	6,690,000
6. Mrs. Naowarat Vimolchalao	8,913,000	10,695,600	1,782,600
7. Mr. Jiranu Kulchanarat	2,648,600	12,058,320	9,409,720

First Name – Last Name	No. of Shares (shares) 31 December 2020	No. of Shares (shares) 27 August 2021	Increase (Decrease) (share)
8. Mr. Nattaphol Vimolchalao	8,363,000	10,035,600	1,672,600
9. Mrs. Sopa Aroonratana	1,000,000	3,600,000	2,600,000
10. Miss Kanthima Jangwansook	1,000,000	1,000,000	-
<b><u>Management Team</u></b>			
1. Mr. Vatcharaphol Vimolchalao	-	10,034,400	-
2. Miss Essara Vimolchalao	-	84,000	-
3. Mr. Chinapat Chadcharoen	300,000	290,000	(10,000)
4. Mr. Nattanont Krissanarungreung	-	1,000	-
5. Mrs. Suchita Disthapan	50,000	60,000	10,000

## 9. Internal Control and Related Party Transactions

### Internal Control

The Board of Directors' Meeting No. 2/2022 held on 21 February 2022 with 5 independent directors (and/or 3 member of the Audit Committee) attending the meeting. The Board of Directors evaluated the Company's internal control system through enquiries with the management. Based on the evaluation of internal control system of the Company and its subsidiaries, the system consists of the following 5 components:

- 1) Control Environment
- 2) Income Cycle
- 3) Accounting Management
- 4) Financial Management
- 5) General Control of Information Technology Systems
- 6) Monitoring Activities

The Board of Directors is of the view that the Company's internal control system is adequate and appropriate according to the Internal Control System Sufficiency Evaluation Form of the Securities and Exchange Commission. The Company has sufficient number of personnel who will comply with the system efficiently and the Company's internal control system is used for monitoring its operating performance, which helps in protecting its assets from being misused or used without authorization by the Company's director or management and adequately controls transactions with persons that may have conflict of interest and connected persons. In respect of internal control of other matters, the Board of Directors is of the view that the internal control is adequate.

### Opinion of the Audit Committee on Internal Control System

All three members of the Audit Committee attended the meeting to consider the Internal Control System Sufficiency Evaluation Form. The Audit Committee's opinion is not different from the Board of Directors' opinion.

### Actions in respect of the Company's Internal Control System

The Company understands the importance of the Company's internal control system and has appointed the Audit Committee who is responsible for assessing that the Company has appropriate and effective internal control system and evaluation system, and monitoring that the Company's business operation is in compliance with the laws relating to securities and exchange, SET regulations, and the laws relating to the Company's business. The Audit Committee will hold a meeting with the independent internal auditor

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and the auditor without the management at least once a year in order to make enquiries on results of assessment on the internal control system and acknowledging the Company's operating results as set out in the financial statements.

To ensure efficiency in the Company's internal control system, the Company has engaged I VL Auditing Co., Ltd. ("IVL") as the independent internal auditor who is responsible for auditing the internal control system at organizational level and activity level, including business operations and the internal control system in respect of information technology of the Company.

The Audit Committee Meeting No. 4/2021 held on 10 November 2021 resolved to appoint I VL Auditing Co., Ltd. ("IVL") as the Company's internal auditor from 1 January 2022 onwards. IVL has assigned Miss Wandee Sriboonruang, the Managing Director as key responsible person in performing duties of the Company's internal auditor. Details on qualifications, experience, and trainings of key responsible person and IVL's team are as set out under Attachment 3.

The Audit Committee has considered the qualifications of IVL and views that IVL is qualified to perform such duties due to its independence and long-term experience in internal audit.

## Related Party Transactions

### A. Related party transactions with persons who may have conflict of interest

#### Summary of related party transactions between the Company and persons who may have conflicts of interest in 2019 and 2021

The Company entered into related party transactions with individuals and juristic entities which may have conflicts of interest, the details of which are as summarized below.

#### Vimolchalao Co., Ltd. (“VMC”)

##### Relationship with SO

VMC conducts property lease service.

Mr. Krai Vimolchalao, the Company’s director, holds the position of director of VMC.

Top two shareholders of VMC are the Company’s major shareholders:

1. Mr. Krai Vimolchalao holding 10.0% of the total registered capital of VMC as of 29 April 2020.
2. Mrs. Naowarat Vimolchalao holding 10.0% of the total registered capital of VMC as of 29 April 2020.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Rental/service fees</u> - On 1 January 2019, the Company entered into lease agreement and service agreement for a period of 6 months, commencing from 1 January to 30 June 2019. The lease area was 571.43 square meters. The rental and service fees were THB 81,854.05 per month or THB 327.78 per square meter per month. - On 1 February 2019, the agreements were amended to change the agreement term to 11 months, commencing from 1 February 2019 to 31 December 2019. The lease area was reduced to 390.56 square meters. The rental fee was THB 16,740.85 per month and no service fee was charged from February 2019 onwards. - On 1 January 2020, the Company renewed the lease agreement for another one year, commencing from 1 January to 31 December 2020. The lease area was 428.89 square meters. The rental fee was THB 20,543.85 per month or THB 47.90 per square meter per month.			



Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<p>- On 1 April 2020, the Company entered into amendment to the lease agreement and service agreement for a period of 9 months, commencing from 1 April 2020 – 31 December 2020. The lease area was increased to 1,450.47 square meters. The rental and service fees were THB 391,236.45 per month or THB 269.73 per square meter per month. Due to the Covid-19 pandemic, the Company started to terminate office lease agreement in May and June 2020, but maintained storage lease at the rental fee of THB 19,460.85 per month or THB 46.58 per square meter per month.</p> <p>- On 1 August 2020, the Company cancelled part of storage lease with remaining leased storage area of 74.45 square meters. The rental fees was THB 7,445 or THB 100 per square meter. The lease agreement expired on 31 December 2020.</p>			
- Office rental fee	222,168.50	325,135	-
- Service fee	48,834.90	428,329	-
- Accrued rent expense	16,740.85	7,445	-
- Accrued service expense	-	-	-
<p><u>Service income from tree cutting</u></p> <p>The Company provided big tree cutting service to Vimolchalao Co., Ltd. for trees located inside parking lot and disposed debris and branches off-site.</p>			
- Service income	6,500	-	-
- Account receivables	-	-	-

#### Necessity and Appropriateness of Related Party Transaction

The Company leased space for storage and operating data entry service (Data Solution). In January 2019, the Company continued to lease office and storage space but reduced the leased area. The rental and service fees were at the rates similar to office space in the nearby area such as Viptel Building and Busayamas Tower with fees of THB 300 – 350 per square meter per month. In February 2019, the Company leased only storage space and terminated service agreement with Vimolchalao Co., Ltd. The rental fee was at the rate similar to storage in the nearby area of THB 53.33 per square meter per month.

Due to the Covid-19 pandemic, the Company realized the risk, and to prevent the spread of the virus, the Company has adjusted its work plans. In respect of office staff, the Company requires safety

distancing in the workplace. In April 2020, the Company leased additional office space with rental and service fees at the rates lower than rental and service fees of office space in the nearby area.

**Opinion of Audit Committee**

The Audit Committee is of the view that the transaction is in the ordinary course of business and has appropriate terms and conditions.

**Rayong Sinsap Pattanat Co., Ltd.****Relationship with SO**

- RSP conducts accommodation, and food and beverages services.
- Mr. Krai Vimolchalao, Mrs. Naowarat Vimolchalao, Mr. Jiranu Kulchanarat, and Mrs. Sopa Aroonratana, the Company's directors, are directors of RSP.
- Top two shareholders of VMC are the Company's major shareholders:
  1. Mr. Krai Vimolchalao  
holding 95.3796% of the total registered capital of RSP as of 31 August 2019.
  2. Mrs. Naowarat Vimolchalao  
holding 4.6198% of the total registered capital of RSP as of 31 August 2019.
- Directors and Members of the Executive Committee of the Company have shareholding in RSP:
  1. Mr. Jiranu Kulchanarat  
holding 0.0002% of the total registered capital of RSP as of 31 August 2019.
  2. Mrs. Sopa Aroonratana  
holding 0.0002% of the total registered capital of RSP as of 31 August 2019.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Accommodation expense</u> The Company sent employees to work on-site with customers in order to build good customer relationship, examine assets, and submit proposals to new customers.			
- Accommodation expense	16,443.46	5,350	-
- Trade payables	2,900.00	-	-
<u>Service income from tree cutting</u> The Company provided big tree cutting service to Rayong Sinsap Pattanat Co., Ltd.			
- Service income	40,000.00	-	-
- Account receivables	-	-	-

**Necessity and Appropriateness of Related Party Transaction**

The transaction was necessary to support the Company's normal business operations and for efficiency in providing services by the Company. The accommodation expense paid by the Company was at a similar rate charged to other customer

**Opinion of Audit Committee**

The Audit Committee is of the view that the transaction is beneficial to the Company's normal business operations.

**En-Technology Consultants Co., Ltd. (“ETC”)****Relationship with SO**

- ETC conducts industrial waste management business.
- Mr. Krai Vimolchalao and Mrs. Naowarat Vimolchalao, the Company’s directors, are directors of ETC.
- Mr. Nattaphol Vimolchalao and Mr. Vatcharaphol Vimolchalao are the Company’s members of the Executive Committee. Mr. Nattaphol Vimolchalao was appointed as Chief Operating Officer on 10 November 2020, Director on 13 January 2021, and Director of Outsource 2 Department on 1 March 2021.
- Mr. Nattaphol Vimolchalao and Mr. Vatcharaphol Vimolchalao are directors of ETC.
- Top five shareholders of ETC are the Company’s shareholders:
  1. Mr. Krai Vimolchalao  
holding 68.7% of the total registered capital of ETC as of 30 April 2020.
  2. Mrs. Naowarat Vimolchalao  
holding 8.8% of the total registered capital of ETC as of 30 April 2020.
  3. Mr. Nattaphol Vimolchalao  
holding 7.5% of the total registered capital of ETC as of 30 April 2020.
  4. Mr. Phacharaphon Vimolchalao  
holding 7.5% of the total registered capital of ETC as of 30 April 2020.
  5. Mr. Vatcharaphol Vimolchalao  
holding 7.5% of the total registered capital of ETC as of 30 April 2020.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Revenues from office rental and service</u> On 28 June 2019, the Company entered into lease agreement and service agreement for a period of 3 years, commencing from 1 July 2019 to 30 June 2022. The leased area is 229.50 square meters. The rental and service fees are THB 71,145 per month or THB 310 per square meter per month.			
- Revenues from rental and service fees and utility expenses	568,962.50	1,140,455.00	1,079,547.50
- Deposit for rental and service fees	223,892.82	213,435.00	213,435.00
- Account receivables	19,509.00	18,155.00	18,979.13

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Personnel Recruitment Service Income</u> In the year 2021, the Company provided information services for a period of 1 year from 4 October 2021 to 3 October 2022.			
- Income-Personnel recruitment services	-	-	12,325.00

#### Necessity and Appropriateness of Related Party Transaction

Since space in the head office is sufficient and it is unnecessary to utilize such leased area during the lease period, the Company utilizes such space by leasing out the space and collects rental and service fees at the rates similar to office space in the nearby area such as Viptel Building and Busayamas Tower with fees of THB 300 – 350 per square meter per month.

#### Opinion of Audit Committee

The Audit Committee is of the view that the transaction is in the ordinary course of business and has appropriate terms and conditions.

**Siamraj Public Company Limited****Relationship with SO**

conducts:

1) construction of metering stations and natural gas transmission pipelines; 2) renewable energy business; and 3) industrial pump business.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Revenues from training/recruitment services</u> The Company provided training and recruitment services in respect of driving tests to Siamraj Public Company Limited.			
- Revenues from training/recruitment services	10,500.00	-	-
- Account receivables	-	-	-
<u>Lease income</u> The Company entered into agreement to lease cars to Siamraj Public Company Limited.			
- Revenues from service	20,000	-	-
- Account receivables	-	-	-

**Necessity and Appropriateness of Related Party Transaction**

The transaction was necessary and in the ordinary course of business. The Company collected fees based on its Master Price List, a similar pricing charged to its other customers.

**Opinion of Audit Committee**

The Audit Committee has reviewed the transaction and is of the view that the transaction is beneficial to the Company's normal business operations.

**Bitkub Online Co., Ltd. (“BTCO”)****Relationship with SO**

- Mr. Jiranu Kulchanarat, the Company’s director / Member of the Executive Committee / Member of the Risk Management Committee / Chief Executive Officer, has indirect shareholding (through Bitkub Capital Group Holdings Co., Ltd.), representing 0.70% of the total registered capital of BTCO as of 30 April 2020.
- Three shareholders of BTCO are the Company’s shareholders:
  1. Mr. Nattaphol Vimolchalao having indirect shareholding (through Bitkub Capital Group Holdings Co., Ltd.), representing 1.78% of the total registered capital of BTCO as of 30 April 2020.
  2. Mr. Phacharaphon Vimolchalao having indirect shareholding (through Bitkub Capital Group Holdings Co., Ltd.), representing 1.78% of the total registered capital of BTCO as of 30 April 2020.
  3. Mr. Vatcharaphol Vimolchalao having indirect shareholding (through Bitkub Capital Group Holdings Co., Ltd.), representing 1.78% of the total registered capital of BTCO as of 30 April 2020.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Revenues from service</u>			
- In the year 2019 and 2020, the Company provided data review and entry service to Bitkub Online Co., Ltd.			
- During the year 2021, the Company provided data recorder service to Bitkub Online Co., Ltd.			
- During the year 2021, the Company provided call center staff services to Bitkub Online Co., Ltd.			
- Revenues from service	933,075.51	-	13,985,980.00
- Account receivables	-	-	-

**Necessity and Appropriateness of Related Party Transaction**

The transaction was necessary and in the ordinary course of business. The Company collected fees based on its Master Price List, a similar pricing charged to its other customers.

**Opinion of Audit Committee**

The Audit Committee has reviewed the transaction and is of the view that the transaction is beneficial to the Company’s normal business operations.

**Union Auction Public Company Limited****Relationship with SO**

Mr. Weidt Nuchjalearn, the Company's director, is an executive director of Union Auction Public Company Limited as of 2 March 2020.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Revenues from disposal of cars</u> The Company disposed its cars through auction with Union Auction Public Company Limited and received fees from disposal of cars through auction with Union Auction Public Company Limited. During March to December 2020, one of the Company's director held the position of executive director at Union Auction Public Company Limited.			
- Revenues from disposal of cars	-	2,468,000	9,527,579.93
- Account receivables	-	-	-

**Necessity and Appropriateness of Related Party Transaction**

The transaction was necessary and in the ordinary course of business. After the end of car lease service agreement, the Company will review conditions of the car. If the car has been used for a long period, the Company will dispose the car through auction with auction companies. The selling price is the price auctioned through bidding with Union Auction Public Company Limited.

**Opinion of Audit Committee**

The Audit Committee has reviewed the transaction and is of the view that the transaction is beneficial to the Company's normal business operations.



**Mr. Krai Vimolchalao and/or Mrs. Naowarat Vimolchalao****Relationship with SO**

To be major Shareholder of Siamrajathanee Public Company Limited

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<b><u>Provision of guarantee</u></b> As of 31 December 2019 and 31 December 2020, Mr. Krai Vimolchalao and/or Mrs. Naowarat Vimolchalao as the Company's directors and shareholders provided guarantee for facilities, including overdrafts, promissory notes, and letter of guarantee, from 6 financial institutions in the aggregate value of THB 1,853.70 million and THB 1,718.60 million. No fees were charged to the Company for the provision of such guarantee.  In addition, one of the facilities required land mortgage from, and right to withdraw deposits from accounts of, Mr. Krai Vimolchalao and/or Mrs. Naowarat Vimolchalao as securities for the facilities.  Remark: As of March 2021, such personal guarantees have released by all financial institutions.	No charge	No charge	-

**Necessity and Appropriateness of Related Party Transaction**

Mr. Krai Vimolchalao and/or Mrs. Naowarat Vimolchalao are the Company's major shareholders provided guarantee and pledge of bank deposits in the amount of THB 200 million as security for facilities granted to the Company from local financial institutions. In addition, the following land title deeds are subject to mortgage as security for the facilities:

- Land title deed no. 23558, no. 6351 and no. 6352, Map Ta Phut Sub-district (Huai Pong), Huai Pong, Mueang Rayong District, Rayong Province
- Land title deed no. 7 and no. 548, Thap Sai Sub-district, Pong Nam Ron District, Chanthaburi Province
- Land title deed no. 16173, Bangna Sub-district, Phra Khanong District, Bangkok
- Land title deed no. 24752 and no. 24753, Nong Lalok Sub-district, Ban Khai District, Rayong Province

The transaction was necessary for the Company's business operations. The financial institutions' requirements for the Company's directors to provide guarantee and pledge the directors' personal assets as security for the facilities are normal conditions of commercial banks. The Company is not subject to any

fees for provision of guarantee and pledge of assets provided as security to the financial institutions by Mr. Krai Vimolchalao and/or Mrs. Naowarat Vimolchalao.

**Opinion of Audit Committee**

The Company made a request to the financial institutions for the release of guarantee provided by Mr. Krai Vimolchalao and/or Mrs. Naowarat Vimolchalao. The financial institutions provided a letter stating that personal guarantee from directors and shareholders shall be released upon the Company's being granted approval from the SEC Office on the initial public offering. However, personal assets of directors and major shareholders used as security for the facilities have not been released by the financial institutions. However, such directors and major shareholders did not charge any compensation from the Company for the provision of assets as security for existing and future loans.

**Mr. Kiat Vimolchalao****Relationship with SO**

- Nither has shareholding nor holds any position in SO.
- Brother of Mr. Krai Vimolchalao.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<p><u>Branch registration</u></p> <p>The Company provides garbage management and landscape maintenance services to the Port Authority of Thailand. The Company has a garbage truck which transports garbage from the Port Authority of Thailand to On Nut area, where the Port Authority of Thailand had applied for a permission for the Company to dispose garbage in such area. The laws require that vehicle used for disposal of garbage in such area must have Bangkok license plate. Therefore, the Company used the branch address at 35 Soi Saman Chan, Sukhumvit 42 Road, Phra Khanong Sub-district, Khlong Toei District, Bangkok for obtaining Bangkok license plate for the garbage truck used for provision of services to the Port Authority of Thailand.</p> <p>Mr. Kiat Vimolchalao issued a letter dated 1 March 2010 under which he provides a consent to Siamrajathanee Public Company Limited in using the abovementioned address as the Company's branch without charge. The lessee signed a letter to the lessor (Mr. Kiat Vimolchalao) to acknowledge and agree to Siamrajathanee Public Company Limited using such address for registration as the Company's branch. In addition, Mr. Kiat issued a letter dated 8 July 2019 allowing Siamrajathanee Public Company Limited to use such place as the Company's branch for another 15 years from 8 July 2019 onwards without charge. In the event of new lessee, Mr. Kiat Vimolchalao, as owner, shall notify the new lessee to acknowledge and agree to Siamrajathanee Public Company Limited using such address as the Company's branch. In addition, the Company has posted a company signage in front of such address to notify the general public that it is location of the Company's branch.</p>	No charge	No charge	-

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
Due to increase in the number of vehicles, on 16 March 2020, Mr. Kiat Vimolchalao gave a letter of consent allowing the Company to use additional parking spaces for a period of 5 years from 16 March 2020 to 15 March 2025 without charge.			

**Necessity and Appropriateness of Related Party Transaction**

The transaction was necessary and in the ordinary course of business of the Company.

**Opinion of Audit Committee**

The Audit Committee has reviewed the transaction and is of the view that the transaction is beneficial to the Company's normal business operations.

**Mr. Nattakit Tangpoonsinthana, Ph.D.****Relationship with SO**

- Company's shareholding amount 500,000 shares (As of 27 August 2021)
- Holding the positions of Independent Director / Chairman of the Nomination and Corporate Governance Committee / Chairman of the Strategic Committee / Member of the Audit Committee
- There are common directors, namely the Metropolitan Waterworks Authority.

Nature of Transaction	Transaction Value (THB)		
	2019	2020	2021
<u>Revenue from service</u> The Company provided one driver to Mr. Nattakit Tangpoonsinthana, Ph.D.	-	123,439.37	-

**Necessity and Appropriateness of Related Party Transaction**

The transaction was necessary and in the ordinary course of business of the Company.

**Opinion of Audit Committee**

The Audit Committee has reviewed the transaction and is of the view that the transaction is beneficial to the Company's normal business operations.

**B. Necessity and reasonable of the related party transaction**

In 2021, the Company entered into the related party transactions with the connected juristic persons or connected individual persons. Such related party transactions were necessary and reasonable such as the rental and service transactions with Vimolchalao Company Limited and other service transactions according to the normal business operation of the Company of which they were necessary and reasonable and the Company did not loss any benefits.

The Audit Committee has reviewed such related party transactions and resolved that they were necessary and reasonable, and beneficial to the Company.

**Measures and approval process for related party transactions**

The Board of Directors No. 4/2021 held on 11 August 2021 has resolved to approve the policy and process of entry into related party transactions between the Company or its subsidiaries and the connected persons which might have conflict of interest or may have conflict of interest in the future such as major shareholders, directors, managements, controlling persons, a person who will be nominated as the

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executive director or controlling person and related persons and close relatives by considering the reasonableness, the fairness of price and the conditions of entry of transactions to achieve the transparency and benefits of the Company and its subsidiaries including the importance of prevention of the conflict of interest.

If a related party transaction occurs, the Company shall be required to comply with the laws concerning securities and exchange, regulations, notifications, rules and regulations of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand including the compliance with the regulations regarding the disclosure of the related party transaction of the Company or its subsidiaries according to the accounting standard issued by the Federation of Accounting Professions. The persons who may have the conflict of interest shall not participant or vote to approve such related party transactions.

If the applicable laws require the approval of the related party transaction by the Board of Directors or the shareholders' meeting, the Company shall procure the Audit Committee to attend the meeting for consideration and to provide opinion regarding the necessity of transaction and reasonable of transaction.

**The entry of related party transactions with normal condition and the entry of related party transaction with not normal condition or other transactions shall have the principle as follows:**

**Related party transaction with a normal condition**

The related party transaction with a normal condition occurred between the Company or its subsidiaries and the person who may have conflict of interest whether in present or in future. The Company has determined the framework of the entry of related party transactions which has been approved by the Audit Committee and the Board of Directors. If the entry of related party transaction occurs, the management team of the Company can approve the said transaction with commercial condition that is similar to the transaction will be entered by a reasonable person under the same circumstance with the power bargaining without influence as he or she holds director or management position or he or she is a connected person (Arm's Length Basis) and such transaction shall be a normal transaction entered into by the Company for business operation or shall be a transaction that other companies in the same sector of the Company usually enters into for supporting business and the price and condition shall be fairness and shall not create the transfer of benefits including the commercial conditions as follows:

1. Price and conditions which the Company received or offered to general persons
2. Price and conditions which the connected persons offered to general persons
3. Price and conditions which the Company determined that other companies in the same sector of the Company offered to general persons

If the entry of related party transaction on an arm's length basis occurs, it shall be considered by the management team and the management team shall prepare the summary report of the said related party transaction for the Board of Directors' acknowledgement. If the Audit Committee and the Board of Directors

viewed that the Company did not comply with the policy, the Audit Committee and the Board of Directors shall find the solution of this problem.

**The entry of transaction that does not have a normal condition, or other transactions**

The entry of transaction that does not have a normal condition, or other transaction between the Company and a person who may have the conflict of interest whether in present or in future, the Company shall propose such transaction to the Audit Committee for consideration and providing opinion regarding the necessity and suitability of the entry into such transaction including the suitability of price and conditions and it may compare the price that enter into with a third party or market price before proposing to the Board of Directors and/or the shareholders' meeting for approval, as the case may. The Company shall be required to comply with the laws concerning securities and exchange, regulations, notifications, rules and regulations of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand including the compliance with the regulations regarding the disclosure of the related party transaction of the Company or its subsidiaries according to the accounting standard issued by the Federation of Accounting Professions.

If the Audit Committee does not have an expertise in considering any related party transactions that may occur, the Company shall procure an independent expert or external auditor of the Company to provide an opinion in the said related party transaction as information for consideration of the Audit Committee, the Board of Directors or the shareholders' meeting, as the case may be. In this case, the person who may have conflict of interest shall not be permitted to participant in or vote for approval on the said related party transaction.

The Company has disclosed the related party transactions in the notes of the financial statements which have been audited or reviewed by the Company's auditor and if the Company's ordinary shares have been listed on the Stock Exchange of Thailand, the Company will disclose the said related party transactions in the Company's annual information form (form 56-1) and annual report as required by the laws concerning securities and exchange.

**C. Policy or trend of the entry of related party transaction in the future**

Although the Company has its policy to avoid the entry of related party transaction, the Company might enter into the related party transaction with a person who may has the conflict of interest in the future. The trend of entry into the related party transaction can be summarized as follows:

- 1) Normal business transaction: the transactions regarding the management services, the landscape services, vehicle rental services due to such transactions are in line with the normal

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business operation of the Company and it has the reasonable commercial conditions. Therefore, the Company views that in the future, these transactions will be occurred continually.

- 2) Supporting of normal business transaction: the transactions may be occurred in accordance with the necessity of the supporting of the Company's business operation and it shall have the reasonable service rate. Therefore, the Company views that in the future, these transactions will be occurred continually.
- 3) Up to 3-years property rental transaction: the transactions include the property rental and services transaction due to these transactions will be occurred according to the necessity of the supporting of the Company's business operation and it shall have the reasonable rental rate. Therefore, the Company views that in the future, these transactions will be occurred continually.
- 4) Providing or receiving financial support transaction:
  - 4.1) Receiving financial support transaction: the Company foresees that after the listing on the Stock Exchange of Thailand, this transaction will not be occurred.
  - 4.2) Providing financial support transaction: the Company foresees that after the listing on the Stock Exchange of Thailand, this transaction will not be occurred.

The related party transaction that continues to be occurred or will be occurred in the future, the Company shall determine the policy on the pricing distinctly according to the price and market conditions with reasonable, fairness and not transferring of benefits including taking into account of the benefits of the Company and its subsidiaries. The Audit Committee shall be required to review and to provide opinion on a related party transaction which is a normal business transaction or supporting of normal business transaction on a quarterly basis.

For the related party transaction which will be occurred in the future, the Board of Directors shall be required to comply with the laws concerning securities and exchange, regulations, notifications, rules and regulations of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand including the compliance with the regulations regarding the disclosure of the related party transaction of the Company or its subsidiaries according to the accounting standard issued by the Federation of Accounting Professions.





SIAMRAJATHANEE PUBLIC COMPANY LIMITED

### 3. Report and Financial Statement

(As of 31 December 2022)

## Section 3 Financial Statement

### Declaration of the Directors' Responsibility for the Financial Statements

The Board of Directors of Siamrajathanee Public Company Limited has prepared the Company's financial statements to show its financial status and performance for 2021 under the Public Company Limited Act of 1992, the Accounting Act of 2000, the Securities and Exchange Act of 1992, and the announcement of the Capital Market Supervisory Board Concerning the criteria, conditions, and reporting method for the disclosure of information on financial status and performance of companies that issue securities.

The Board recognizes its duties and responsibility for directing a listed company, particularly the responsibility for financial statement of the Company and its subsidiaries – including financial information that appears in the Annual Registration Statement / Form 56-1 One Report. Such statements have been prepared under generally accepted accounting standards, which regularly complies with a suitable accounting policies and due and reasonable discretion exercised in the preparation of financial statements. Adequate significant information has been disclosed in the notes to these financial statements for transparent use by shareholders and investors at large.

The Board has instituted and maintained effective risk management and internal control system to become reasonably confident of accurate, complete, and adequate accounting information to retain Company assets and prevent frauds or significant anomalies in operation.

The Audit Committee, acting on behalf of the Board, has been assigned responsibility for the quality of financial reports and internal control system, and its opinions duly appear in its own report found in this publication.

It is our view that the Company's overall internal control system is satisfactory and can reasonably ensure that the financial statements of the Company and its subsidiaries for the year ended December 31, 2020, represented true and fairness, and showed essentially accurate financial positions, performance outcomes, and cash flows under financial reporting standards.



( Mr. Nattaphol Vimolchalao )

Chief Executive Officer



( Mr. Weidt Nuchjalearn )

Chairman of the Board

**Independent Auditor's Report**

To the Shareholders of Siamrajathanee Public Company Limited

**Opinion**

I have audited the accompanying financial statements of Siamrajathanee Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Siamrajathanee Public Company Limited as at 31 December 2021, its 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 Company 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.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were 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 these matters.

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 these matters. 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 matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

**Recognition of revenue from outsourcing services and rental and services**

The Company's revenue from outsourcing services and rental and services is the most significant amount in the statement of comprehensive income. The Company entered into agreements with a large number of customers with a variety of outsourcing conditions, billing charge rates, calculation methods, including rental fees and period in each agreement. I therefore addressed the accuracy and completeness of the data used for recognition of revenue from outsourcing services and rental and services as a key audit matter.

*Audit response*

I have examined the revenue recognition of the Company by

- Assessing and testing the Company's internal controls with respect to the revenue cycle, process in preparing service and rental agreements, and revenue recognition, by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and expanding the scope of the testing of the internal controls related to the above risk.
- Applying a sampling method to select service and rental agreements to verify the occurrence and accuracy of revenue, whether revenue recognition was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Company's policy.
- On a sampling basis, examining supporting documents for revenue from outsourcing services and rental and services transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in transactions throughout the period, particularly for accounting entries made through journal vouchers.

**Cost of outsourcing service recognition**

The Company's cost of outsourcing service recognition, which relates to the recognition of revenue from outsourcing services, mainly consists of salary and employee expenses. In addition, the Company has a large number of employees to support the outsourcing services provided to several customers in multiple locations. I therefore addressed the accuracy and completeness of the data used for the cost of outsourcing service recognition as a key audit matter.



**Audit response**

I assessed and tested the Company's internal controls with respect to the process of cost of outsourcing service recognition 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 prepared reconciliation between outsourcing payroll register and cost of outsourcing service recognition. In addition, I performed analytical procedures on disaggregated data and gross profit margin of each service to detect possible irregularities in cost of service transactions throughout the period.

**Estimation of residual value of assets for lease**

The Company has a number of motor vehicles for lease with a variety of types, models and brands with different residual values for each. According to the Company's accounting policy on depreciation, the Company has to estimate the residual value of assets for lease. Since, the estimation of residual value is an area requiring the management to exercise significant judgement as it involves significant assumptions based upon net realisable value from disposal of asset at the end of its useful life, taking into consideration the current market price of secondhand motor vehicles which varies in the industry and economic situation, this has an impact on the depreciation which is recorded as part of cost of rental and services in the statement of comprehensive income. I therefore addressed the management judgement for the estimation of residual value of assets for lease as a key audit matter.

**Audit response**

I gained an understanding of, assessed, and tested the method and criteria used by the Company to determine the estimates for residual value of assets for lease. I also performed analytical procedures on net realisable value from the sale of motor vehicles for lease against the current market selling price and the Company's historical selling price.

**Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company 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 Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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



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

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

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

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

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.



Pimjai Mantkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 21 February 2022



**Siamrajathanee Public Company Limited**  
**Statements of financial position**  
**As at 31 December 2021**

		(Unit: Baht)	
	Note	2021	2020
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	147,901,096	183,750,200
Trade and other receivables	6, 8	319,286,731	327,951,806
Assets for lease held for sale	9	-	303,946
Other current financial assets	10	120,714,000	736,193
Other current assets		20,844,253	16,446,573
<b>Total current assets</b>		<b>608,746,080</b>	<b>529,188,718</b>
<b>Non-current assets</b>			
Restricted bank deposits	11	50,300,000	50,358,934
Other non-current financial assets		242,800	249,300
Assets for lease	12	670,907,294	727,187,901
Investment properties	13	13,950,122	16,064,560
Property, building and equipment	14	184,302,557	197,257,861
Intangible assets	15	4,003,508	2,798,129
Other non-current assets		7,251,260	11,544,733
<b>Total non-current assets</b>		<b>930,957,541</b>	<b>1,005,461,418</b>
<b>Total assets</b>		<b>1,539,703,621</b>	<b>1,534,650,136</b>

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



(ลงชื่อ).....กรรมการ (ลงชื่อ).....กรรมการ  
 (นายณัฐพล วิมลเฉลา) (นางโสภา อรุณรัตน์)

Siamrajathanee Public Company Limited  
 Statements of financial position (continued)  
 As at 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other payables	6, 17	67,116,666	61,427,986
Current portion of long-term lease liabilities	18	160,728,043	162,719,859
Income tax payable		-	624,496
Other current financial liabilities		7,252,092	6,050,420
Other current liabilities		29,472,481	30,533,374
<b>Total current liabilities</b>		<b>264,569,282</b>	<b>261,356,135</b>
<b>Non-current liabilities</b>			
Long-term lease liabilities, net of current portion	18	258,078,264	355,318,516
Deferred tax liabilities	25	19,058,119	6,432,044
Provision for long-term employee benefits	19	41,455,909	37,105,295
Other non-current financial liabilities		4,662,300	5,261,835
<b>Total non-current liabilities</b>		<b>323,254,592</b>	<b>404,117,690</b>
<b>Total liabilities</b>		<b>587,823,874</b>	<b>665,473,825</b>

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



(ลงชื่อ).....กรรมการ (ลงชื่อ).....กรรมการ  
 (นายณัฐพล วิมลเฉลา) (นางโสภา อรุณรัตน์)

Siamrajathanee Public Company Limited  
Statements of financial position (continued)  
As at 31 December 2021

	Note	2021	(Unit: Baht) 2020
<b>Shareholders' equity</b>			
Share capital	20		
Registered			
372,000,000 ordinary shares of Baht 1 each			
(2020: 310,000,000 ordinary shares of Baht 1 each)		372,000,000	310,000,000
Issued and paid-up			
371,999,971 ordinary shares of Baht 1 each			
(2020: 310,000,000 ordinary shares of Baht 1 each)		371,999,971	310,000,000
Premium on share capital		450,123,057	450,123,057
Retained earnings			
Appropriated - statutory reserve	21	37,200,000	31,000,000
Unappropriated		92,556,719	78,053,254
<b>Total shareholders' equity</b>		<b>951,879,747</b>	<b>869,176,311</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,539,703,621</b>	<b>1,534,650,136</b>

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

Directors

(ลงชื่อ).....กรรมการ (ลงชื่อ).....กรรมการ

(นายณัฐพล วิมลเสลา) (นางโสภา อรุณรัตน์)

## Siamrajathanee Public Company Limited

## Statement of comprehensive income

For the year ended 31 December 2021

	Note	2021	2020
(Unit: Baht)			
<b>Profit or loss:</b>			
<b>Revenues</b>			
Revenue from outsourcing services		1,834,789,112	1,793,915,874
Revenue from rental and services		251,310,736	241,840,452
Gain on sale of assets for lease held for sale and equipment		16,374,905	24,341,031
Other income		9,914,034	7,158,530
<b>Total revenues</b>		<b>2,112,388,787</b>	<b>2,067,255,887</b>
<b>Expenses</b>			
Cost of outsourcing services		1,506,348,990	1,474,056,182
Cost of rental and services	23	187,636,815	189,257,761
Service expenses		5,625,968	4,424,851
Administrative expenses		202,670,190	215,521,092
<b>Total expenses</b>		<b>1,902,281,963</b>	<b>1,883,259,886</b>
<b>Operating profit</b>		<b>210,106,824</b>	<b>183,996,001</b>
Finance income		671,898	326,874
Finance cost	23	(3,125)	(5,497,153)
<b>Profit before income tax expenses</b>		<b>210,775,597</b>	<b>178,825,722</b>
Income tax expenses	25	(42,511,749)	(39,271,263)
<b>Profit for the year</b>		<b>168,263,848</b>	<b>139,554,459</b>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income not to be classified to profit or loss in subsequent period</i>			
Actuarial loss	19	(5,339,340)	(4,732,775)
Less: Income tax	25	1,067,868	946,555
<b>Other comprehensive income not to be classified to profit or loss in subsequent period - net of income tax</b>		<b>(4,271,472)</b>	<b>(3,786,220)</b>
<b>Other comprehensive income for the year</b>		<b>(4,271,472)</b>	<b>(3,786,220)</b>
<b>Total comprehensive income for the year</b>		<b>163,992,376</b>	<b>135,768,239</b>
(Restated)			
<b>Earnings per share</b>	26		
<b>Basic earnings per share</b>			
Profit for the year		0.45	0.48
Weighted average number of ordinary shares (shares)		371,999,971	289,790,164

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

(ลงชื่อ).....กรรมการ

(นายณัฐพล วิมลเสลา)

(ลงชื่อ).....กรรมการ

(นางโสภา อรุณรัตน์)

Siamrajathanee Public Company Limited  
Statement of changes in shareholders' equity  
For the year ended 31 December 2021

						(Unit: Baht)
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2019		225,000,000	-	21,500,000	69,384,855	315,884,855
Profit for the year		-	-	-	139,554,459	139,554,459
Other comprehensive income for the year		-	-	-	(3,786,220)	(3,786,220)
Total comprehensive income for the year		-	-	-	135,768,239	135,768,239
Increase capital during the year	20	85,000,000	450,123,057	-	-	535,123,057
Dividend payment	29	-	-	-	(117,599,840)	(117,599,840)
Appropriation of retained earnings to statutory reserve	21	-	-	9,500,000	(9,500,000)	-
Balance as at 31 December 2020		310,000,000	450,123,057	31,000,000	78,053,254	869,176,311
Balance as at 31 December 2020		310,000,000	450,123,057	31,000,000	78,053,254	869,176,311
Profit for the year		-	-	-	168,263,848	168,263,848
Other comprehensive income for the year		-	-	-	(4,271,472)	(4,271,472)
Total comprehensive income for the year		-	-	-	163,992,376	163,992,376
Stock dividend	20, 29	61,999,971	-	-	(61,999,971)	-
Dividend payment	29	-	-	-	(81,288,940)	(81,288,940)
Appropriation of retained earnings to statutory reserve	21	-	-	6,200,000	(6,200,000)	-
Balance as at 31 December 2021		371,999,971	450,123,057	37,200,000	92,556,719	951,879,747

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



(ลงชื่อ).....กรรมการ (นางสาว อรุณรัตน์)

(นางสาว อรุณรัตน์)



## Siamrajathanee Public Company Limited

## Cash flow statement

For the year ended 31 December 2021

	(Unit: Baht)	
	2021	2020
<b>Cash flow from operating activities</b>		
Profit before tax	210,775,597	178,825,722
Adjustments to reconcile profit before tax to net cash provide by (paid from) operating activities:		
Depreciation and amortisation	137,643,977	130,788,286
Expected credit losses	-	5,781,253
Gain on sale of assets for lease held for sale	(15,134,910)	(23,938,935)
Gain on sale of equipment	(1,239,995)	(402,096)
Revenue from validation of blockchain transactions	(2,381,501)	-
Provision for long-term employee benefits	3,781,413	3,677,265
Written off of withholding tax deducted at source	13,671	1,015,966
Finance income	(671,898)	(326,874)
Interest expenses (Note 23)	17,033,517	23,160,132
Profit from operating activities before changes in operating assets and liabilities	349,819,871	318,580,719
<b>Operating assets (increase) decrease</b>		
Trade and other receivables	8,764,957	(22,547,727)
Other current financial assets	22,193	252,053
Other current assets	(4,397,680)	2,294,048
Other non-current financial assets	6,500	553,000
<b>Operating liabilities increase (decrease)</b>		
Trade and other payables	7,983,582	(14,423,167)
Other current liabilities	(1,060,893)	3,200,581
Other current financial liabilities	1,201,672	(1,288,826)
Other non-current financial liabilities	(599,535)	2,567,400
<b>Cash flows from operating activities</b>	<b>361,740,667</b>	<b>289,188,081</b>
Cash receipt from interest income	572,016	374,363
Cash receipt from tax refund	11,531,062	5,408,585
Cash paid for long-term employee benefits	(4,770,141)	(8,107,303)
Cash paid for interest expenses	(781)	(5,590,437)
Cash paid for income tax	(36,693,563)	(31,018,568)
<b>Net cash flows from operating activities</b>	<b>332,379,260</b>	<b>250,254,721</b>

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

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กรรมการ

(นายณัฐพล วิมลเจลา)



(ลงชื่อ)



กรรมการ

(นางโสภา อรุณรัตน์)

## Siamrajathanee Public Company Limited

## Cash flow statement (continued)

For the year ended 31 December 2021

	(Unit: Baht)	
	2021	2020
<b>Cash flows from investing activities</b>		
Increase in fixed deposits with a maturity of more than 3 months	(120,000,000)	-
Decrease (increase) in restricted bank deposits	58,934	(10,016,421)
Cash paid for acquisition of equipment	(3,731,807)	(3,442,702)
Cash paid for acquisition of assets for lease	(407,350)	(444,939)
Cash paid for acquisition of intangible assets	(450,000)	-
Proceeds from sale of assets for lease held for sale	31,999,187	53,938,822
Proceeds from sale of equipment	1,240,000	919,282
<b>Net cash flows (used in) from investing activities</b>	<b>(91,291,036)</b>	<b>40,954,042</b>
<b>Cash flow from financing activities</b>		
Decrease in bank overdraft and short-term loans from financial institutions	-	(337,119,858)
Payment of lease liabilities	(193,864,474)	(213,100,301)
Proceeds from increase in share capital	-	552,500,000
Transaction costs on issue of shares	-	(17,376,943)
Dividend paid	(83,072,854)	(115,798,017)
<b>Net cash flows used in financing activities</b>	<b>(276,937,328)</b>	<b>(130,895,119)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(35,849,104)</b>	<b>160,313,644</b>
Cash and cash equivalents at beginning of year	183,750,200	23,436,556
<b>Cash and cash equivalents at end of year (Note 7)</b>	<b>147,901,096</b>	<b>183,750,200</b>

## Supplemental cash flows information

Non-cash items consist of

Transfer of assets for lease to assets for lease held for sales	16,560,331	25,493,329
Increase (decrease) in asset payables	(510,988)	531,211
Acquisition of assets for lease agreements	75,728,268	424,339,356
Acquisition of motor vehicle for lease agreements	1,871,402	-
Dividend payable	17,909	1,801,823
Increase in digital asset from valuation of blockchain transactions	2,381,501	-

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



(ลงชื่อ).....กรรมการ (นางสาว อรุณรัตน์)

(นางเนืฐพล วิมลเสลา)

**Siamrajathanee Public Company Limited****Notes to financial statements****For the year ended 31 December 2021****1. General information**

Siamrajathanee Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in providing outsourcing services and vehicle operating lease services. The registered office of the Company is at 329 Moo 10, Old railway Road, Samrong, Phrapradaeng, Samutprakarn.

**2. Basis of preparation**

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.

**3. New financial reporting standards****3.1 Financial reporting standards that become effective in the current year**

During the year, the Company 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 Company's financial statements.



(ลงชื่อ).....กรรมการ (นางสาว อรุณรัตน์) 1  
 (นายณัฐพล วิมลเฉลา)



### 3.2 Financial reporting standards that became 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 Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

## 4. Significant accounting policies

### 4.1 Revenue and expense recognition

#### Rendering of outsourcing services

Outsourcing service revenue is recognised when services have been completely provided.

#### Revenue from rental and service

Revenue from rental and service is recognised over the term of the contracts, using the straight-line method.

#### 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).

#### Revenue from validation of blockchain transactions

Revenue from validation of blockchain transactions and creating new blocks in blockchain which receives consideration in form of digital assets is recognised when the Company has provided a service and received digital assets from blockchain at the fair value of the digital assets as at the date of receipt, applying the closing price on the digital asset exchange.

Revenue from validation of blockchain transactions are presented as other income in the comprehensive income.

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(นายณัฐพล วิมลกุล)



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กรรมการ

(นางโสภา อรุณรัตน์)

2

**Cost of outsourcing services**

Cost of outsourcing service revenue is recognised when services have been completely provided.

**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 Assets for lease held for sales / Assets for lease**

Assets for lease are measured initially at cost, including transaction costs. Subsequent to initial recognition, assets for lease are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of assets for lease is calculated by reference to their costs less residual value of assets on the straight-line basis over the following estimated useful lives:

Motor vehicles for lease under long-term agreement	the lease period
Motor vehicles for lease under short-term agreement	8 years
Spare motor vehicles awaiting for lease	8 years or remaining of useful life from lease period totaling 8 years

Depreciation is included in determining income.

No depreciation is provided on assets for lease under installation.

The Company classifies motor vehicles for lease under long-term lease agreements which have expired and not used as motor vehicles for lease under short-term agreements or reserved as spare motor vehicles awaiting for lease are deemed to be assets for lease held for sale. Assets for lease held for sale are valued at the lower of net book value and net fair value less costs to sell, which depreciation ceasing. On disposal of assets for lease held for sale, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

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(นายณัฐพล วิมลเฉลา)

กรรมการ



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(นางโสภา อรุณรัตน์)

กรรมการ

**4.4 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

**4.5 Property, building 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 building and equipment is calculated by reference to their costs less residual value, on the straight-line basis over the following estimated useful lives:

Buildings and improvement	5 - 20 years
Machinery and equipment	5 years
Furniture, fixtures and office equipment	3 - 5 years
Motor vehicles	5 - 8 years

Depreciation is included in determining income.

No depreciation is provided on land.

An item of property, building 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 Intangible assets**

The company initially recognises intangible assets 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.

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The intangible assets with finite useful lives is as follows:

Computer software

5 years

#### 4.7 Digital assets

The digital asset business is a new business globally, and there are no directly applicable financial reporting standards governing this business. The Company considers that investing in digital assets is for the purposes of long-term investment. The Company has therefore adopted the principles of TAS 38, *Intangible Assets*, and classifies them as non-current assets.

The Company initially recognises digital assets at cost, which is the fair value of the assets as of the date of receipt. Following the initial recognition, the assets are carried at cost (weighted average method) less any accumulated impairment losses (if any). The Company does not amortise digital assets because they have indefinite useful lives. The Company will review the status of indefinite useful lives of these digital assets on an annual basis.

At the end of each reporting period, the Company evaluates impairment of digital assets by recognising an impairment loss when the carrying amount is higher than the assets' fair value less costs to sell as at the end of the reporting period. The fair value is measured using the closing price on the digital asset exchange as at the end of the reporting period.

Digital assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

Digital assets are presented as intangible assets in the financial position.

#### 4.8 Leases

At inception of contract, the Company 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 Company as a lessee

The Company 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 Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

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**Right-of-use assets**

Right-of-use assets are measured at cost, less any 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.

Motor vehicles	5	years
Assets for lease	3-5	years

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

Right-of-use assets are presented as assets for lease and property, building and equipment in the financial position.

**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 Company and payments of penalties for terminating the lease, if the lease term reflects the Company 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 Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a 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.

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**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 Company as a lessor**

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 Impairment of non-financial assets**

At the end of each reporting period, the Company performs impairment reviews in respect of the assets for lease, investment properties, property, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of intangible assets with indefinite useful lives. 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.



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In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### 4.11 Employee benefits

##### Short-term employee benefits

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

##### Post-employment benefits

##### Defined contribution plans

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

##### Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company 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 post-employment benefits are recognised immediately in other comprehensive income.

#### 4.12 Provisions

Provisions are recognised when the Company 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.

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**4.13 Income tax**

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

**Current tax**

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

**Deferred tax**

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

The Company recognises deferred tax liabilities for all taxable temporary differences while they recognise 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 Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

**4.14 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price 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, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

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**Financial assets at amortised cost**

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

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

**Classification and measurement of financial liabilities**

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

**Recognition and derecognition of financial instruments**

Financial assets are recognised or derecognised on the date on which the Company becomes a party to contractual provisions of the instrument, the date on which an asset is delivered to or by the Company. This includes regular way trades.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has 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 Company 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 Company expects to receive, discounted at an approximation of the original effective interest rate.

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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 Company 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 Company 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, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

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.

#### 4.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller at the measurement date. The Company 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 Company 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.



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

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

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

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

At the end of each reporting period, the Company 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:

##### **Assets for lease/Investment properties/Property, building and equipment/Intangible assets/Depreciation and amortisation**

In determining depreciation of assets for lease, investment properties, property, building and equipment, the management is required to make estimates of the useful lives and residual values of the assets for lease, investment properties, property, building and equipment and to review estimate useful lives and residual values when there are any changes.

In determining amortisation of intangible assets with finite lives, the management is required to make estimates of the useful lives of the Company's intangible assets and to review estimate useful lives when there are any changes.

In addition, the management is required to review assets for lease, investment properties, property, building and equipment and intangible assets 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.

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**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 Company has contingent liabilities as a result of litigation. The Company'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**

The relationships between the Company and related parties are summarised below:

Name	Relationship
Vinyltec Industry Co., Ltd.	Common directors
Bangkok All Solutions Co., Ltd. (formerly known as "Rayong Sinsub Pattana Co., Ltd.")	Common directors
En-technology Consultants Co., Ltd.	Common directors
Vimolchalao Co., Ltd.	Common directors
Union Auction Public Company Limited	Common directors
Bitkub Online Co., Ltd.	Indirect shareholding directors and person related to directors

During the years, the Company 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.

	2021	2020	(Unit: Thousand Baht) Transfer Pricing Policy
<b>Transactions with related companies</b>			
Revenue from outsourcing services	14,043	-	Normal price and condition as other customer
Revenue from rental and services	1,080	1,140	Normal price and condition as other customer
Gain on sale of assets for lease held for sale and equipment	10,214	2,848	Referred to market price or auction price
Cost of outsourcing services	328	-	Normal price and condition as other payable
Administrative expenses	284	786	Normal price and condition as other payable

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

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
<b><u>Trade and other receivable - related parties (Note 8)</u></b>		
Related companies	<u>19</u>	<u>18</u>
<b><u>Accrued income - related parties (Note 8)</u></b>		
Related companies	<u>1,013</u>	<u>-</u>
<b><u>Trade and other payables - related parties (Note 17)</u></b>		
Related companies	<u>-</u>	<u>7</u>

**Directors and management's benefits**

During the years ended 31 December 2021 and 2020, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Short-term employee benefits	35,303	36,955
Post-employment benefits	<u>975</u>	<u>912</u>
Total	<u>36,278</u>	<u>37,867</u>

**Guarantee obligations and commitments with related parties**

The Company has no outstanding guarantee obligations and no commitments with its related parties.

**7. Cash and cash equivalents**

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Cash	240	150
Bank deposits	<u>147,661</u>	<u>183,600</u>
Total	<u>147,901</u>	<u>183,750</u>

As at 31 December 2021, bank deposits in saving accounts, carried interests between 0.050% and 0.125% per annum. (2020: between 0.050% and 0.125% per annum).

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## 8. Trade and other receivables

	(Unit: Thousand Baht)	
	2021	2020
<u>Trade accounts receivable - related parties</u>		
Aged on the basis of due dates		
Not yet due	19	18
Total trade accounts receivable - related parties	19	18
<u>Trade accounts receivable - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	109,929	112,247
Past due		
Up to 3 months	55,439	42,593
3 - 6 months	5,769	2,228
6 - 12 months	331	5,968
Up to 12 months	5,781	-
Total trade accounts receivable - unrelated parties	177,249	163,036
Less: Allowance for expected credit losses	(5,781)	(5,781)
Total trade accounts receivable - related parties, net	171,468	157,255
Total trade accounts receivable, net	171,487	157,273
<u>Accrued income - related parties</u>		
Aged on the basis of revenues recognised dates		
Up to 1 months	1,013	-
Total accrued income - related parties	1,013	-
<u>Accrued income - unrelated parties</u>		
Aged on the basis of revenues recognised dates		
Up to 1 months	129,308	131,610
1 - 3 months	17,253	32,302
3 - 6 months	48	6,688
Total accrued income - unrelated parties	146,609	170,600
Total accrued income, net	147,622	170,600
<u>Other receivables</u>		
Other receivables	52	53
Interest receivable	126	26
Total other receivables	178	79
Total trade and other receivables, net	319,287	327,952

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The normal credit term is 4 to 60 days.

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

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Beginning balance	5,781	-
Provision for expected credit losses	-	5,781
Ending balance	<u>5,781</u>	<u>5,781</u>

#### 9. Assets for lease held for sale

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Assets for lease held for sale - cost	-	1,179
Less: Accumulated depreciation	-	(875)
Net book value	<u>-</u>	<u>304</u>

A reconciliation of the net book value of assets for lease held for sale for the year 2021 and 2020 is presented below.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Net book value at the beginning of year	304	4,810
Transferred - net book value	16,560	25,494
Disposals	(16,864)	(30,000)
Net book value at the end of year	<u>-</u>	<u>304</u>

#### 10. Other current financial assets

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
<u>Debt instruments amortised cost</u>		
Fixed deposits	120,000	-
Other	714	736
Total other current financial assets	<u>120,714</u>	<u>736</u>

As at 31 December 2021, the Company had invested in fixed deposits with a maturity of more than 3 months carried interests 0.150% per annum (2020: Nil).

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**11. Restricted bank deposits**

These represent fixed deposits accounts pledged with the banks to secure credit facilities, as discussed in Notes 16 and 30.3.

**12. Assets for lease**

Movements of the assets for lease account for the years ended 31 December 2021 and 2020 is presented below.

(Unit Thousand Baht)

	Motor vehicles for lease	Assets for lease under installation	Motor vehicles for lease-right- of-use assets	Assets for lease under installation- right-of-use assets	Total
<b>Cost</b>					
As at 1 January 2020	141,261	-	512,095	4,760	658,116
Addition	20	425	-	424,339	424,784
Transfer from assets for lease under installation- right-of-use assets (Note 18)	-	-	426,477	(426,477)	-
Transfer from assets for lease under installation	425	(425)	-	-	-
Transfer from motor vehicles for lease-right-of- use assets (Note 18)	74,743	-	(74,743)	-	-
Transfer to assets for lease held for sale	(102,414)	-	(766)	-	(103,180)
As at 31 December 2020	114,035	-	863,063	2,622	979,720
Additions	93	314	-	75,728	76,135
Transfer from assets for lease under installation- right-of-use assets (Note 18)	-	-	70,980	(70,980)	-
Transfer from assets for lease under installation	314	(314)	-	-	-
Transfer from motor vehicles for lease-right- of-use assets (Note 18)	34,879	-	(34,879)	-	-
Transfer to assets for lease held for sale	(64,721)	-	(1,246)	-	(65,967)
As at 31 December 2021	84,600	-	897,918	7,370	989,888

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(Unit Thousand Baht)

	Motor vehicles for lease	Assets for lease under installation	Motor vehicles for lease-right- of-use assets	Assets for lease under installation- right-of-use assets	Total
<b>Accumulated depreciation</b>					
As at 1 January 2020	104,424	-	118,832	-	223,256
Depreciation for the year	10,311	-	96,651	-	106,962
Depreciation on transfer from motor vehicles for lease-right-of-use assets (Note 18)	46,940	-	(46,940)	-	-
Depreciation on transfers	(77,166)	-	(520)	-	(77,686)
As at 31 December 2020	84,509	-	168,023	-	252,532
Depreciation for the year	6,939	-	108,917	-	115,856
Depreciation on transfer from motor vehicles for lease-right-of-use assets (Note 18)	18,459	-	(18,459)	-	-
Depreciation on transfer to assets for lease held for sale	(49,058)	-	(349)	-	(49,407)
As at 31 December 2021	60,849	-	258,132	-	318,981
<b>Net book value</b>					
As at 31 December 2020	29,526	-	695,040	2,622	727,188
As at 31 December 2021	23,751	-	639,786	7,370	670,907
<b>Depreciation</b>					
2020 (included in cost of rental and service)					106,962
2021 (included in cost of rental and service)					115,856

As at 31 December 2021, the Company had assets for lease which were acquired under lease agreements amounted to Baht 647 million (2020: Baht 698 million).



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**13. Investment properties**

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

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Office building for rent - cost	30,550	30,550
Less: Accumulated depreciation	(16,600)	(14,485)
Net book value	<u>13,950</u>	<u>16,065</u>

The reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	16,065	18,181
Depreciation charged	(2,115)	(2,116)
Net book value at end of year	<u>13,950</u>	<u>16,065</u>

The fair value of the investment properties as at 31 December 2021 and 2020 stated below:

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Office building for rent	48,700	48,700

The fair value of the above office building for rent has been determined using the income approach by an accredited independent valuer.

As at 31 December 2021, the Company has pledged investment properties with net book value amounting to approximately Baht 14 million (2020: Baht 16 million) as collateral against credit facilities obtained from financial institutions, as discussed in Note 16.

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## 14. Property, building and equipment

(Unit: Thousand Baht)

	Land	Buildings and improvement	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Motor vehicles- right-of-use assets	Total
<b>Cost:</b>							
As at 1 January 2020	84,700	123,042	7,540	63,479	46,356	8,685	333,802
Additions	-	-	343	3,631	-	-	3,974
Disposals	-	-	(5)	(927)	(3,922)	-	(4,854)
Transfers (Note 18)	-	-	-	-	1,355	(1,355)	-
As at 31 December 2020	84,700	123,042	7,878	66,163	43,789	7,330	332,922
Additions	-	-	355	1,948	918	1,871	5,092
Disposals	-	-	-	-	(5,980)	-	(5,980)
Transfers (Note 18)	-	-	-	-	4,053	(4,053)	-
As at 31 December 2021	84,700	123,042	8,233	68,131	42,780	5,148	332,034
<b>Accumulated depreciation:</b>							
As at 1 January 2020	-	22,478	6,144	42,349	43,811	5,138	119,920
Depreciation for the year	-	7,554	656	9,103	1,387	1,381	20,081
Depreciation on disposals	-	-	(4)	(581)	(3,752)	-	(4,337)
Depreciation on transfers (Note 18)	-	-	-	-	1,281	(1,281)	-
As at 31 December 2020	-	30,032	6,796	50,871	42,727	5,236	135,664
Depreciation for the year	-	7,533	469	7,996	1,216	833	18,047
Depreciation on disposals	-	-	-	-	(5,980)	-	(5,980)
Depreciation on transfers (Note 18)	-	-	-	-	3,864	(3,864)	-
As at 31 December 2021	-	37,565	7,265	58,867	41,827	2,207	147,731
<b>Net book value:</b>							
As at 31 December 2020	84,700	93,010	1,082	15,312	1,062	2,092	197,258
As at 31 December 2021	84,700	85,477	968	9,264	953	2,941	184,303
<b>Depreciation for the year</b>							
2020 (Baht 4 million included in cost of outsourcing service and the balance in administrative expenses)							20,081
2021 (Baht 4 million included in cost of outsourcing service and the balance in administrative expenses)							18,047

As at 31 December 2021, the Company had vehicles with net book value of Baht 3 million (2020: Baht 2 million) which were acquired under lease agreements.

As at 31 December 2021, certain items of equipment and motor vehicles were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 96 million (2020: Baht 81 million).

The Company has pledged their property and building amounting to approximately Baht 154 million (2020: Baht 162 million) as collateral against credit facilities obtained from financial institutions, as discussed in Note 15.

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**15. Intangible assets**

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

	(Unit: Thousand Baht)		
	Computer software	Digital assets	Total
As at 31 December 2021			
Cost	11,021	2,382	13,403
Less: Accumulated amortisation	(9,399)	-	(9,399)
Net book value	1,622	2,382	4,004
As at 31 December 2020			
Cost	10,571	-	10,571
Less: Accumulated amortisation	(7,773)	-	(7,773)
Net book value	2,798	-	2,798

The reconciliation of book value for the years 2021 and 2020 as follow.

	(Unit: Thousand Baht)	
	2021	2020
Book value at beginning of year	2,798	4,427
Increase during the year	2,832	-
Amortisation	(1,626)	(1,629)
Book value at end of year	4,004	2,798

As at 31 December 2021, the Company has outstanding digital assets of 17,262 KUB coin. (2020: Nil).

Digital assets can be sold and moved after a period of 1 year, which ends in May 2022, from the date that the Company signs a contract as a blockchain validator.

**16. Credit facility**

As at 31 December 2021, the Company has short-term loans which have not yet been drawn down amounted to Baht 485 million (2020: Baht 485 million) and bank overdrafts which have not yet been drawn down amounted to Baht 70 million. (2020: Baht 70 million). These credit facilities are secured by the pledge of the Company's fixed deposit accounts and the mortgage of land and construction thereon of the Company as discussed in Notes 11, 13 and 14.



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**15. Intangible assets**

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

	(Unit: Thousand Baht)		
	Computer software	Digital assets	Total
As at 31 December 2021			
Cost	11,021	2,382	13,403
Less: Accumulated amortisation	(9,399)	-	(9,399)
Net book value	1,622	2,382	4,004
As at 31 December 2020			
Cost	10,571	-	10,571
Less: Accumulated amortisation	(7,773)	-	(7,773)
Net book value	2,798	-	2,798

The reconciliation of book value for the years 2021 and 2020 as follow.

	(Unit: Thousand Baht)	
	2021	2020
Book value at beginning of year	2,798	4,427
Increase during the year	2,832	-
Amortisation	(1,626)	(1,629)
Book value at end of year	4,004	2,798

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**17. Trade and other payables**

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Trade accounts payable - related parties	-	7
Trade accounts payable - unrelated parties	6,505	4,830
Other payables - unrelated parties	2,419	1,408
Dividend payable	18	1,802
Accrued expenses - unrelated parties	58,175	53,381
Total trade and other payables	<u>67,117</u>	<u>61,428</u>

**18. Leases****18.1 The Company as a lessee**

The Company has non-cancellable leases contracts for motor vehicles used in its operations. Leases generally have lease terms between 3 - 5 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)

	Motor vehicles	Motor vehicles for lease	Assets under installation	Total
1 January 2020	3,547	393,263	4,760	401,570
Additions	-	-	424,339	424,339
Transfer from assets under installation (Note 12)	-	426,477	(426,477)	-
Transfer to assets for lease held for sale	-	(246)	-	(246)
Transfer to assets for lease (Note 12)	-	(27,803)	-	(27,803)
Transfer to property, building and equipment (Note 14)	(74)	-	-	(74)
Depreciation for the year	(1,381)	(96,651)	-	(98,032)
31 December 2020	2,092	695,040	2,622	699,754

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(Unit: Thousand Baht)

	Motor vehicles	Motor vehicles-for lease	Assets under installation	Total
Additions	1,871	-	75,728	77,599
Transfer from assets under installation (Note 12)	-	70,980	(70,980)	-
Transfer to assets for lease held for sale	-	(897)	-	(897)
Transfer to assets for lease (Note 12)	-	(16,420)	-	(16,420)
Transfer to property, building and equipment (Note 14)	(189)	-	-	(189)
Depreciation for the year	(833)	(108,917)	-	(109,750)
31 December 2021	2,941	639,786	7,370	650,097

**b) Lease liabilities**

(Unit: Thousand Baht)

	2021	2020
Lease payments	441,210	551,071
Less: Deferred interest expenses	(22,404)	(33,033)
Total	418,806	518,038
Less: Portion due within one year	(160,728)	(162,720)
Lease liabilities - net of current portion	258,078	355,318

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	2021	2020
Balance at beginning of year	518,038	289,121
Additions	77,599	424,339
Accretion of interest	17,033	17,678
Repayment	(193,864)	(213,100)
Balance at the end of year	418,806	518,038
Less: Portion due within one year	(160,728)	(162,720)
Lease liabilities - net of current portion	258,078	355,318

A maturity analysis of lease payments is disclosed in Note 32.1 under the liquidity risk.

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

	(Unit: Thousand Baht)	
	2021	2020
Depreciation expense of right-of-use assets	109,750	98,032
Interest expense on lease liabilities	17,033	17,678
Expense relating to leases of low-value assets	719	1,015

## d) Others

The Company had total cash outflows for leases for the year ended 31 December 2021 of Baht 195 million (2020: Baht 214 million), including the cash outflow related to leases of low-value assets.

## 18.2 Company as a lessor

The Company has entered into operating leases for its assets for lease portfolio consisting of vehicle leases of the lease terms are between 1 and 5 years (Note 12) and entered into operating leases for its investment property portfolio consisting of lease of office building of the lease terms are between 1 and 3 years (Note 13). The Company has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2021 and 2020 as follows:

	(Unit: Million Baht)	
	2021	2020
In up to 1 year	224	226
In over 1 and up to 5 years	379	504
Total	603	730



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**19. 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)	
	<u>2021</u>	<u>2020</u>
<b>Provision for long-term employee benefits</b>		
at beginning of year	37,105	36,803
Included in profit or loss:		
Current service cost	3,157	3,120
Interest cost	625	557
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	1,469	-
Financial assumptions changes	(1)	(46)
Experience adjustments	3,871	4,778
Benefits paid during the year	(4,770)	(8,107)
<b>Provision for long-term employee benefits at end of year</b>	<b>41,456</b>	<b>37,105</b>

The Company expects to pay Baht 4 million (2020: Baht 4 million) of long-term employee benefits during the next year.

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 1 and 17 years (2020: 1 and 17 years).

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)	
	<u>2021</u>	<u>2020</u>
Discount rate	0.51 and 1.91	0.49 and 1.91
Salary increase rate	3.00 and 6.00	3.00 and 6.00
Turnover rate	2 - 65	2 - 75

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: Thousand Baht)					
	Discount rate		Salary increase rate		Turnover rate	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%	Increase 20%	Decrease 20%
As at 31 December 2021	(3,523)	3,989	4,344	(3,731)	(5,090)	6,959
As at 31 December 2020	(3,342)	3,983	3,777	(3,252)	(3,745)	5,053

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**20. Share capital****2021**

On 9 April 2021, the Annual General Meeting of the Company's shareholders approved the following resolutions

(1) Approved the dividend payment from the operating results for the year 2020 (from 1 July 2020 to 31 December 2020) as detailed below.

- A stock dividend was to be made as not more than 62 million ordinary shares of the Company, with a par value of Baht 1 per share, in a ratio of every 5 existing shares per 1 stock dividend, at a rate of Baht 0.20 per share or a total of Baht 62 million. The cash dividend at a rate of Baht 0.20 per share will be paid to the shareholders who have indivisible shares after the allocation.
- A cash dividend was to be paid at a rate of Baht 0.0222 per share, or a total of Baht 6.9 million

The stock dividend and cash dividend were made payment on 7 May 2021. The stock dividends were traded in the Stock Exchange of Thailand from 14 May 2021 onwards.

(2) Approved an increase in the registered capital from Baht 310 million (310 million ordinary shares of Baht 1 each) to Baht 372 million (372 million ordinary shares of Baht 1 each), by issuing additional ordinary shares of Baht 62 million (62 million ordinary shares of Baht 1 each) in order to support stock dividend payment. The Company registered the increase in its registered capital with the Ministry of Commerce on 21 April 2021.

**Reconciliation of number of ordinary shares**

	Par value (Baht per share)	Registered share capital		Issued and paid-up share capital		Premium on share capital (Baht)
		Number of ordinary shares (Shares)	Amount (Baht)	Number of ordinary shares (Shares)	Amount (Baht)	
As at 31 December 2020	1.00	310,000,000	310,000,000	310,000,000	310,000,000	450,123,057
Increase in capital						
from stock dividend	1.00	62,000,000	62,000,000	61,999,971	61,999,971	-
As at 31 December 2021	1.00	372,000,000	372,000,000	371,999,971	371,999,971	450,123,057

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During 3 October 2020 to 7 October 2020, the Company offered 85 million of additional ordinary shares, which par value of Baht 1, at a price of Baht 6.50 per share to the initial public offering and the directors, executives, and employees of the Company amounting to Baht 552.5 million. The Company received full settlement of the additional share capital and registered the increase in its paid-up capital with the Ministry of Commerce on 8 October 2020.

The Stock Exchange of Thailand (SET) has approved the listing of the ordinary shares of the Company as securities on the SET, was traded on 14 October 2020.

Reconciliation of share capital

	Par value (Baht per share)	Share capital		Paid-up registered of share capital		Premium on share capital <sup>(1)</sup> (Baht)
		Shares	Amount (Baht)	Shares	Amount (Baht)	
As at 31 December 2019	1.00	310,000,000	310,000,000	225,000,000	225,000,000	-
Increase capital during the year	1.00	-	-	85,000,000	85,000,000	450,123,057
As at 31 December 2020	1.00	310,000,000	310,000,000	310,000,000	310,000,000	450,123,057

<sup>(1)</sup> The Company has direct costs attributable to the share offering amounting to Baht 17 million are presented as a deduction from the premium on ordinary shares.

**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 of at least 5% of its net profit for the year after deducting accumulated deficits brought forward (if any), until the reserve reaches 10% of the registered share capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

**22. Revenue from contracts with customers****22.1 Disaggregated revenue information**

In 2021, the Company has revenue from contracts with customers which is the revenue from outsourcing services of Baht 1,835 million. (2020: Baht 1,794 million). The Company recognised revenue over time.



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**22.2 Contract balances**

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Trade accounts receivable - net	144,036	113,498
Accrued income	130,355	153,980
Total	<u>274,391</u>	<u>267,478</u>
<b>Liabilities</b>		
Advances received from customers	308	622
Total	<u>308</u>	<u>622</u>

In 2020, Baht 5.8 million was recognised as allowance for expected credit losses on trade accounts receivable (2021: Nil).

**23. Interest expenses**

Interest expenses for the years ended 31 December 2021 and 2020 are presented under cost of rental and service and finance cost as follows:

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
<b><u>Cost of rental and service</u></b>		
Interest expense on lease liabilities - assets for lease	17,031	17,663
Total	<u>17,031</u>	<u>17,663</u>
<b><u>Finance cost</u></b>		
Interest expenses on borrowings	1	5,482
Interest expenses on lease liabilities	2	15
Total	<u>3</u>	<u>5,497</u>
Total interest expense	<u>17,034</u>	<u>23,160</u>

**24. Expenses by nature**

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	<u>2021</u>	<u>2020</u>
Salaries and wages and other employee benefits	1,595,906	1,562,782
Depreciation and amortisation	137,644	130,788
Insurance premium	34,478	34,168
Interest expenses on lease liabilities	17,033	17,678

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**22.2 Contract balances**

(Unit: Thousand Baht)

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Trade accounts receivable - net	144,036	113,498
Accrued income	130,355	153,980
Total	<u>274,391</u>	<u>267,478</u>
<b>Liabilities</b>		
Advances received from customers	308	622
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Total	<u>17,031</u>	<u>17,663</u>
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Interest expenses on borrowings	1	5,482
Interest expenses on lease liabilities	2	15
Total	<u>3</u>	<u>5,497</u>
Total interest expense	<u>17,034</u>	<u>23,160</u>

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Depreciation and amortisation	137,644	130,788
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**25. Income tax**

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

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>		
Current income tax charge	28,818	31,643
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	13,694	7,628
<b>Income tax expense reported in the statement of comprehensive income</b>	<u>42,512</u>	<u>39,271</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)	
	<u>2021</u>	<u>2020</u>
Deferred tax on actuarial losses	<u>(1,068)</u>	<u>(947)</u>

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

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Accounting profit before tax	<u>210,776</u>	<u>178,826</u>
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	42,155	35,765
Effects of:		
Non-taxable incomes	-	(21)
Non-deductible expenses	398	768
Others	(41)	2,759
Total	<u>357</u>	<u>3,506</u>
Income tax expenses reported in profit or loss	<u>42,512</u>	<u>39,271</u>



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

	(Unit: Thousand Baht)	
	2021	2020
<b>Deferred tax assets</b>		
Allowance for expected credit losses	1,156	1,156
Deposits and advances received	2,454	2,404
Provision for long-term employee benefits	8,291	7,421
Total	11,901	10,981
<b>Deferred tax liabilities</b>		
Accumulate depreciation - motor vehicle and assets for lease	(26,591)	(10,807)
Lease agreements	(4,368)	(6,606)
Total	(30,959)	(17,413)
Deferred tax assets (liabilities) - net	(19,058)	(6,432)

## 26. Earnings per share

Basic earnings per share is calculated by dividing profit 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 after adjusting in proportion to the change in the number of ordinary shares as a result of the distribution of the stock dividend of 62 million shares, discussed in Note 20.

The Company therefore adjusted the number of ordinary shares of the prior year used for the calculation of basic earnings per share, as presented for comparative purposes, as if the issues of shares for the stock dividend had occurred at the beginning of the earliest reporting period.

Basic earnings per share were computed as follows:

	For the year ended	
	31 December	
	2021	2020
		(Revised)
Profit for the year (Thousand Baht)	168,264	139,554
Weighted average number of ordinary shares (Thousand shares)	372,000	289,790
Profit per share (Baht/share)	0.45	0.48

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**27. Segment information**

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

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

- Outsourcing service segment.
- Rental service segment

No operating segments have been aggregated to form the above reportable operating segments.

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 on a basis consistent with that used to measure operating profit or loss in the financial statements.

The following table present revenue and profit information regarding the company's operating segments for the years ended 31 December 2021 and 2020.

(Unit: Million Baht)

	For the years ended 31 December					
	Outsourcing services		Rental services		Total	
	2021	2020	2021	2020	2021	2020
Revenue from external customers	1,835	1,794	251	242	2,086	2,036
Gain on sale of assets for lease and equipment	1	-	15	24	16	24
Total revenue	1,836	1,794	266	266	2,102	2,060
Operating result						
Segment profit	330	320	79	77	409	397
Other income					10	6
Service expenses					(6)	(4)
Administrative expenses					(203)	(216)
Finance income					1	1
Finance cost					-	(5)
Profit before income tax expense					211	179
Income tax expense					(43)	(39)
Profit for the year					168	140

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**Geographic Information**

The Company 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 customers**

For the year 2021, the Company had one major customer in amount of Baht 927 million arising from outsourcing service segment (2020: Baht 838 million derived one major customer, arising from outsourcing service segment).

**28. Provident fund**

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company and employees contribute to the fund monthly at the rates of 3% and 5% of basic salary. The fund, which is managed by Bangkok Capital Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 4 million (2020: Baht 3 million) were recognised as expenses.

**29. Dividends**

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Interim dividends announced from the operating results between 1 July 2019 and 31 December 2019	Board of Directors' Meeting on 4 August 2020	68.00	0.2519*
Interim dividends announced from retained earnings as at 30 June 2020	Board of Directors' Meeting on 10 November 2020	49.60	0.1333*
Total cash dividend for 2020		117.60	



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Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Stock dividend from operating results for the year 2020 (from 1 July 2020 to 31 December 2020)	Annual General Meeting' on 9 April 2021	62.00	0.2000
Total stock dividends		62.00	
Cash dividends from operating results for the year 2020 (from 1 July 2020 to 31 December 2020)	Annual General Meeting on 9 April 2021	6.90	0.0222
Interim dividends announced from retained earnings as at 30 June 2021	Board of Directors' Meeting on 11 August 2021	74.40	0.2000
Total cash dividends		81.30	
Total stock dividends and cash dividends for the year 2021		143.30	

\*Dividends per share had been re-calculated after the change in par value of ordinary shares, as discussed in Note 20.

### 30. Commitments and contingent liabilities

#### 30.1 Operating lease commitments

As at 31 December 2021 and 2020, the Company has future lease payments required under lease agreements and service agreement, except lease agreements recorded under lease liabilities in the statements of financial position are as follows:

	(Unit: Million Baht)	
	2021	2020
Payable:		
In up to 1 year	6.0	0.6
In over 1 and up to 3 years	0.1	0.1

#### 30.2 Investment commitments

On 2 December 2021, the Company entered into agreement with "Krungsri Finnovate Co., Ltd." and "Finnoventure Private Equity Trust I". For investment in trust fund, "Finnoventure Private Equity Trust I", as a result, as at 31 December 2021, the Company has commitments to pay for investment amounting to Baht 30 million.

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**30.3 Letter of guarantees**

As at 31 December 2021, the Company has outstanding bank guarantees of approximately Baht 273 million (2020: Baht 315 million) to guarantee contractual performance.

**30.4 Litigation**

As at 31 December 2021, the Company has two civil lawsuits, of which the Company was sued as a second defendant jointly held liable for the damage caused by the Company's employee. Currently, the cases are under the consideration of the Civil Court. Based on the Company's legal counsel's opinion, the Company's management believes that the Company has no obligation to pay the claimed damages and that the outcome of the legal cases will have no significant impact on the Company's financial position.

**31. Fair value hierarchy**

As at 31 December 2021 and 2020, the Company had the assets and liabilities that were disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	49	49

(Unit: Million Baht)

	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	49	49

During current year, there were no transfers within the fair value hierarchy.

**32. Financial instruments****32.1 Financial risk management objectives and policies**

The Company's financial instruments-principally comprise cash and cash equivalents, trade accounts receivable, restricted bank deposits. The financial risks associated with these financial instruments and how they are managed is described below.



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**Credit risk**

The Company is exposed to credit risk primarily with respect to trade accounts receivable, 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 accounts receivable**

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade accounts receivable is regularly monitored.

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 Company classifies customer segments by customer type. 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.

**Market risk and interest rate risk**

The Company's exposure to interest rate risk relates primarily to its cash at banks, short-term borrowings and lease liabilities. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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)

As at 31 December 2021						
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years				
<b>Financial Assets</b>						
Cash and cash equivalent	-	-	138	10	148	0.05 - 0.13
Trade and other receivables	-	-	-	319	319	-
Restricted bank deposits	-	-	50	-	50	0.10 - 0.15
Other financial assets	120	-	-	1	121	0.15
	120	-	188	330	638	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	67	67	-
Lease liabilities	161	258	-	-	419	3.27 - 5.84
Other financial liabilities	161	258	-	12	498	-
	161	258	-	79	498	

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(Unit: Million Baht)

As at 31 December 2020

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1-5 years				
<b>Financial Assets</b>						
Cash and cash equivalent	-	-	172	12	184	0.05 - 0.13
Trade and other receivables	-	-	-	328	328	-
Restricted bank deposits	-	-	50	-	50	0.20 - 0.70
Other financial assets	-	-	-	1	1	-
	-	-	222	341	563	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	61	61	-
Lease liabilities	163	355	-	-	518	3.27 - 5.84
Other financial liabilities	-	-	-	11	11	-
	163	355	-	72	590	

**Liquidity risk**

The Company monitors the risk of a shortage of liquidity through the use of bank overdrafts, accounts payable, bank loans and lease contracts. Approximately 47% of the Company's debt will mature in less than one year at 31 December 2021 (2020: 39%) based on the carrying value of borrowings reflected in the financial statements. The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

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

(Unit: Thousand Baht)

As at 31 December 2021

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Financial liabilities</b>					
Trade and other payables	77	67,039	-	-	67,116
Lease liabilities	-	172,338	268,872	-	441,210
Other financial liabilities	1,925	5,327	4,662	-	11,914
<b>Total</b>	<b>2,002</b>	<b>244,704</b>	<b>273,534</b>	<b>-</b>	<b>520,240</b>

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(Unit: Thousand Baht)

	As at 31 December 2020				Total
	On demand	Less than 1 year	1 to 5 years	More than 5 years	
<b>Financial liabilities</b>					
Trade and other payables	2,014	59,414	-	-	61,428
Lease liabilities	-	177,756	373,315	-	551,071
Other financial liabilities	431	5,619	5,262	-	11,312
<b>Total</b>	<b>2,445</b>	<b>242,789</b>	<b>378,577</b>	<b>-</b>	<b>623,811</b>

**32.2 Fair values of financial instruments**

Since the majority of the Company'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.

**33. Capital management**

The primary objective of the Company'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 Company's debt to equity ratio was 0.62:1 (2020: 0.77:1).

**34. Events after the reporting period**

On 21 February 2022, the meeting of the Company's Board of Directors passed the following resolutions to be proposed to the Annual General Meeting of the Company's shareholders to request for approval.

(1) The dividend payment from the operating results for the year 2021 (from 1 July 2021 to 31 December 2021) as detailed below

- Payment of a stock dividend of not more than 74,399,994 ordinary shares of the Company, with a par value of Baht 1 per share, in a ratio of every 5 existing shares per 1 stock dividend, or at a rate of Baht 0.20 per share, a total of Baht 74,399,994. The cash dividend at a rate of Baht 0.20 per share will be paid to the shareholders who have indivisible shares after the allocation.
- Payment of a cash dividend at a rate of Baht 0.0222 per share, or a total of not more than Baht 8,266,666.

Payment of the stock dividend and cash dividend is to be made no later than 6 May 2022. The stock dividends were traded in the Stock Exchange of Thailand from 10 May 2022 onwards.

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- (2) The decrease in the registered share capital from Baht 372,000,000 (372,000,000 ordinary shares of Baht 1 each) to Baht 371,999,971 (371,999,971 ordinary shares of Baht 1 each), by cutting down the ordinary shares of Baht 29 (29 ordinary shares of Baht 1 each).
- (3) The increase in the registered share capital from Baht 371,999,971 (371,999,971 ordinary shares of Baht 1 each) to Baht 446,399,965 (446,399,965 ordinary shares of Baht 1 each), by issuing additional ordinary shares of Baht 74,399,994 (74,399,994 ordinary shares of Baht 1 each) in order to support stock dividend payment of the Company.

### 35. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2022.



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Siamrajathanee Public Company Limited

Attachment 1

Details on directors, management, controlling  
persons and company secretary

## Independent Director



### Mr. Weidt Nuchjalearn

Independent Director | Chairman of the Board of Directors |

Chairman of the Risk Management Committee

Age. 68 Year

Shareholding

0.08% ( 300,000 shares)

#### Education Background

- Bachelor's degree in Sciences (Agricultural Economics) Kasetsart University
- Master of Commerce and Accounting, Thammasat University

#### Training Experience

- Director Accreditation Program (DAP) Class SEC/2015, Thai Institute of Directors
- Role of Chairman Program (RCP) Class 31/2013, Institute of Directors
- Commercial Credit Skills Assessment Program Chulalongkorn University
- Financial Executive Development Program Class 14/2006, Thai Institute of Banking and Finance Association (FINEX)
- Security Management Program for Senior Executives Class 9/2017
- Commerce and Trade (TEPCOT) Class 3/2010, Commerce Academy, University of the Thai Chamber of Commerce
- Executive Program Class 18/2014 Capital Market Academy

#### Work Experience in the past 5 years

- 2017 – Present Chairman of the Board of Directors / Chairman of the Risk Management Committee / Independent Director Siamrajathane Public Company Limited
- 2017 – Present Consultant, Dhipaya Insurance Public Company Limited
- 2018 – Present Chairman of Audit Committee / Independent Director WHA Utilities and Power Public Company Limited
- 2017 – Present Chairman / Chairman of Audit Committee / Independent Director Siam Technic Concrete Public Company Limited
- 2014 – Present Chairman of Audit Committee, Thaifoods Group Public Company Limited
- 2020 – Present Executive Director, Union Auction Public Company Limited
- Apr 2021 – Present Director, Union Auction Public Company Limited
- 2021 – Present Director / Chairman of the Risk Management Committee / Audit Committee / Independent Director, Micro Leasing Public Company Limited
- 2017 – 2019 Director, Srisawad Finance Public Company Limited
- 2017 – 2019 Director, Raimon Land Public Company Limited
- 2015 – 2017 Director, Dhipaya Insurance Public Company Limited
- 2020 – Present Qualified / financial advisory center (Thai Credit Guarantee Corporation.F.A. Center)
- 2017 – Present Chairman, Thai Techno Glass Group Public Company Limited
- 2018 – Present Chairman of the Board of Directors, Hinsitsu (Thailand) Company Limited
- 2015 – Present Qualified / Consultant, Small and Medium Enterprise Development Bank of Thailand
- 2015 – 2019 Director, Srisawad Power Co Ltd
- 2016 – 2018 Director, Provincial Waterworks Authority
- 2016 – 2018 Honorary Director, Market for Alternative Investment Stock Exchange (MAI)
- 2015 – 2018 Director, The Zoological Park Organization of Thailand
- 2015 – 2018 Director, Forest Industry Organization
- 2015 – 2017 Director, Right Livelihood Foundation

#### Remark

1. It is the shareholding information as of 27 August 2021



## Mr. Udomsak Rojviboonchai

Independent Director | Chairman of the Audit Committee |  
Member of the Nomination and Remuneration Committee

Age. 66 Year

Shareholding

0.10% (360,000 shares)

### Education Background

- Bachelor of Accounting, University of the Thai Chamber of Commerce
- Master's degree, Faculty of Commerce and Accountancy, Chulalongkorn University

### Training Experience

- Director Accreditation Program (DAP) Class 131/2016
- Director Certification Program (DCP) Class 248/2017
- Advanced Audit Committee Program (AACP) Class 24/2016
- Corporate Governance for Capital Market Intermediaries (CGI) Class 6/2015

### Work Experience in the past 5 years

- 2017-Present Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee  
Siamrajathanee Public Company Limited
- 2016-Present Chairman of the Executive Committee  
Krungthai Panich Insurance Public Company Limited
- 2018-Present Chairman  
Terabyte Net Solution Public Company Limited
- 2017-2020 Director  
SME Development Fund along the Pracharat
- 2015-2018 Director  
KT ZMICO Company Limited

### Remark

1. It is the shareholding information as of 27 August 2021



## Mr. Nattakit Tangpoonsinthana, Ph.D.

Independent Director | Member of the Audit Committee |  
Chairman of the Nomination and Corporate Governance Committee |  
Chairman of the Strategic Committee

Age. 57 Year

Shareholding

0.16% (600,000 shares)

### Education Background

- Bachelor of Communication Arts, Chulalongkorn University
- Master of Business Administration, University of North Texas
- Master of Marketing Communication, University of North Texas
- Doctor of Philosophy (Communication Arts), Chulalongkorn University

### Training Experience

- Director Certification Program (DCP) Class 209/2015

### Work Experience in the past 5 years

- 2020 – Present Director / Chairman of the Nomination and Corporate Governance Committee / Member of the Audit Committee / Chairman of the Strategic Committee  
Siamrajathanee Public Company Limited
- 2017 – 2020 Director / Chairman of the Nomination and Corporate Governance Committee / Member of the Audit Committee  
Siamrajathanee Public Company Limited
- Present Director Character Shop & Cafe Company Limited
- Present Director Metropolitan Waterworks Authority
- 2006 – Present Executive Vice President -Marketing Central Pattana Public Company Limited

### Remark

1. It is the shareholding information as of 27 August 2021



## Mr. Supachai Parchariyanon, M.D.

Independent Director | Member of the Audit Committee | Strategic Committee

Age. 39 Year

Shareholding

- None

### Education Background

- Master of Biomedical, Informatics Oregon Health and Science University
- Doctor of Medicine, Mahidol University
- Stanford's Graduate School of Business

### Work Experience in the past 5 years

- 2020-Present Independent Director / Member of the Audit Committee / Strategic Committee  
Siamrajathanee Public Company Limited
- 2019-Present Director Rise Innovation Hub Company Limited
- 2017-Present Director Rise Accel Company Limited
- 2017-Present Director Ahead Asia Company Limited
- 2017-Present Director Fver Tecthology Company Limited
- 2016-Present Director Kiddee Holding Company Limited
- 2016-Present Director Next Education Company Limited
- 2013-Present Director Commerci Asia Company Limited
- 2011-Present Director Mcfiva (Thailand) Company Limited

### Remark

1. It is the shareholding information as of 27 August 2021



## Mr. Krai Vimolchalao

(Spouse of Mrs. Naowarat Vimolchalao)

Director | Executive Director 1 | Member of the Nomination and Remuneration Committee | Strategic Committee

Age. 63 Year

### Shareholding

**64.67%** including direct and indirect shareholding of spouse through Krainao Property Company Limited2

### Education Background

- Bachelor of Economics (Agriculture), Faculty of Economics and Business Administration, Kasetsart University

### Training Experience

- Director Accreditation Program (DAP) Class 32/2005
- Director Certification Program (DCP) Class 59/2005
- Role of the Chairman Program (RCP) Class 12/2005
- Finance for Non-Finance Directors Program (FND) Class 18/2005
- Successful Formulation & Execution of Strategy Program (SFE) Class 3/2009
- Digital Edge Fusion Program (DEF)
- Advance Retail Management Program (ARM) Class 25/2017

### Work Experience in the past 5 years

- Sep 2021 - Present Executive Director / Member of the Nomination and Remuneration Committee / Strategic Committee Siamrajathanee Public Company Limited
- 2560- Present Chief Executive Officer / Member of the Nomination and Remuneration Committee Siamrajathanee Public Company Limited
- 2559- Present Director / Managing Director Krainao Property Company Limited
- 2556- Present Director O.P.P.Gravure Printing Company Limited
- 2002- Present Director / Managing Director Vinyltec Industry Company Limited

### Remark

1. resign "Chairman of the Executive Committee" / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2021





## Mrs. Naowarat Vimolchalao

(Spouse of Mr. Krai Vimolchalao)

Director | Duty Chief Executive Officer | Director of HR

Age. 59 Year

Shareholding

**64.67%** including direct and indirect shareholding of spouse through Krainao Property Company Limited 2

### Education Background

- Viriya Commercial College (St.Louis)

### Training Experience

- Director Accreditation Program (DAP) Class 147/2018
- ABC Difference Program, Sripatum University

### Work Experience in the past 5 years

- 2017- Present     Duty Chief Executive Officer / Director of HR Siamrajathanee Public Company Limited
- 2020- Present     Duty Chief Executive Officer / General Administration Director Siamrajathanee Public Company Limited
- 2016- Present     Director Krainao Property Company Limited
- 2013- Present     Director O.P.P.Gravure Printing Company Limited
- 2002-Present     Director Vinyltec Industry Company Limited
- 2001- Present     Director EN-Technology Consultants Company Limited
- Present     Director Rayong City Hotel Company Limited
- 2001- Present     Director Rayong Sinsap Pattana Company Limited
- 2015- 2019     Director Greenplus Organic Company Limited

### Remark

1. Director of HR / Resolutions of the Executive Committee' Meeting No. 9/2021 dated 20 September 2021, effective on 20 September 2021
2. It is the shareholding information as of 27 August 2021





## Mr. Jiranu Kulchanarat

Director | Chairman of the Executive Committee 1 |

Member of the Risk Management Committee

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Shareholding

3.24% (12,058,320 shares)

### Education Background

- Bachelor of Laws, Ramkhamhaeng University
- Master of Inter Business, West Coast University

### Training Experience

- Director Accreditation Program - DAP Class 141/2017
- Director Certification Program (DCP) Class 259/2018
- Financial Statements for Directors-FSD Class 36/2018

### Work Experience in the past 5 years

- Sep 2021 - Present Chairman of the Executive Committee / Member of the Risk Management Committee Siamrajathanee Public Company Limited
- 2017 - Present Executive Director / Member of the Risk Management Committee / Chief Executive Officer Siamrajathanee Public Company Limited
- 2001- Present Director Rayong Sinsap Pattana Company Limited
- Present Director J3K Company Limited

### Remark

1. Chairman of the Executive Committee / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2021



## Mr. Nattaphol Vimolchalao

(Son of Mr. Mr. Krai Vimolchalao and Mrs. Naowarat Vimolchalao)

Director | Executive Director | Chief Executive Officer

Age. 35 Year

Shareholding

2.70% ( 10,035,600 shares)

### Education Background

- Bachelor of Physics, University of Manchester
- Master of Technology Policy Micro and Nanotechnology Enterprise, Emmanuel College, University of Cambridge

### Training Experience

- Director Certification Program (DCP) Class 235/2017
- ABC Difference Program : 2015 : Sripatum University
- Future Entrepreneurs Forum : 2015 : Bangkok University
- IDEA Program : 2016 : University of the Thai Chamber of Commerce
- Young Entrepreneur Chamber of Commerce Program (YEC) : 2017 : University of the Thai Chamber of Commerce
- Innovative Entrepreneurship Program Class 3 :2019 The Stock Exchange of Thailand
- Digital CEO Program Class 2:2019 Digital Economy Promotion Agency

### Work Experience in the past 5 years

- Sep 2021 - Present Executive Director / Chief Executive Officer  
Siamrajathanee Public Company Limited
- 2562 – Aug' 2021 Executive Director / Chief Operating Officer Siamrajathanee  
Public Company Limited
- 2017-Present Director Getz Group (Thailand) Company Limited
- 2017 – Present Director Deepvision MLOS Company Limited
- 2012-Present Director Vinyltec Industry Company Limited
- 2018-Present Director EN-Technology Consultants Company Limited
- 2016-Present Director O.P.P.Gravure Printing Company Limited

### Remark

1. Chief Executive Officer / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2021



## Mrs. Sopa Aroonratana

Director | Executive Director | Chief Financial Officer

Age. 58 Year

Shareholding

0.97% (3,600,000 shares)

### Education Background

- Bachelor of Accounting, Faculty of Management Sciences, Prince of Songkla University

### Training Experience

- Director Accreditation Program (DAP) Class 141/2017
- Orientation Course - CFO Focus on Financial Reporting Class 1 /2017
- TFRS 15: Revenues from Contracts with Customers (Application and Disclosure of Information)
- Revenues from Contracts with Customers (Principle and Accounting Standard)
- Financial Instrument Accounting for Non Finance Organizations (TFRS 9) Program (Draft) TFRS 16 Lease Contract Program

### Work Experience in the past 5 years

- 2010 – Present Executive Director / Chief Financial Officer Siamrajathanee Public Company Limited
- Present Director Rayong City Hotel Company Limited
- Present Director Rayong Sinsap Pattana Company Limited

#### Remark

1. It is the shareholding information as of 27 August 2021



## Miss Kanthima Jangwansook

Director | Member of the Risk Management Committee | President

Age. 49 Year

Shareholding

0.27% (1,000,000 shares)

### Education Background

- Bachelor of Business Administration, Saint John's University

### Training Experience

- Director Accreditation Program (DAP) Class 141 /2017
- Advance Retail Management (ARM) Class 26/2018 organized by CPALL Public Company Limited
- ABC Difference Program Class 8/2561, Sripatum University

### Work Experience in the past 5 years

- Sep 2021 - Present Director / Member of the Risk Management Committee / President  
Siamrajathanee Public Company Limited
- 2013 - Aug' 2021 Director / Outsource 1 Director  
Siamrajathanee Public Company Limited

### Remark

1. President / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2021



## Mr. Vatcharaphol Vimolchalao

(Son of Mr. Mr. Krai Vimolchalao and Mrs. Naowarat Vimolchalao)

Executive Director | Vice President - Marketing

Age. 33 Year

Shareholding

2.70% (10,034,400 shares)

### Education Background

- ปริญญาตรี Chemistry, University of Manchester

### Training Experience

- หลักสูตร Director Certification Program (DCP) รุ่น 235/2017
- The Three Laws of Performance : Rewriting the future of your Organization
- SGC Chemicals Digest

### Work Experience in the past 5 years

- Sep 2021 - Present Executive Director / Vice President - Marketing Siamrajathanee Company Limited
- 2558 -Present Director Viny/tec Industry Company Limited
- 2562 - Present Director EN-Technology Consultants Company Limited
- 2558 - Present Director O.P.P.Gravure Printing Company Limited
- 2019 Director Greenplus Organic Company Limited

### Remark

- Vice President - Marketing / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
- It is the shareholding information as of 27 August 2021



## Miss Essara Vimolchalao

(Granddaughter of Mr.Krai Vimolchalao)

Vice President - Outsource 2

Age. 40 Year

Shareholding

0.02% (84,000 shares)

### Education Background

- Faculty of Humanities Bangkok University

### Training Experience

- Global Mini MBA Thammasart University
- ABC Course Sripatum University

### Work Experience in the past 5 years

- Sep2021 - Present Vice President - Outsource 2 Siamrajathanee Company Limited
- 2020 - Aug' 2021 Division Manager Siamrajathanee Company Limited

### Remark

1. Vice President – Outsource 2 / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2021





## Mr. Chinapat Chadcharoen

Vice President - Information Technology

Age. 39 Year

Shareholding

0.08% (290,000 shares)

### Education Background

- Bachelor of Software Development, Rajamangala University of Technology Krungthep

### Training Experience

- Global Mini MBA Program, Thammasat University
- Effective Personal Productivity Program (EPP)
- Google Adwords Program
- Data Analysis Expression (DAX) For Power BI Program
- Digital Edge Fusion Gravity Program (DEFG)

### Work Experience in the past 5 years

- Sep2561 – Present Vice President - Information Technology  
Siamrajathanee Company Limited
- 2004 – Aug' 2021 Director of Technology and Business Development Division  
Siamrajathanee Company Limited

### Remark

1. Vice President - Information Technology / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2021





## Mr.Nattanont Krissanarungreung

Vice President - Accounting & Financial | The person supervising accounting

Age. 33 Year

Shareholding

1,000 shares

### Education Background

- Bachelor of Accounting Burapha University

### Training Experience

- TFRS 16 Lease Agreement Class 1/2019
- Transformative Accounting Class 1/2020
- Analyze the present, know the future through financial Statements Class 1/2020
- Accounting, hedging tools and examples Class 1/2020

### Work Experience in the past 5 years

- Sep 2021 - Present Vice President - Accounting & Financial Siamrajathanee Public Company Limited
- 2018 – Aug' 2021 Accounting & Financial Division Manager Siamrajathanee Public Company Limited

### Remark

1. Vice President-Accounting & Financial / The person supervising accounting / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2020



## Mrs. Suchitra Ditpan

Vice President – Payroll & Billing

Age. 57 Year

Shareholding

0.02% (60,000 shares)

### Education Background

- Bachelor of Business Administration (Accounting), Ramkhamhaeng University

### Training Experience

- Director Accreditation (DAP) Class 141/2017
- Orientation Course - CFO Focus on Financial Reporting Program Class 1/ 2017
- Understanding the Revenue Recognition Criteria under IFRS 15 for General Business Program Class 1/2018
- Financial Instrument Accounting for Non Finance Organizations (TFRS 9) Program (Draft) Lease Contract (TFRS 16) Program

### Work Experience in the past 5 years

- Sep 2021 - Present Vice President – Payroll & Billing Siamrajathanee Public Company Limited
- 2005 – Aug' 2021 Director of Accounting & Financial Division  
Siamrajathanee Public Company Limited

### Remark

1. Vice President – Payroll & Billing / Resolutions of the Board of Directors' Meeting No. 4/2021 dated 11 August 2021, effective on 1 September 2021
2. It is the shareholding information as of 27 August 2020



## Miss Chorfa Chamcherdanantakul

Company Secretary

Age. 46 Year

Shareholding

- None

### Education Background

- Bachelor in Finance and Banking, Kasem Bundit University
- Master in Marketing, Ramkhamhaeng University

### Training Experience

- Company Secretary Program - CSP Class 84/2017
- Effective Minute Taking Program (EMT) Class 40/2018
- Fundamentals for New Auditors Program organized by the Institute of Internal Auditor of Thailand
- 80 Fraud Issues that the Corporate Needs to Know Program Class 2/2018 organized by Federation of Accounting Professions
- Integrated Risk Management Program organized by KNC Training Center
- Train the trainer
- Leadership Program

### Work Experience in the past 5 years

- 2017-Present Company Secretary Siamrajathanee Public Company Limited

#### Remark

1. It is the shareholding information as of 27 August 2021

**Duties and responsibilities of company secretary**

The company secretary of Siamrajathanee Public Company Limited shall have its duties and responsibilities in accordance with the Section 89/15 of the Securities and Exchange Act. Details of duties and responsibilities of the company secretary are as follows:

- (1) To prepare and maintain the following documents:
  - (a) the register of directors
  - (b) the invitation letter of the Board of Directors' meeting, minutes of the Board of Directors' meeting and Company's annual reports
  - (c) the invitation letter of shareholders' meeting and minutes of the shareholders' meeting
- (2) To maintain the report on interest prepared by the directors or managements
- (3) To submit the copy of the report on interest to the Chairman of the Board of Directors and the Chairman of the Audit Committee for acknowledgement within 7 business days following the date on which the Company has received such report. The Company shall procure to have the collection system for documentations and evidences relating to the data presentation and it shall ensure that the collection is accuracy, completeness and examinable from the date on which the documents or information have been prepared.
- (4) To take any other actions as required by the Capital Market Supervisory Board
- (5) To support the management of business operation in accordance with the good corporate governance principle
- (6) To provide advice and preliminary suggestions to the Board of Directors and the sub-committees in relation to the legal issue, rules and Company's Articles of Association and code of practice on the corporate governance by following up the Company to comply with such laws and regulations accurately and regularly including to report any significant changes to the Company's directors
- (7) To provide advice to the new directors
- (8) To communicate with the shareholders to understand the rights of shareholders and company's news.

Details on being directors, managements and controlling person of the Company as of 31 December 2021

<div> <div>List of executives As of 31 December 2021</div> <div>List of Company As of 31 December 2021</div> </div>	Mr. Weidt Nuchjalearn	Mr. Udornsak Rojviboonchai	Mr. Nattakit Tangpoonsinthana, Ph.D.	Mr. Supachai Parchariyanon, M.D.	Mr. Krai Vimolchalao	Mrs. Naowarat Vimolchalao	Mr. Jiranu Kulchanarat	Mr. Nattaphol Vimolchalao	Mrs. Sopa Aroonratana	Miss Kanthima Jangwansook	Mr. Vatcharaphol Vimolchalao	Miss Essara Vimolchalao	Mr. Chinapat Chadcharoen	Mr. Nattanon Krissanarungreung	Mrs. Suchitra Ditpan
Company															
Siamrajathanee Public Company Limited	C, I, VI, X	I, II, V, X	I, III, V, X		I, IV, V	I, IV, XI	I, IV, VI, XI	IV, XI	I, IV, XI	I, XI			XI		XI
Relevant Companies															
Thai Techno Glass Group Public Company Limited	I														
National Broadcasting Services of Thailand	XII														
Dhipaya Insurance Public Company Limited	XII														
WHA Utilities and Power Public Company Limited	I, II, X														
Siam Technic Concrete Public Company Limited	I, II, X														
Thai Foods Group Public Company Limited	I, II, X														
Union Auction Public Company Limited	IV														
P-Sup Energy Company Limited	I														

List of Company As of 31 December 2021	List of executives As of 31 December 2021															
	Mr. Weidt Nuchjalearn	Mr.Udomsak Rojviboonthai	Mr. Nattakit Tangpoonsinthana,Ph.D.	Mr. Supachai Parchariyanon, M.D.	Mr. Krai Vimolchalao	Mrs. Naowarat Vimolchalao	Mr. Jiranu Kulchanarat	Mr. Nattaphol Vimolchalao	Mrs. Sopa Aroonratana	Miss Kanthima Jangwansook	Mr. Vatcharaphol Vimolchalao	Miss Essara Vimolchalao	Mr. Chinapat Chadcharoen	Mr.Nattanont Krissanarungreung	Mrs. Suchitra Ditpan	
Relevant Companies																
Hinsitsu (Thailand) Company Limited	I															
Krungthai Panich Insurance Public Company Limited		I														
Terabyte Net Solution Public Company Limited		I														
Character Shop & Cafe Company Limited			I													
Metropolitan Waterworks Authority			I													
Central Pattana Public Company Limited			XI													
Rise Innovation Hub Company Limited				I												
Rise Accel Company Limited				I												
Ahead Asia Company Limited				I												
Fver Tecthology Company Limited				I												
Kiddee Holding Company Limited				I												
Next Education Company Limited				I												
Commerci Asia Company Limited				I												

List of executives As of 31 December 2021	Mr. Weidt Nuchjalearn	Mr. Udomsak Rojviboonchai	Mr. Nattakit Tangpoonsinthana, Ph.D.	Mr. Supachai Pacharayanon, M.D.	Mr. Krai Vimolchalao	Mrs. Naowarat Vimolchalao	Mr. Jiranu Kulchanarat	Mr. Nattaphol Vimolchalao	Mrs. Sopa Aroonratana	Miss Kanthima Jangwansook	Mr. Vatcharaphol Vimolchalao	Miss Essara Vimolchalao	Mr. Chinapat Chadcharoen	Mr. Nattanon Krissanarungreung	Mrs. Suchitra Ditpan
List of Company As of 31 December 2021															
<b>Relevant Companies</b>															
Mcfiva (Thailand) Company Limited				I											
Krainao Property Company Limited					I, XI	I									
O.P.P. Gravure Printing Company Limited					I	I		I							
Vinyltec Industry Company Limited					I, XI	I		I							
EN-Technology Consultants Company Limited					I, XI	I		I							
Srisawan Hospital Company Limited					I										
Vimolchalao Company Limited					I										
Rayong Sinsap Pattana Company Limited					I, XI	I	I		I						
Rayong City Hotel Company Limited					I	I			I						
J3K Company Limited							I								
Getz Group (Thailand) Company Limited								I							
Deepvision MLOS Company Limited								I							



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**Remark :**

C – Chairman

S – Authorized Director

II – Chairman of Audit Committee

III – Member of Audit Committee

IV – Executive Director

V – Member of Nomination and Corporate Governance Committee

VI – Member of Risk Management Committee

VII –Member of Strategic Committee

I – Director

X – Independent Director

XI – Management

XII – Others such as Consultant



SIAMRAJATHANEE PUBLIC COMPANY LIMITED

## Attachment 2

Details on the directors of subsidiaries

Details on the directors of subsidiaries

- None -



SIAMRAJATHANEE PUBLIC COMPANY LIMITED

Attachment 3

Details of Head Internal Audit and  
Head Compliance

## Details of Head Internal Audit and Head Compliance

The Company has engaged the external firm which was I VL Audit Company Limited to act as the independent internal auditor. The responsible person of I VL Audit Company Limited who acted as Head Internal Audit had the qualification and education background and working experience as follows:

Name- Surname / Position	Age (Year)	Education /Training	Shareholding (%)	Family Relationship with Managements	Working Experience			
					Period	Company	Position	Responsibility
Miss Waldee Sibunruang Audit Partner	56	<ul style="list-style-type: none"> <li>- Bachelor's degree in accounting theory, Chulalongkorn University,</li> <li>- Certified public accountant no. 3829</li> <li>- Director Accreditation Program (DAP)</li> <li>- Audit Committee Program (DCP)</li> </ul>	None	None	1994 – Present	I VL Audit Company Limited	Audit Partner	Management, audit and supervision of works
					1990 – 1994	Mandom Corporation (Thailand) Company Limited	Accounting and Finance Manager	Supervision of accounting and finance
					1986 – 1990	Deloitte Touche Tohmatsu Jaiyos Audit Company Limited	Senior Assistance Auditor	Supervision and audit
Ms. Angkana Thaicharassathien Audit Partner	44	<ul style="list-style-type: none"> <li>- Master's degree in business administration (accounting), Ramkhamhaeng University</li> <li>- Bachelor's degree in accounting, Bangkok University</li> <li>- Certified public accountant no. 9346</li> </ul>	None	None	2012 – Present	I VL Audit Company Limited	Audit Partner	Supervision of works and audit and internal audit
					2008 - 2012	T.Krunghthai Industries Public Company Limited	Accounting and Finance Manager	Supervision of accounting and finance
					2003 - 2008	Thai Taiyo Company Limited	Accounting Manager	Accounting
					2002 - 2003	Khon Kaen M.D.F. Board Company Limited	Audit Manager	Accounting and office administration

Name- Surname / Position	Age (Year)	Education /Training	Shareholding (%)	Family Relationship with Managements	Working Experience			
					Period	Company	Position	Responsibility
					2542 – 2544	I VL Audit Company Limited	Senior assistance auditor	Supervision and audit



SIAMRAJATHANEE PUBLIC COMPANY LIMITED

## Attachment 4

Operating Assets and Information on Appraised  
Value of Assets



**Attachment 4 Operating Assets and Information on Appraised Value of Assets****Details of assets used in business**

As of 31 December 2021, the net value after deduction of accumulated depreciation of assets used in the Company's business was Baht 184.3 million with details as follows:

	Item	Ownership	Net book value (Million Baht)	Encumbrance
1.	Land and improvements	Owned by the Company	84.70	Partially used as collateral for loans with financial institutions <sup>/1</sup>
2.	Buildings and improvements	Owned by the Company	85.48	Partially used as collateral for loans with financial institutions <sup>/1</sup>
3.	Tools and equipment	Owned by the Company	0.97	
4.	Furnishings and office supplies	Owned by the Company	9.26	
5.	Vehicles	Owned by the Company	3.89	
6.	Assets under installation and construction	Owned by the Company	-	
<b>Total</b>			<b>184.30</b>	

Remark :

In respect of assets used in the business as of 31 December 2021, the Company has purchased insurance against any damage to asset (office) with the insured limit of Baht 144.56 million and third-party liability insurance with the insured limit of Baht 5.00 million.

<sup>/1</sup> Part of land and improvements and buildings and improvements are subject to mortgage as collateral for loans from 2 financial institutions. The credit line received from the first financial institution equals to Baht 323.00 million. Land and improvements and buildings and improvements in the total value of Baht 123.48 million as of 31 December 2021 is mortgage as security for such credit line. The credit line received from the second financial institution equals to Baht 215.00 million. Land and improvements in the total value equals to Baht 30.80 million as of 31 December 2021 is mortgage as security for such credit line.

**Details of intangible assets used in the business**

The Company's intangible assets consist of computer systems and the rights to use computer software. As of 31 December 2021, the net value after deducting accumulated depreciation of intangible assets used in the business was Baht 4.00 million.

**Details of assets for lease**

The Company's assets for lease are vehicles for lease. There are both short-term and long-term leases. As of 31 December 2021, the net value after deduction of accumulated depreciation of assets for lease was Baht 670.91 million.

The Company has purchased insurance for vehicles for lease with many insurance companies such as the Safety Insurance Public Company Limited, Dhipaya Insurance Public Company Limited, and Bangkok Insurance Public Company Limited etc

**Investment properties**

The Company's investment properties are condominiums on the 11th floor of Country Complex, Building A and Building 2, Siamrajathanee Public Company Limited. As of 31 December 2021, the value of investment properties was Baht 13.95 million. Currently, such investment properties are subject to mortgage as security with a financial institution.

To hedge against risk to investment properties, the Company has purchased insurance for the buildings and asset in the building. The insurance limit is Baht 38.95 million.

**Material Contracts Relating to Business Operations**

As of 31 December 2020, the Company has the following material contracts:

**1. Agreements relating human resources procurement, lease and services****\* Service agreements**

Service agreements consist of: (1) short-term driver service agreement: (2) long-term driver service agreement: and (3) valet parking service agreement. Each agreement had key terms and conditions as follows:

**Short-term Driver Service Agreement**

Contractual parties	: Party 1 : "Client" Party 2 : Siamrajathanee Public Company Limited or "Service Provider"
Scope of services	Provision of driver service for Client's executive and/or driving service for Client.
Service fee payment	On a monthly basis
Term	: From 1 month up to 12 months
Key terms and conditions	: The company agrees to provide short-term driver service to Client for driving its executive car or provide driving service for Client. <u>Key conditions of services</u> - The company agrees to provide short-term driver service at the time and on the date as agreed under the terms of services.

## Short-term Driver Service Agreement

Key terms and conditions	<ul style="list-style-type: none"> <li>- If Client requires the company's employee to drive at the time and on the date other than normal operating hours, Client agrees to make overtime payment according to terms of the agreement.</li> <li>- If the company's employee is required to perform his duties at a place other than the working place, Client shall be responsible for travel expense and accommodation expense incurred by the company's employee.</li> <li>- The company agrees to maintain professional liability insurance with coverage over damages to cars and third parties.</li> </ul>
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## Long-term Driver Service Agreement

Contractual parties	: Party 1 : "Client" Party 2 : Siamrajathanee Public Company Limited or "Service Provider"
Scope of services	: Provision of driver service for Client's executive and/or driving service for Client.
Service fee payment	: On a monthly basis
Term	: From 1 year – 5 years
Collateral	: - Bank guarantee at the rate as specified under the agreement. Client shall return the bank guarantee upon completion of terms and conditions under the agreement.
Key terms and conditions	: <u>Terms and Conditions</u> <ul style="list-style-type: none"> <li>- Service Provider shall provide staff to Client in the number as specified under the agreement, and shall have additional staff available without interruption or damage.</li> <li>- Service Provider shall provide staff with qualifications as specified under the agreement.</li> <li>- Service Provider shall be responsible for direct loss or damage to asset arising due to error or misconduct by its staff and during performance of duties under the agreement.</li> <li>- Service Provider shall prepare a service performance report and submit to client on a monthly basis.</li> </ul> <u>Penalty</u> <ul style="list-style-type: none"> <li>- If Service Provider cannot perform the services within the specified period or performs incomplete/incorrect services, Service Provider agrees to pay penalty fee according to the terms of the agreement.</li> </ul> <u>Termination</u> <ul style="list-style-type: none"> <li>- If either party breaches the agreement, the non-defaulting party shall submit a notice to the defaulting party to remedy the breach. If the defaulting party does</li> <li>-</li> </ul>

## Long-term Driver Service Agreement

Key terms and conditions	- not remedy the breach, the non-defaulting party shall have the right to terminate the agreement.
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## Valet Parking Service Agreement

Contractual parties	: Party 1 : “Client” Party 2 : Siamrajathanee Public Company Limited or “Service Provider”
Scope of services	Management of cars belonging to Client’s customers at Client’s premise for parking in designated area.
Service fee payment	On a monthly basis
Term	: Short-term (agreement term of not exceeding 6 months) and long term (agreement term of 6 months to 1 year 7 months)
Key terms and conditions	: <u>Terms and Conditions</u> <ul style="list-style-type: none"> <li>- Service Provider shall provide staff with qualifications suitable with Client’s objectives and policies specified under the agreement.</li> <li>- Service Provider shall be responsible for any damage incurred to asset inside cars of Client’s customers who use valet parking service in the amount as specified in the agreement.</li> </ul> <u>Penalty</u> <ul style="list-style-type: none"> <li>- In case that Service Provider acts or omits any act fraudulently, intentionally or negligently and/or Service Provider or any of its employees or representatives is in breach of the agreement, Service Provider shall be liable to Client in the value as specified in the agreement.</li> <li>- Service Provider represents that it can perform the services according to the standards under the agreement between Service Provider and Client. If performance by Service Provider is not in accordance with terms and conditions of the agreement, Service Provider agrees to pay penalty to Client in the form of discount to service fees in the amount equivalent to compensation for actual damage or claim for loss or expense arising from any action taken by Client. Such performance guarantee under each agreement will be subject to negotiation between each Client and Service Provider.</li> </ul> <u>Termination</u> <ul style="list-style-type: none"> <li>- If either party breaches the agreement, the non-defaulting party shall submit a notice to the defaulting party to remedy the breach. If the defaulting party does not remedy the breach, the non-defaulting party shall have the right to terminate the agreement.</li> </ul>

**\* Technical staff service agreement**

The Company has technical staff service agreement. It also offers such service in the form of joint venture. Key terms and conditions of the agreement are as set out below.

**Technical Staff Service Agreement**

Contractual parties	: Party 1 : Client Party 2 : Siamrajathanee Public Company Limited or "Service Provider"
Term	: From 1 January 2020 – 31 December 2021
Agreement name	: Electricity system service agreement
Scope of services	: Scope of electricity system services include 9 categories: <ol style="list-style-type: none"> <li>1. Construction works and additional works.</li> <li>2. Restoration of power outage.</li> <li>3. Repairment, improvement and maintenance work of electricity system</li> <li>4. Meter works consisting of installation, demolition, transfer, replacement, adding/reduction of meter and assembly equipment and maintenance of meter.</li> <li>5. Transformer works consisting of installation, demolition, transfer, replacement of transformer and maintenance of transformer.</li> <li>6. Parcel works consisting of picking, lifting, moving of parcel and electrical system equipment of warehouse.</li> <li>7. electricity system service.</li> <li>8. Gardening works consisting of cutting of tree nearby the electricity system to prevent the power failure in the electricity generating system and transmission line arising from trees.</li> <li>9. Concrete production works consisting of provision of service in the concrete production line of the concrete factory.</li> </ol>
Performance security	: - On the agreement date, Service Provider has provided a letter of guarantee issued by financial institution with the value equivalent to 5% of the total service fees as performance security. - Client shall return the letter of guarantee to Service Provider without interests upon release of Service Provider's obligations under the agreement.
Key terms and conditions	: <u>Terms and Conditions</u> <ul style="list-style-type: none"> <li>- Client agrees to engage, and Service Provider agrees to accept such engagement, for provision of electrical system service by Service Provider's specialist staff, skilled staff, and standard staff. Scope of services and details of services to Client and price per unit shall be as agreed under the agreement.</li> </ul>

### Technical Staff Service Agreement

Key terms and conditions	: <u>Increase/decrease in number of staff</u>
	- During the term of the agreement, Client reserves the right to increase or decrease each type of staff, without fixed number of staff. In such case, Client shall notify Service Provider at least 6 business days in advance.
	<u>Penalty</u>
	- If Service Provider does not provide staff or does not provide staff in the number as specified in the agreement or does not provide replacement staff or change staff according to the terms and conditions of the agreement, Service Provider agrees to pay daily penalty to Client at a rate specified under the agreement.

### \* Data collection service agreement

Data collection service agreement consists of 2 categories: (1) data collection service in respect of water supply expenses and (2) data collection service in respect of electricity expenses.

### Date Collection Service Agreement in respect of Water Supply Expenses

Contractual parties	: Party 1 : “Client” Party 2 : Siamrajathanee Public Company Limited or “service provider” or “joint venture”, if under cooperation with other company.
Scope of services	: Provision of human resources management services for each category of works and provision of data collection and data processing through the meter reading and collecting tool including calculation and printing of invoices through mobile printer and delivery of the said invoices to water users in accordance with the conditions set out in the agreement.
Service fee payment	: On a monthly basis
Term	: 3 years
Performance guarantee	: Letter of guarantee issued by a financial institution with the guarantee value as set out in the agreement and the service provider will be required to provide the additional guarantee if the number of water user is greater than the beginning.
Key terms and conditions	: <u>Penalty</u>
	- If the service provider cannot read or notify the water supply expenses or cannot provide the data collected from the water meters to the branches of Provincial Waterworks Authority within the specified period, the service provider shall pay the penalty according to the conditions as set out in the agreement.
	- If the water supply invoice is incomplete and a water user cannot pay the water supply expense to the water supply payee agent due to the service provider uses the damaged equipment and tools to read meter or to print water supply invoice,

## Date Collection Service Agreement in respect of Water Supply Expenses

Key terms and conditions : the service provider shall pay the penalty fee according to the conditions as set out in the agreement.

Termination

- If the service provider's performance score is lower than the standard for 2 consecutive times and/or 3 times in total, the client has the right to terminate the agreement.
- If the client terminates the agreement, the client has the right to forfeit the performance guarantee in whole or in part as it deems appropriate.

## Data Collection Service Agreement in respect of Electricity Expenses

Contractual parties : Party 1 : "Client"  
Party 2 : Siamrajathanee Public Company Limited or "service provider"

Scope of services : Provision of human resources management and mobile meter electronic reading tools together with all relevant equipment services to collect electricity units and to notify electricity expenses to electricity users on behalf of the Provincial Electricity Authority

Service fee payment : On a monthly basis

Term : 1 year and if no termination, the agreement shall be automatically renewed for a period of 1 year.

Performance guarantee : For the guarantee of performance, the service provider shall be required to provide the security to guarantee the performance according to the conditions as set out in the agreement.

Key terms and conditions : Penalty

- If the service provider provides the electricity units with delay or incomplete, the client has the right to demand the penalty according to the conditions as set out in the agreement.
- If the service provider read the electricity unit in the meter incorrectly or does not change program or database to present causing the incorrect electricity expense on invoice, the client shall demand for penalty at the rate as set out in the agreement.
- If the client needs to change the incorrect electricity expense to the actual and accurate expense due to the failure of the service provider, the service provider shall be liable for the incremental amount which the client cannot collect from the electricity user.

Termination

- If the client considers that the service provider is inefficient in performing its obligation or if the electricity user makes a complain that the personnel of the



**Data Collection Service Agreement in respect of Electricity Expenses**

Key terms and conditions : service provider is misconduct causing the trouble to the electricity user and the client has verified such complain and has found that it was true, the client has the right to terminate the agreement immediately.

**\* Data Collection Service Agreement**

The Company provide the data collection service and the data and electronic documents management service by the high technology in accordance with the international standard (ISO:27001) of the information security management. Key terms and conditions of the agreement are as set out below.

**Data Collection Service Agreement**

Contractual parties	:	Party 1 : “Client” Party 2 : Siamrajathanee Public Company Limited or “Service Provider”
Scope of services	:	Provision of verification of documents and photocopy of documents in the electronic system and collection of data in accordance with the form specified by the client.
Service fee payment	:	On a monthly basis
Term	:	From 1 year up to 3 years
Performance security	:	To guarantee performance of obligations under the agreement, Service Provider shall deliver security as specified under the agreement.
Key terms and conditions	:	<u>Penalty</u> <ul style="list-style-type: none"> <li>- If the service provider fails to deliver the services within the period as specified under the agreement, the service provider shall pay the penalty to the client according to the conditions as set out in the agreement.</li> <li>- If the service provider can deliver the services within the period as specified under the agreement but the client detects any errors, the service provider shall pay the penalty to the client according to the conditions as set out in the agreement.</li> </ul> <u>Termination</u> <ul style="list-style-type: none"> <li>- If the client terminates the agreement, the client has the right to engage third party to perform the services until the completion and the client has the right to forfeit or enforce the performance security according to the conditions as set out in the agreement.</li> </ul>

**\* Administrative Staff Service Agreement**

Provision of the administrative staff service includes the front desk officer service and the receptionist service. Key terms and conditions of the agreement are as set out below.

**Administrative Staff Service Agreement**

Contractual parties	: Party 1 : “Client” Party 2 : Siamrajathanee Public Company Limited or “Service Provider”
Scope of services	: Provision of personnel with the qualification as specified by the client to perform the services as set out in the agreement.
Service fee payment	: On a monthly basis
Term	: From 1 year up to 3 years
Performance security	: - To guarantee performance of obligations under the agreement, the service provider shall deliver security as specified under the agreement.
Key terms and conditions	: <u>Penalty</u> <ul style="list-style-type: none"> <li>- If the service provider’s personnel resign from the employee of the service provider and the service provider cannot replace with the new employee, the service provider shall pay the penalty to the client according to the conditions as set out in the agreement.</li> <li>- If the service provider’s personnel fail to perform the services and the service provider cannot replace with the new employee, the service provider shall pay the penalty to the client according to the conditions as set out in the agreement.</li> </ul> <u>Termination</u> <ul style="list-style-type: none"> <li>- If the client wishes to terminate the agreement, the client shall provide the service provider the termination notice within the specified period prior to the date of termination.</li> </ul>

**\* Landscape maintenance agreement**

Landscape maintenance agreement can be categorized into: (1) large-scale landscape maintenance service; (2) landscape design service; and (3) tree care service (Tree care). The agreement contains the following key terms and conditions.

**Large-scale landscape maintenance agreement**

Contractual parties	: Party 1 : “Client” Party 2 : Siamrajathanee Public Company Limited or “Service Provider”
Scope of services	: Provision of personnel to take care and maintain landscape, including maintaining surrounding of Client’s office, area decoration, installation of decorative plants and/or cleaning service and other services as specified under the agreement.
Service fee payment	: On a monthly basis
Term	: Short-term ( not exceeding 6 months) and long-term ( from 6 months - 3 years)

**Large-scale landscape maintenance agreement**

Performance security : - Letter of guarantee from financial institution in the value as specified under the agreement. Client will return the letter of guarantee upon completion of the conditions as specified under the agreement.

Key terms and conditions : Terms and Conditions

- Service Provider agrees to provide gardener with experience and has good knowledge in gardening to service Client. The number of gardener(s) shall be as specified under the agreement.
- In case that the gardener is absent, Service Provider shall provide replacement gardener to perform the duties for the period as specified in the agreement.
- Throughout the term of agreement, Client shall evaluate Service Provider's performance according to criteria specified in the agreement.

Penalty

- If Service Provider could not commence services according to terms and conditions of the agreement, Service Provider shall pay penalty fee to Client according to terms and conditions of the agreement.
- Client has the right to deduct any penalty or damage incurred due to the fault of Service Provider from service fees or Service Provider's retention or enforce from performance security, as the case maybe, subject to terms and conditions of the agreement.

Termination

- If either party breaches the agreement, the non-defaulting party shall submit a notice to the defaulting party to remedy the breach. If the defaulting party does not remedy the breach, the non-defaulting party shall have the right to terminate the agreement.

**Agreements relating to automobile rental business and property lease business:****\* Automobile Rental Service Agreement**

The Company provides the automobile rental service. Key terms and conditions of the agreement are as set out below.

**Long-term Automobile Rental Service Agreement**

Contractual parties : Party 1 : "Lessee"  
Party 2 : Siamrajathanee Public Company Limited or "Lessor"

Scope of services : Provision of procurement of vehicles and/or modified vehicles for rent as set out in the conditions of the agreement.

Service fee payment : On a monthly basis

Term : From 3 years to 5 years

## Long-term Automobile Rental Service Agreement

Key terms and conditions : Terms and Conditions

- The lessee agrees to lease and the lessor agrees to provide the vehicle rental service.
- The lessee agrees to pay the deposit to the lessor for the vehicle rental service, if the lease fails to perform any obligations under the agreement, the lessor has the right to forfeit the deposit as the penalty.
- The lessor shall be responsible for all expenses relating the annual vehicle registration, vehicle insurance, maintenance cost according to the service period or the period as required under the standard of vehicle manufacturer.
- The lessor shall be responsible for the first-class vehicle insurance covering all damages according to the insurance policy.
- The lessor shall provide the replacement vehicle in case of the leased vehicle cannot be used due to the accident which is not caused by willful or gross negligence of the lease. The lessor will provide the lessee the replacement vehicle in the same or similar model until the leased vehicle has been repaired in the normal condition.

Termination

- The lessor reserves the right to terminate the agreement without a prior written consent if the lessee fails to perform any obligations under the agreement or the lessee fails to pay the rental fee for two consecutive installments or it believes that the lessee cannot pay the rental fee whereby the lessee shall pay the penalty fee at 30% of the remaining rental fee to the lessor. If the lessor does not exercise the termination right, it shall be deemed that the lessor does not waive the right.

**Remark:**

- 1) Vehicle for long-term lease is a new and unused vehicle.
- 2) The vehicle rental service provides to private companies, governmental authorities and state enterprises whereby the key terms and conditions of the agreement for the private companies, governmental authorities and state enterprises are the same saved for the vehicle rental service for governmental authorities and state enterprises, the Company shall be required to provide performance security to them.

## Short-term Automobile Rental Service Agreement

Contractual parties : Party 1 : "Lessee "

Party 2 : Siamrajathanee Public Company Limited or "Lessor"

Scope of services : Provision of procurement of vehicles and/or modified vehicles for rent as set out in the conditions of the agreement.

## Short-term Automobile Rental Service Agreement

Service fee payment : On a monthly basis

Term : Up to 3 years

Key terms and conditions : Terms and Conditions

- The lessee agrees to lease and the lessor agrees to provide the vehicle rental service. The lessor has the ownership over the vehicle or the possession right over the vehicle or the right and power to manage the vehicle according to the applicable laws.
- The lessee agrees to pay the deposit to the lessor for the vehicle rental service, if the lease fails to perform any obligations under the agreement, the lessor has the right to forfeit the deposit as the penalty.
- The lessor shall be responsible for all expenses relating the annual vehicle registration, vehicle insurance, maintenance cost according to the service period or the period as required under the standard of vehicle manufacturer.
- The lessor shall be responsible for the first-class vehicle insurance covering all damages according to the insurance policy.
- The lessor shall provide the replacement vehicle in case of the leased vehicle cannot be used due to the accident which is not caused by willful or gross negligence of the lease. The lessor will provide the lessee the replacement vehicle in the same or similar model until the leased vehicle has been repaired in the normal condition.

Termination

- The lessor reserves the right to terminate the agreement without a prior written consent if the lessee fails to perform any obligations under the agreement or the lessee fails to pay the rental fee for two consecutive installments or it believes that the lessee cannot pay the rental fee whereby the lessee shall pay the penalty fee at 30% of the remaining rental fee to the lessor. If the lessor does not exercise the termination right, it shall be deemed that the lessor does not waive the right.

**Remark:**

- 1) The vehicle rental service provides to private companies, governmental authorities and state enterprises whereby the key terms and conditions of the agreement for the private companies, governmental authorities and state enterprises are the same saved for the vehicle rental service for governmental authorities and state enterprises, the Company shall be required to provide performance security to them.

**\* Office lease agreement in respect of Country Complex Building**

The Company entered into lease agreements and service agreements in respect of units on Level 11 of Country Complex Building A. The key terms and conditions of the agreements are as set out below.

**Property Lease Agreement**

Contractual parties	: Party 1 : “Lessee” and/or “Client” Party 2 : Siamrajathanee Public Company Limited or “Lessor” and “Service Provider”
Agreement names	: Office lease agreement and service agreement
Key terms and conditions	: The Company agrees to lease out units on Level 11 of Country Complex Building A and provide services relating to the lease agreement. <u>Key conditions of lease agreement and service agreement</u> <ul style="list-style-type: none"> <li>- For the collateral for damages of the office lease agreement and the service agreement, the Company will collect it from the lessee and/or the client at the rate of 3 months of total value of the office lease agreement and the service agreement.</li> <li>- The lessee shall use the lease space and equipment for the purpose of business office only. The lessee shall not use the lease space for living, cooking or other activities which will breach the applicable laws, peace and public order or public moral.</li> <li>- If the Company sells, transfers or assigns the right of lease space to a third party, such third party shall assume the rights and obligations that of the Company. In addition, the Company has the right to use the lease space for pledge or creating other encumbrances without prior consent from the lessee.</li> <li>- The lessee shall not assign the rights and obligations to any other person without prior written consent from the Company.</li> <li>- The Company may assign the rights and obligations of the service agreement to any other person without prior consent from the client provided that upon the assignment, the Company shall notify such assignment to the client in writing.</li> <li>- The client shall not assign the rights and obligations of the service agreement to any other person without prior written consent from the Company.</li> </ul>
Leased area	: Units on Level 11 of Country Complex Building A located at No. 223 Sanphawut Road, Bangna Sub-district, Bangna District, Bangkok 10260 with the total area of 1,158.00 square meters
Lease term and renewal	: <u>Lease agreement</u> Average lease term is 2 – 3 years and upon the expiry of the lease term, Lessee shall have the right to renew the lease for another 3 years. <u>Service agreement</u> Service agreement is related to lease agreement. Therefore, if lease agreement is renewed, service agreement shall also be renewed.

### 3. Consortium Agreement

The Company has 1 consortium agreements with other juristic persons. The key terms and conditions of the agreements are as set out below.

#### \* Consortium Agreement with Provincial Waterworks Authority

Consortium Agreement No. 3	
Contractual parties	: Party 1 : Siamrajathanee Public Company Limited Party 2 : Company No. 1 or "Consortium"
Agreement names	: Consortium Agreement
Term	: Consortium agreement shall be expired after the expiration of services rendered to Provincial Waterworks Authority, District 10.
Key terms and conditions	: <u>Terms and Conditions</u> <ul style="list-style-type: none"> <li>- The parties agree to provide the meter reading service for Provincial Waterworks Authority, District 10 (26 branches in Provincial Waterworks Authority, District 10)</li> <li>- The parties shall be responsible for all works according to the scope of consortium as set out in the agreement without joint investment or dividing of profits or losses.</li> <li>- The parties agree to divide the duties, service fees and liabilities in part as set out in the agreement.</li> </ul> <u>Termination</u> <ul style="list-style-type: none"> <li>- The agreement shall be terminated after the completion of works of each party and all claims and liabilities of all parties have been settled.</li> </ul>
Performance security	: - The parties agree to provide the performance security according to the scope of works of each party as set out in the agreement.

#### Insurance Policy

As of 31 December 2020, the Company maintains insurances in respect of assets and investment properties, details of which are as follows:

Type of Insurances	Insurance Policy Period	Insured Amount (Million Baht)		Beneficiary
		Property Damage Insurance	Third Party Liability Insurance	
Property All Risk Insurance	1 Jan 2022 – 1 Jan 2023	160.64	-	Financial institution under the encumbrance



Type of Insurances	Insurance Policy Period	Insured Amount (Million Baht)		Beneficiary
		Property Damage Insurance	Third Party Liability Insurance	
Fire insurance for House (building (exclusive of foundation))	10 Sep 2021 – 10 Sep 2024	29.38	-	Financial institution under the encumbrance
Fire insurance for House (property in the building)	10 Sep 2021 – 10 Sep 2024	9.56	-	Financial institution under the encumbrance
Third Party Liability Insurance	1 Jan 2022 – 1 Jan 2023	-	10.00	Company

In addition to the insurance of movable assets and immovable assets for investments, the Company has the group insurance for employees of each department with the insured amount which covers loss of organs, death, disability of the employees and any third party.

#### Policy on investments in associates and subsidiaries

Siamrajathanee Public Company Limited (the “Company”) has a policy to invest in companies that have objectives consistent with the Company’s goals and strategic plan for growth. The investments should, therefore, result in improvement in operating performance or create synergy in order to increase the Company’s competitive advantage. The Company and its subsidiaries and/or associates may consider investments in other business if such business has a potential for growth or can be expanded or would be beneficial to the Company’s business and generate good return on investment. In consideration of any investment by the Company, its subsidiaries and/or associates, the Company will conduct a feasibility study on the investment, taking into consideration potential opportunities and investment risks. Investment analysis will be performed with suitable process. The investment must be approved by the Board of Directors’ meeting or the shareholders’ meeting of the Company (as the case maybe). Corporate actions required for investments in subsidiaries and/or associates shall be in accordance with the Notification of Capital Market Supervisory Board Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004). The Company may consider investing in business that is not its core business. The investment must be suitable with business environments, the Company’s policies, goals, business directions, and strategic plan.



SIAMRAJATHANEE PUBLIC COMPANY LIMITED

Attachment 5

# Policy and Guideline on Corporate Governance and Business Ethics

## PART 1

### General

#### SO VISION

Siamrajathanee All Solutions One Outsource : Simplify Your Life

#### SO MISSION

1. Understand the problem, use knowledge for development, create innovation, reduce burdens and create benefits for Customers to do their business conveniently.
2. Focus on potential developments, create growth and value for employees, company and shareholders.
3. Create a corporate culture, operate with good governance and be socially responsible.
4. Collaborate with business partners to increase efficiency and create success together.

## PART 2

### Good Corporate Governance Policy

Siamrajathanee Public Company Limited values the importance of the good corporate governance principle which will support the Company's business operation with efficient and sustainable growth for the highest benefits of all stakeholders including employees, investors, shareholders and other stakeholders. Therefore, the Board of Directors has resolved to have the good corporate governance principle in place which include the importance principle consisting of structure, roles, duties and responsibilities of the Board of Directors and the management principle with the integrity, transparency, and supportable as the guideline of organization management to ensure the Company's business operation will be performed with fairness and highest interest of all shareholders and stakeholders.

To ensure that the Company will be reliable for all shareholder and stakeholders, and for the benefit of creating sustainable value for the business according to the expectation of the private sector, investors, capital market and society, the Company has prepared the good corporate governance principle in accordance with the good corporate governance principle of the listed companies in 2017 prepared by the Securities and Exchange Commission as the guideline of the corporate governance of companies.

#### Principle and Policy on Corporate Governance

The Board of Directors values the importance of the good corporate governance principle which include 8 corporate governance principles as follows:

- |             |   |
|-------------|---|
| Principle 1 | Establish Clear Leadership Role and Responsibilities of the Board |
| Principle 2 | Define Objectives that Promote Sustainable Value Creation         |
| Principle 3 | Strengthen Board Effectiveness                                    |
| Principle 4 | Ensure Effective CEO and People Management                        |
| Principle 5 | Nurture Innovation and Responsible Business                       |
| Principle 6 | Strengthen Effective Risk Management and Internal Control         |
| Principle 7 | Ensure Disclosure and Financial Integrity                         |
| Principle 8 | Ensure Engagement and Communication with Shareholders             |

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**Principle 1: Establish Clear Leadership Role and Responsibilities of the Board****Principle 1.1**

The Board of Directors should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

- (1) defining objectives;
- (2) determining means to attain the objectives; and
- (3) monitoring, evaluating, and reporting on performance.

**Principle 1.2**

The Board of Directors shall monitor the Company to achieve the result of the good corporate governance as follows:

- (1) competitiveness and performance with long-term perspective;
- (2) ethical and responsible business;
- (3) good corporate citizenship; and
- (4) corporate resilience

The Board of Directors will adhere to the following principles in corporate governance to lead to good corporate governance results.

- 1.2.1 The Board of Directors will take into account the ethics, social and environmental impacts. In addition to financial performance
- 1.2. 2 TheBoard of Directors will behave as a role model as a leader in corporate governance to drive an ethical corporate culture.
- 1.2. 3 TheBoard of Directors shall provide policies for directors. Executives and employees who represent written principles and guidelines such as code of conduct, etc.
- 1.2.4 The Board of Directors shall supervise communications for directors. All executives and employees understand that there are sufficient mechanisms to facilitate the practicality of the above policiesm and follow up on the practice and review policies and practices regularly.

**Principle 1.3**

The Board of Directors shall ensure that all directors and executives perform their duties responsibly, carefully and honestly with the organization and ensure that the implementation of the laws, regulations and resolutions of the shareholders' meeting, as well as the policies or guidelines set forth, as well as the approval process for important operations such as investment, transactions that have a significant impact

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on the Company, transactions with connected parties, acquisition or disposition of assets or dividend payment etc.

**Principle 1.4**

The Board of Directors should demonstrate a thorough understanding of the division of board and management responsibilities. The Board of Directors should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties

- 1.4.1 The Board of Directors shall prepare a charter or corporate governance policy of the Board of Directors that specifies the duties and responsibilities of the Board of Directors for reference in the performance of duties of all directors and shall hold regular reviews of such charters at least once a year including reviewing the division of roles and duties of the Board of Directors, Chief Executive Officer and managements are regularly aligned with the direction of the organization.
- 1.4.2 The Board of Directors will understand the scope of its duties and assign the management authority to the management by making written recordings. However, such assignment does not discharge the responsibilities of the Board of Directors. The Board of Directors shall monitor the management to perform their duties as assigned. Scope of Duties and Responsibilities of the Board of Directors, Chief Executive Officer and managements may consider the following:

Matters for consideration

means the matter in which the Board of Directors is primarily responsible for the appropriate actions. The Board of Directors may assign management to propose the matters for consideration, including the following:

- 1) Setting objectives and key business goals.
- 2) Creating an organizational culture that adheres to ethics and behaves as a model.
- 3) Supervision of the structure and practices of the Board of Directors to achieve the objectives and main goals of the business effectively.
- 4) Nomination, development, remuneration and evaluation of the performance of the Chief Executive Officer
- 5) Establishing a remuneration structure that incentivizes personnel to work in accordance with the objectives, main goals of the organization.

Matters taken in conjunction with management

means the matters that the Board of Directors, Chief Executive Officer and management team shall consider it together and the management team shall propose such matter for the Board of Directors' consideration. The Board of Directors will supervise the overall policy in line with the objectives and main

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goals of the business, as well as assign management to be carried out by the monitoring committee and have the management report to the Board of Directors periodically as appropriate, including the following:

- a) Determination and review of strategies, goals, annual plans.
- b) Adequate suitability of risk management and internal control systems.
- c) Determining the appropriate authority for management's responsibilities.
- d) Establishing resource allocation frameworks, developments and budgets, such as human resource management policies and plans, and information technology policies.
- e) Monitoring and evaluating performance.
- f) It is important to keep financial and non-financial disclosure credible.

Matters that the Board of Directors should not be taken care

means the matters that Board of Directors will supervise at the policy level by assigning the Chief Executive Officer and management to be the main responsibility for the implementation, including the following:

1. Management in accordance with the strategies, policies, plans approved by the Board of Directors.

The Board should allow management to manage its operational decisions, procurement and recruitment, etc. in accordance with the established policy framework and monitor the results without interfering with decisions unless necessary.

2. Matters prohibited, such as approval of transactions in which directors have interests, etc.

The Company has designated the following matters as the authority and responsibility of the Board of Directors for consideration and/or approval.

1. To consider and approve the appointment of qualified and non-prohibited persons as prescribed in the Public Limited Companies Act B.E. 2535 (1992) and the Securities and Exchange Act, as well as announcements of regulations and/or regulations relating to director positions. In case the position of director is vacant for reasons other than agenda exercises.
2. To consider the appointment of independent directors and sub-committees based on prohibited qualifications and characteristics in accordance with the securities and exchange laws, including announcements of regulations and/or related regulations of the Stock Exchange of Thailand, or to propose to the shareholders' meeting for further appointment as independent directors and sub-directors of the Company.



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3. To consider and amend the power to bind the Company of the authorized directors.
  4. Appoint any other person to conduct the Company's business under the control of the Board of Directors or may authorize such person to have the authority and/or within the time limits deemed appropriate by the Board of Directors, which the Board of Directors may revoke, revoke, or revoke or change or modify that power.
  5. To consider and approve the acquisition or disposition of assets of the Company, unless such transaction must be approved by the shareholders' meeting. Such approvals must be made in accordance with the laws, regulations and/or related regulations of the Stock Exchange of Thailand.
  6. To consider and approve the connected transaction unless such transaction must be approved by the shareholders' meeting. In such approvals, it shall be made in accordance with the laws, regulations and/or related regulations of the Stock Exchange of Thailand.
  7. To consider and approve the interim dividend payment to shareholders when it be seen that the Company is reasonably profitable to do so and reports the dividend payment to the shareholders' meeting at the next shareholders' meeting.
  8. To consider the appointment of qualified persons to be chief executive officer in case the position of Chief Executive Officer is vacant
  9. It is responsible for determining the Company's vision, policies and operational direction, business strategy, annual budget, and supervising management to effectively and effectively implement the defined policies to maximize economic value for shareholders and sustainable growth.
  10. Responsible for shareholders regularly and operating the business by maintaining the interests of shareholders. The information that is material to investors is disclosed correctly with standard and transparency.
  11. The performance of the directors is evaluated including the sub-committees and senior executives on a annual basis.
  12. Supervise management to have a risk management system appropriately and efficiently.
  13. Consider decisions on matters of essence, such as policies and business plans, large investment projects, administrative authority, acquisition or disposition of assets and other items required by laws.

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14. Determine the authority and approval level of transactions and actions related to the Company's work to the faculty or individuals as appropriate and in accordance with the relevant laws and it shall conduct and review it at least once a year.
  15. Prepare balance sheets and income statements at the end of the Company's fiscal year and sign them to certify the statements. Such financial statements shall be presented to the shareholders' meeting at the Annual General Meeting of shareholders for approval.
  16. Approve the appointment of the auditor and consider the annual audit fee to be presented to the shareholders for approval of the appointment.
  17. The Board of Directors' responsibilities for financial transactions are shown in conjunction with the auditor's report and in the annual report and shall cover important matters in accordance with the Best Practices Policy for directors of listed companies of the Stock Exchange of Thailand.
  18. Supervise the performance of sub-committees in accordance with the charter.
  19. The Board of Directors must evaluate the performance on its own and evaluate the overall performance.
  20. The Company and its subsidiaries have implemented appropriate and efficient accounting systems, including internal control and internal audit systems.
  21. Establish a policy on corporate governance in accordance with written governance principles and effectively implement such policies to ensure that the Company has a fair responsibility to all stakeholders and encourages communication to everyone in the Company to be informed and adhered to.
  22. Independent directors should exercise their discretion independently in determining the strategy, job management, the use of resources, the appointment of directors and the standard setting of business operations, as well as being ready to oppose the actions of management or other directors in the event of a conflict of opinion on matters affecting the equality of all shareholders.
  23. Provide accurate disclosure to all shareholders and stakeholders with the complete, transparent, reliable, timely and equitable.
  24. Provide appropriate and effective risk management processes that can assess, monitor, and manage critical risks.
  25. Arrange the Company Secretary to oversee the activities of the Board of Directors and assist the Board of Directors to comply with applicable laws and regulations.
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26. Establish the Code of Conduct of directors, management and employees to standardize the Company's business practices.
  27. Establish a succession plan for the Company's top executives.
  28. Regularly review important policies and plans to be up-to-date and appropriate for business conditions.
  29. To review and revise the Charter of the Board of Directors (as the case may be) annually.
  30. Professional opinions on business operations can be sought by hiring external consultants at the expense of the Company.
  31. Perform any other duties related to the Company's business as assigned by the shareholders.
  32. Independent directors may be assigned by the Board of Directors to make decisions on the operation of the Company, the parent company, its subsidiaries, joint ventures, subsidiaries of the same order, major shareholders or controlling persons of the Company by making decisions in the form of collective decisions.
  33. Development and management training for directors and executives, the Board of Directors has a policy of promoting and facilitating training and educating directors and executives of the Company to ensure continuous improvement and operation for both internal and external training courses and all Board of Directors' members must be trained to understand their duties as directors. The Board of Directors and senior executives are focused on participating in trainings or seminars in various courses or developing competencies, with most directors already trained with the Thai Institute of Directors Association (IOD), namely the Director Certification Program (DCP), the Director Accreditation Program (DAP), the Audit Committee Program. The Company has also continuously sent directors and executives to participate in training courses organized by the Thai Institute of Directors Association (IOD) and other institutions.

**Principle 2: Define Objectives that Promote Sustainable Value Creation**

**Principle 2.1**

The board should define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the company.

- 2.1.1 The Board of Directors is responsible for maintaining that the Company has clear objectives or goals. It can be used as a core concept to define the business model and communicate to everyone in the organization driven in the same direction. It is prepared as a vision and shared values of the organization or its objectives and principles or other.

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2.1.2 In achieving the main objectives or goals, the Board of Directors will establish a business model that can create value for companies, stakeholders, and society as a whole.

- 1) Environment and changes in factors including the proper adoption of technology
- 2) Needs of customers and stakeholders
- 3) Readiness, expertise Competitiveness of the Company
- 4) Purpose of incorporating a company
- 5) Key customer group of the Company
- 6) Profitability or competition by creating value for the company and its customers.
- 7) The company's long-term ability to exist under both opportunity and risk factors affecting the Company and its stakeholders.

2.1.3 The Board of Directors shall prompted the organization value of the good corporate governance principle such as the accountability, the integrity, the transparency and the due consideration of social and environmental responsibilities

2.1.4 The Board of Directors will promote communication and strengthen the main objectives and goals of the organization reflected in the decisions and operations of personnel at all levels to become a corporate culture.

## **Principle 2.2**

The Board of Directors should ensure that the company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilising innovation and technology effectively.

2.2.1 The Board of Directors will oversee the preparation of annual strategies and plans that align with the company's core objectives and goals taking into account the Company's environmental factors at that time, as well as acceptable opportunities and risks, and encouraging the preparation or review of objectives, goals and strategies for the medium term of 3-5 years to ensure that the annual strategy and plan take into account the impact over a longer period of time, and also enough to predict it appropriately.

2.2.2 To formulat an annual strategy and roadmap The Board of Directors will ensure that the environment is analyzed. Factors and risks that may affect stakeholders involved along the line, including factors that may influence the company's achieving core goals, are mechanisms that truly understand the needs of stakeholders.

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- a) Specify the process, method or clear channel of engagement or communication between stakeholders and the Company so that the Company can access and accurately identify the issues or needs of each group of stakeholders as close as possible.
  - b) Identify the relevant stakeholders of the Company, both internally and externally, as individuals, groups of individuals, organizational units such as employees, investors, customers, partners, Communities, government agencies, regulators, etc.
  - c) Identify issues and expectations of stakeholders in order to analyze and classify them according to the importance and impact on both the Company and its stakeholders.
- 2.2.3 In formulating the strategy, the Board should ensure that innovation and technology are promoted and used to create competitiveness and meet the needs of stakeholders by remaining on the basis of social and environmental responsibility.
- 2.2.4 The Board of Directors will set goals to suit the company's business environment and potential. The Board of Directors will consider both money and non-money targets. In addition, the Board will be aware of the risks of setting goals that could lead to illegal conduct or lack of ethics.
- 2.2.5 The Board of Directors will supervise the transfer of objectives and goals through strategies and plans throughout the organization.
- 2.2.6 The Board of Directors shall supervise the allocation of appropriate resources and operational control and monitor the implementation of the annual strategy and plan. The Company has the responsibility to supervise and monitor its performance.

**Principle 3: Strengthen Board Effectiveness****Principle 3.1**

The board should be responsible for determining and reviewing the board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the company's objectives.

- 3.1.1 The Board of Directors is responsible for providing the board with a wide range of qualifications including skills, experience, capabilities and characteristics to ensure that the overall board is qualified. Able to understand and meet the needs of stakeholders at least one non-executive director must have experience in the core business or industry in which the Company operates.
- 3.1.2 The Board of Directors will determine the appropriate number of directors able to perform duties effectively with a minimum of 5 directors and no more than 12 directors.

3.1.3 The Board of Directors shall have a proportion between executive directors and non-executive directors that appropriately reflect the balanced power.

- a) Most of the directors are non-executive directors who can freely comment on the management's work.
- b) Independent directors have the number and qualifications of independent directors in accordance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as ensure that independent directors can work effectively with all boards and express their opinions freely.

3.1.4. The Board of Directors shall disclose the policy for determining the composition of the board of directors with diversity and information on directors such as age, education history, experience, shareholding, number of years as director and directorship in other listed companies. in the company's annual report and on the company's website.

The Structure of the Board of Directors consists of: Executive Director At least 5 non-executive directors and independent directors, but no more than 12, and have directors who are truly independent of management and free from any business relationship or other relationship that may influence the exercise of discretion independently. Not less than one-third of the total number of directors must be at least 3, all directors are free to express their opinions on the company's operations to ensure that the management's operations are efficient, accurate and transparent, and to ensure that the management and operation is in accordance with good corporate governance policy. The Board of Directors has established a sub-committee as follows:

(1) Audit Committee (2) Nomination and Corporate Governance Committee (3) Risk Management Committee and (4) Strategic Committee. The Audit Committee consists of all independent directors and has a number of not less than one member of the Audit Committee has the knowledge and financial experience to review the credibility of the financial statements.

### **Principle 3.2**

The Board of Directors should select an appropriate person as the chairman and ensure that the board composition serves the best interest of the company, enabling the board to make its decisions as a result of exercising independent judgement on corporate affairs.

3.2.1 Chairman of the Board of Directors is an independent director.

3.2. 2 Chairman and Chief Executive Officer have different responsibilities. The Board of Directors will clearly determine the authority of the Chairman and chief executive officer, and to prevent any person from

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having unlimited powers. The Company will separate the person who holds the chairman's position from the person who holds the position of Chief Executive Officer.

3.2.3 Chairman of the Board of Directors plays the leadership role of the Board of Directors. The duties of the Chairman of the Board of Directors cover the following matters:

- (1) Supervising, monitoring and ensuring that the Board of the Directors' duties are effective and achieving the main objectives and goals of the organization.
- (2) Ensuring that all directors are involved in promoting an ethical corporate culture and good corporate governance.
- (3) Setting the agenda of the Board of Directors' meetings with the Chief Executive Officer and taking measures to ensure that important matters are included as agenda items, chairing the Board of Directors' meetings and chairing shareholders' meetings.
- (4) Sufficient time is allocated for management to propose the matter and enough for the directors to carefully discuss key issues. Encouraging directors to exercise discretion and provide free opinions
- (5) Strengthening the relationship between executive directors and non-executive directors, and between the Board of Directors and management.
- (6) Monitor the management of the Board of Directors and other sub-committees to achieve the specified objectives.
- (7) Be a decisive vote in the event of a board of directors' meeting. There are equal votes and votes on both sides.

3.2.4 In the event that the Chairman and Chief Executive Officer are not explicitly separated, for example, the Chairman of the Board of Directors and the Chief Executive Officer are the same persons or the Chairman of the Board of Directors is not an independent director or the Chairman of the Board of Directors and the Chief Executive Officer are family members or members of the Executive Committee or working group, or are assigned to the administrative responsibilities of the Board of Directors to promote a balance of power between the Board of Directors and management by considering:

- (1) The board composition consists of more than half of independent directors (1/2); or
- (2) Appointment of an independent director to consider the agenda of the Board of Directors' meeting

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- 3.2.5 The Board of Directors shall establish a policy for independent directors to hold positions continuously no more than nine (9) years from the date of the appointment of the first independent director. In the event that an independent director is appointed to the position, The Board of Directors will reasonably consider such a necessity.
- 3.2.6 The Board of Directors will consider the appointment of a sub-committee to consider specific issues, moderate information, and propose guidelines before proposing to the Board of Directors for further approval.
- 3.2.7 The Board of Directors will oversee the disclosure of the roles and duties of the Board of Directors and sub-committees. The number of meetings and the number of times each director attended the meeting in the past year and the performance report of all sub-committees.

### Principle 3.3

- 3.3.1 The Board of Directors should form a nomination committee, where the majority of members and the chairman should be independent directors.
- 3.3.2 The Nomination Committee should hold a meeting to consider the criteria and procedures for recruiting persons in order to obtain qualified directors to provide the Board of Directors with appropriate skillful elements, as well as to consider the history of such persons and to present their opinions to the Board of Directors before presenting the shareholders' meeting to appoint directors. In addition, the Company will adequately inform shareholders about the nominated persons to make decisions.
- 3.3.3 The Nomination Committee will review the criteria and procedures for nominating directors before the nomination of directors is completed. The Nomination Committee shall take into account the performance of the duties of such directors as follows:
- 3.3.4 In the event that the Board of Directors appoints any person to be an advisor to the Nomination Committee in the nomination process and determines the remuneration, it shall disclose the information of the advisor in the annual report, including independence or conflict of interest

### Principle 3.4

When proposing director remuneration to the shareholders' meeting for approval, the Board of Directors should consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and company performance, and provide incentives for the board to lead the company in meeting its objectives, both in the short and long term.



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- 3.4.1 The Board of Directors should establish a remuneration committee in which the majority of members and the chairman should be independent directors to consider the policies and criteria for determining remuneration.
- 3.4.2 The remuneration of directors must be in line with the company's long-term strategy and goals. Experience, obligations, the scope of roles and responsibilities, as well as the expected benefits of each director. This is in a way that is comparable to the levels performed in the same industry.
- 3.4.3 Shareholders must approve the structure and remuneration rate of directors. The Board of Directors will consider each form of remuneration appropriately. Both fixed-rate remuneration (e.g. regular remuneration, meeting allowances) and remuneration based on the Company's performance (e.g. bonuses, pensions) are linked to the value the Company generates for shareholders, but not at too high a level, resulting in a focus on short-term results.
- 3.4.4 The Board of Directors shall disclose policies and criteria for determining the remuneration of directors that reflect each person's obligations and responsibilities. This includes the format and amount of compensation. The amount of compensation disclosed includes the remuneration received by each director of the subsidiary.
- 3.4.5 In the event that the Board appoints any person to be the advisor of the Remuneration Committee, the advisor's information should be disclosed in the annual report, including independence or no conflicts of interest.

### Principle 3.5

The Board of Directors should ensure that all directors are properly accountable for their duties, responsibilities and actions, and allocate sufficient time to discharge their duties and responsibilities effectively.

- 3.5.1 The Board of Directors shall ensure that there is a mechanism to encourage directors to understand their roles and duties.
- 3.5.2 The Board of Directors shall establish the criteria for holding positions in other companies of directors by considering the performance of directors who hold multiple positions and ensuring that directors can devote sufficient time to performing their duties in the Company. It determines the number of listed companies that each director will hold to suit the nature or business conditions of the Company, but in total should not exceed the five listed companies, as the effectiveness of duties as directors may be reduced. If the number of companies in which directors hold positions is excessive and the criteria should be disclosed, the rules should be disclosed.

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- 3.5.3 The Board of Directors shall provide a reporting system for other positions of directors and expose it to acknowledgement.
- 3.5.4 In the event that a director serves as a director or executive or has a direct or indirect interest in other conflicts of interest or can use the Company's opportunities or information for their own benefit. The Board of Directors must ensure that the Company takes adequate precautions and that shareholders are informed as appropriate.
- 3.5.5 Each director shall attend at least 75% of the total board meetings held in the year, except where necessary.

**Principle 3.6**

The Board of Directors should ensure that the company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.

- 3.6.1 The Board of Directors will consider the corporate governance policy of the subsidiary (if any), including:
- (1) For level of appointment of persons to be directors, the Board of Directors appoints unless the Company is a small operating arm of the Company. The Board of Directors may assign the Chief Executive Officer to be appointed.
  - (2) Determine the scope of duties and responsibilities of the person representing the Company in accordance with Clause (1) and have the Company's representatives supervise the compliance with the policies of the subsidiary. The Board of Directors will establish a policy for agents to do their best for the benefit of their subsidiaries and in accordance with the policies of the parent company.
  - (3) Appropriate and adequate internal control system of subsidiaries and transactions in accordance with the relevant laws and regulations.
  - (4) Disclosure of financial position and performance of transactions with connected parties, acquisition or disposition of assets, other important transactions, capital increase, capital reduction, dissolution of subsidiaries, etc.
- 3.6.2 If it is a significant participation in other businesses, such as having a voting shareholding of 20% but not exceeding 50% and the amount of investment or may require additional investment, there may be significant investment for the Company if necessary, the Board of Directors will ensure that a contract between shareholders or other agreements is held to provide clarity on management powers and participation in decision-making in important matters and performance tracking so that

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it can be used as information in the preparation of the Company's financial statements in accordance with standards and deadlines.

**Principle 3.7**

The Board of Directors should conduct a formal annual performance evaluation of the Board of Directors, its committees, and each individual director. The evaluation results should be used to strengthen the effectiveness of the Board of Directors.

3.7.1 The Board of Directors and sub-committees should evaluate the performance at least once a year so that the Board of Directors can jointly consider the work and problems for further improvement.

3.7.2 In the performance evaluation, both faculty and individual assessments should be performed, at least as a self-evaluation method, or the Board of Directors may consider cross-evaluation methods as well as disclose the criteria, procedures and overall assessment results in the annual report

3.7.3 The Board of Directors may consider the provision of external advisors to help determine the guidelines and suggest issues for evaluating the board's performance at least once every three years and disclose such actions in the annual report.

3.7.4 The Board of Directors' assessment results should be used to determine the suitability of the Board of Directors elements.

**Principle 3.8**

The Board of Directors should ensure that the Board of Directors and each individual director understand their roles and responsibilities, the nature of the business, the Company's operations, relevant law and standards, and other applicable obligations. The Board of Directors should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the Board of Directors and Board of Directors committees.

3.8.1 The Board of Directors shall ensure that the person appointed as a new director is recommended and has useful information that includes understanding of the objectives, main goals, vision, mission, corporate values, as well as the company's business characteristics and business practices.

3.8.2 The Board of Directors shall ensure that directors are continuously trained and develop the necessary knowledge.

3.8.3 The Board of Directors will understand the law, rules, standards, risks and environments relating to business operations, as well as regularly being informed of up-to-date information.

3.8.4 The Board of Directors will disclose the training information and continuous knowledge development of the Board of Directors in its annual report.

**Principle 3.9**

The Board of Directors should ensure that the Board of Directors and each individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards, and other applicable obligations. The Board of Directors should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the Board of Directors and Board of Directors' committees.

- 3.9.1 The Board of Directors shall arrange the schedule of meetings and agenda items in advance so that directors can schedule and attend meetings.
- 3.9.2 Requires the Board of Directors to have at least 6 meetings per year, and the Audit Committee has at least 4 meetings per year to acknowledge and jointly make decisions on the Company's business operations, with the meeting scheduled in advance throughout the year and additional special agenda meetings may be held as needed and matters of urgent importance.
- 3.9.3 The Board of Director shall ensure that each director, including management, is free to propose matters that benefit the Company to the agenda.
- 3.9.4 The Company Secretary shall deliver the invitation letter with agenda and supporting documents to the directors at least 7 days in advance so that the directors have time to study in advance of the meeting.
- 3.9.5 The Board of Directors will encourage the Chief Executive Officer to invite senior executives to attend board meetings to provide additional detailed information as directly related to the issue and to have the opportunity to know senior executives for consideration of succession plans.
- 3.9.6 The Board of Directors will have access to additional required information from the Chief Executive Officer the Company Secretary or other executives assigned within the scope of the policy specified and, where necessary, the Board of Directors may hold independent opinions from external advisors or practitioners at the expense of the Company.
- 3.9.7 The Board of Directors may consider the policy to give non-executive directors the opportunity to have meetings with each other as necessary to discuss issues related to management that are of interest without joint management by notifying the Chief Executive Officer of the results of the meeting.
- 3.9.8 The Chairman of the Board of Directors or the Chairman of the Sub-Committee (as the case may be) will serve as chairman of the meeting, responsible for allocating sufficient time for directors to debate

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independently on important issues. The interests of shareholders and stakeholders are taken into account fairly.

3.9.9 At the Board of Directors' meeting or sub-committees (as the case may be), a person who have significant stakeholders in consideration, must leave the meeting during the consideration of such matters.

3.9.10 The resolution shall be adopted by a majority vote, and if the director opposes the resolution, record the objections in the minutes of the meeting.

3.9.11 The Board of Directors shall determine the qualifications and experience of the appropriate Company Secretary to perform duties on behalf of the Company and/or the Board of Directors. The Company Secretary shall perform its duties under the Securities and Exchange Act B.E. 2535 (1992) in Sections 89/15 and Section 89/16, which came into force on 31 August 2011 with responsibility, caution, and integrity, and must comply with the law. objectives, Articles of Association, the Board of Directors' resolutions, as well as the resolutions of the shareholders' meeting, as well as recommendations on the laws and rules that the Board of Directors must know and the management of the board meeting documents, important documents and activities of the Board of Directors including coordinating the compliance with the Board of Directors' resolutions. In addition, the Board of Directors will disclose the qualifications and experience of the Company Secretary in the annual report and on the Company's website.

3.9.12 The Company Secretary will continuously train and develop knowledge that will be useful for the performance of duties and in the event of a certification course, the Company Secretary will also attend the training course. The legal duties of the Company Secretary are as follows:

1. Prepare and maintain the following documents:
  - (1) Registration of Directors
  - (2) Notice of the Board of Directors' Meeting Minutes of Board of Directors' Meeting and the Company's annual report.
  - (3) Notice of shareholders' meeting and minutes of shareholders' meeting
2. Maintain stakeholder reports reported by directors and executives.
3. Perform other actions as prescribed by the Capital Market Supervisory Board or assigned by the Board of Directors.

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4. To send a copy of the report on the interests of directors and executives or related parties relating to the management of the Company or its subsidiaries to the Chairman of the Board of Directors and the Chairman of the Audit Committee knows within 7 business days from the date the Company receives the report.
  5. Provide relevant legal and regulatory advice and governance practices in the board's operations in accordance with the law.
  6. To conduct the Board of Directors' meetings and shareholders' meetings.
  7. Coordinate with internal agencies to comply with the Board of Directors' resolutions and shareholders' meeting resolutions.
  8. Coordinate with regulatory authorities such as the Office of the SEC and the Stock Exchange of Thailand and the disclosure and reporting of information to public regulators in accordance with the laws.
  9. To provide orientation and advice to the newly appointed directors.
  10. Perform duties with responsibility, caution and integrity, and must comply with the laws, objectives, Articles of Association, the resolutions of the Board of Directors as well as the resolutions of the shareholders' meeting.
  11. Other duties as assigned by the Company.

**Principle 4: Selection and Development of Senior Executives and Management of Personnel**

The Board of Directors should ensure that a proper mechanism is in place for the nomination and development of the Chief Executive Officer and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the company to achieve its objectives.

- 4.1.1 The Board of Directors will consider or assign the Nomination Committee to consider the rules and procedures for recruiting qualified persons to serve as Chief Executive Officer.
- 4.1.2 The Board of Directors will monitor the Chief Executive Officer to ensure that at least the Board of Directors or the Nomination Committee will work with the Chief Executive Officer to consider the rules and procedures for the nomination and appointment of individuals and approval of the person proposed by the Chief Executive Officer to be a senior executive.
- 4.1.3 The Board of Directors shall supervise the succession plan in order to prepare successor to Chief Executive Officer and Senior Executive Officer

4.1.4 The Board of Directors will promote and encourage the Chief Executive Officer and senior management to receive training and development to increase knowledge and experience to be useful for the operation.

4.1.5 The Board of Directors has established a charter to be used as guidelines.

#### **Selection**

1. Determine how to recruit the right persons to serve as directors to suit the nature and business operation of the organization by determining the qualifications and expertise of each area that the Company wishes to have, and then presenting it to the Board of Directors' meeting for approval of the nomination criteria each time.
2. Nomination of directors when the appointment is reached, the nomination may be considered by the former director to continue or be open to nomination from shareholders or the use of external companies to help nominate or consider individuals from the House of Professional or to have each director nominate suitable persons, etc.
3. In the event that the Nomination and Remuneration Committee nominates a director who has completed his term in office, he shall re-enter the position. The Nomination and Remuneration Committee must also adopt the performance of the directors in the past year as a condition.
4. Consider the list of nominated and selected persons who meet the specified qualification criteria.
5. Verify that the person being nominated has the qualifications, laws and requirements of the relevant authorities.
6. To ensure that they are willing to serve as directors of the Company if appointed by the shareholders
7. Nominate the Board of Directors to consider and fill in the invitation letter to the shareholders' meeting for the shareholders' meeting to consider and appoint.
8. Consider policies, guidelines and procedures for creating a succession plan for appropriate and systematic management continuity for senior management positions from the director of the line of work or above.

#### **Remuneration**

1. Consider the remuneration criteria of directors and senior management in order to be appropriate by reviewing the appropriateness of the current criteria and compared with the remuneration data

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- of other companies in the same industry as the Company, and set the guidelines accordingly to achieve the expected performance, to be fair, and to reward the person who helped the company's work to succeed.
2. Review all types of remuneration patterns, such as regular remuneration, performance, compensation and meeting allowances, taking into account the practices used by the same industry. Performance and size of the Company's business and responsibilities, knowledge, competence and experience of directors and senior executives required by the Company.
  3. Consider the criteria for evaluating the performance of the Chief Executive Officer, the Board of Directors and senior executives are assigned by the Board of Directors.
  4. Determine the remuneration in money and not the annual funds of the directors according to the criteria, the remuneration has been considered and presented to the Board of Directors for approval of the remuneration of the Chief Executive Officer, member of the Executive Committee and senior executive, and the Board of Directors shall present to the shareholders' meeting for approval.
  5. Review the framework of the remuneration structure, annual salary increases, annual bonuses, and other benefits as follows:
    - Consider the overview and framework of the remuneration structure, annual salary increases and annual bonuses, as well as any other benefits of senior management and employees in accordance with management's proposals, to suit and produce the expected performance, fairness and reward for employees who helped the company to achieve the successful.
    - Consider the budget for the increase of annual salary including other benefits as determined by the Company.

**Governance**

1. Establish good corporate governance policy, ethics and code of conduct of the Company and social activities operational policy and propose to the Board of Directors for approval.
2. Supervise the performance of the Board of Directors, sub-committees and management to comply with good corporate governance principles and good practices of ethics and code of conduct.



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3. To promote an ethical corporate culture, supervising the compliance with the good corporate governance policies and practices of the Company's personnel in order to comply with the good corporate governance principles and business ethics of the Company.
  4. Review and update good corporate governance policy to be appropriate for proposal to the Board of Directors.
  5. Take any other actions as assigned by the Board of Directors in connection with the Company's good corporate governance.

#### Principle 4.2

The Board of Directors should ensure that an appropriate compensation structure and performance evaluation are in place.

4.2.1 The Board of Directors, with the recommendation of the Executive Committee, will establish a remuneration structure that incentivizes executives and employees of all levels to work in accordance with the main objectives and goals of the organization and in accordance with the company's interests in the long run, this includes:

- (1) Determining the suitability of salary remuneration proportions short-term performance such as bonuses and long-term performance such as employee stock ownership plan.
  - (2) Determination of remuneration factors such as remuneration levels above or equal to industry levels should be taken into account the performance of the Company's business.
  - (3) Establishing policies regarding evaluation criteria and communications to be informed.

4.2.2 The Board of Directors excluding executive directors should play a role in the remuneration and evaluation of the performance of the Chief Executive Officer at least in the following areas:

- (1) Approve the criteria for evaluating the performance of the Chief Executive Officer. The evaluation criteria should incentivize the Chief Executive Officer to meet the main objectives by communicating to the Chief Executive Officer the assessment criteria in advance.
- (2) To evaluate the performance of the Chief Executive Officer annually or may assign the Nomination and Corporate Governance Committee as assessor, and the Chairman of the Board of Directors or senior executive should communicate the results of the decision, including development issues, to the Chief Executive Officer.

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- (3) Approve the annual remuneration of the Chief Executive Officer and should consider the performance assessment of the Chief Executive Officer and other factors including:

- 4.2.3 The Board of Directors will approve the criteria and factors for evaluating the performance including approving the remuneration structure of senior executives and monitoring the Chief Executive Officer to evaluate senior executives in accordance with the assessment principles.
- 4.2.4 The Board of Directors should supervise the criteria and factors for evaluating performance for the entire organization.

#### **Principle 4.3**

The Board of Directors should consider its responsibilities in the context of the Company's shareholder structure and relationships, which may impact the management and operation of the Company.

- 4.3.1 The Board of Directors will understand the structure and relationship of shareholders which may be in the form of agreements within family affairs, whether written or not, or shareholder agreements or policies of the parent group, which affect the control of the management of the Company.
- 4.3.2 The Board of Directors shall ensure that Clause 4.3.1 shall not be an obstacle to the performance of the Board of Directors for example, having the right person as the successor.
- 4.3.3 The Board of Directors shall ensure that the disclosure of information in accordance with the agreements affecting the control of the Company.

#### **Principle 4.4**

The Board of Directors should ensure the company has effective human resources management and development programmes to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

- 4.4.1 The Board of Directors shall ensure that human resource management is consistent with the direction and strategy of the organization. Employees at all levels have the right knowledge, ability, motivation and are treated fairly to retain the organization's talented workforce.
- 4.4.2 The Board of Directors will ensure that the provident funds or other mechanisms are established to ensure that employees have sufficient savings to support retirement, as well as to encourage employees to have an understanding of money management and choosing an investment policy that corresponds to the age range and risk level.

#### **Principle 5 Responsible Business**

##### **Principle 5.1**

The Board of Directors should prioritise and promote innovation that creates value for the Company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Company.

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5.1.1 The Board of Directors will focus on creating a corporate culture and ensure that management is part of the strategy review, planning, development, operational improvement and performance monitoring

5.1.2 The Board of Directors will promote actions to increase the value of the Company according to the ever-changing environmental conditions that may cover the formulation of the business model, how to think about the perspective of designing and developing products and services, research and improving routes and work processes, as well as collaborating with partners.

The above actions should be treated as mutual benefits to companies, customers, partners and does not encourage inappropriate behavior, illegal or unethical activities.

## Principle 5.2

The Board of Directors should encourage management to adopt responsible operations, and incorporate them into the Company's operations plan. This is to ensure that every department and function in the Company adopts the Company's objectives, goals, and strategies, applying high ethical, environmental and social standards, and contributes to the sustainable growth of the Company.

5.2.1 The Board of Directors shall ensure that the Company conducts its business ethically, socially and environmentally responsible. It does not violate the rights of stakeholders to guide all parts of the organization to achieve its objectives. The main goals are sustainability by establishing a code of conduct to cover the following areas:

- (1) Responsibility to employees: It complies with applicable laws and standards and treats employees and employees fairly and respects human rights, including determining fair compensation and other benefits, welfare arrangements that are not less than what is required by law or more as appropriate including healthcare, health and safety at work, training, educating, developing and promoting progress, as well as giving employees the opportunity to develop their skills in other areas.
- (2) Responsibility to customers: It complies with relevant laws and standards and takes into account health, safety, fairness, customer data retention including after-sales service throughout the life of products and services, monitoring customer satisfaction for improving products and services, including advertising, public relations and promotions, must be done responsibly and it shall not mislead or exploit customer misunderstandings.
- (3) Responsibility to partners: by the procurement process and the terms of the contract or fair agreement and giving knowledge and enhancing productivity and providing services to standard including clarifying and ensuring that partners respect human rights and treat themselves fairly and to be socially and environmentally responsible, as well as monitor and evaluate partners for sustainable business development.

- (4) Responsibility to Community: By using knowledge and business experience to develop projects that can enhance the benefits of the community in a concrete way, long-term progress and success are tracked and measured.
- (5) Responsibility to Environment: By preventing, reducing, managing and ensuring that the Company does not create or cause adverse environmental impacts covering the use of raw materials, 3energy consumption, water consumption, renewable resource consumption, greenhouse gas emissions, etc.
- (6) Fair Competition: By conducting business openly, transparently and without unfairly creating competitive advantages.
- (7) Anti-Corruption: It complies with applicable laws and standards and requires the Company to have and publicly announce its anti-corruption policy. The Company may consider joining the Anti-Corruption Network, as well as encouraging other companies and partners to have and announce its anti-corruption policy, as well as to become a networking partner.

**Principle 5.3**

The Board of Directors should ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the Company to meet its objectives.

5.3.1 The Board of Directors will be aware of the need for resources required, as well as recognize that the use of each type of resource affects each other.

5.3.2 The Board of Directors will realize that different business model also have different impacts on resources and it shall be responsible and valued to the Company in a sustainable manner.

5.3.3 The Board of Directors should ensure that in achieving the objectives and main goals of the management business, the management will review, develop and maintain the use of resources efficiently and efficiently, taking into account changes in internal and external factors.

There are at least 4 types of resources that the Company should take into account: financial capital, human capital, social and relationship capital and natural capital.

**Principle 5.4**

The Board of Directors should establish a framework for governance of enterprise IT that is aligned with the Company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company's objectives.

5.4.1 The Board of Directors shall establish a policy on the allocation and management of information technology resources, which covers the allocation of sufficient resources for business operations, and

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the determination of guidelines for support in the event that sufficient resources cannot be allocated as required.

5.4.2 The Board of Directors will also ensure that the risk management of the organization covers the management and management of information technology risks.

5.4.3 The Board of Directors shall establish policies and measures to maintain the security of the information system. The corporate information technology governance and management framework is as well as:

- (1) The Company has complied with the laws, regulations and standards relating to the use of information technology.
- (2) The Company has a data security system with confidentiality, integrity and availability as well as preventing unauthorized use of or altering information.
- (3) The Company considers information technology risks and has measures in place to manage such risks. In areas, such as business continuity management, incident management, asset management, etc.
- (4) The Company has considered the allocation and management of information technology resources. There are guidelines and factors for determining the priorities of the itinerary plan, such as the suitability of the strategic plan, the impact on business operations, the urgency of use, the budget and human resources of information technology, and the compliance with the business model.

## **Principle 6: Strengthen Effective Risk Management and Internal Control**

### **Principle 6.1**

The Board of Directors should ensure that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies, and comply with applicable law and standards.

6.1.1 The Board of Directors will understand the company's significant risks and approve acceptable risks.

6.1.2 The Board of Directors will consider and approve risk management policies (including risk management policies, risk management structures and procedures) that align with the company's objectives, core goals, strategies and risks. It is a framework for the risk management process of everyone in the organization to be in the same direction. The Board of Directors will focus on early warning signs and ensure regular review of risk management policies.

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6.1.3 The Board of Directors will ensure that the Company identifies risks by considering external and internal factors that may prevent the Company from achieving its intended objectives.

The main risks that the Board of Directors will focus on are strategic risks, operational risks, compliance risks, fraud risk, governance risk, information technology risk, financial risk, economic risk, social risk, management risk and political risk.

6.1.4 The Board of Directors will ensure that the Company evaluates the impact and likelihood of the risks identified to rank the risks and has appropriate risk management methods.

6.1.5 The Board of Directors may assign the Audit Committee to review Clauses 6.1.1 – 6.1.4 before proposing to the Board of Directors for consideration.

6.1.6 The Board of Directors will supervise, monitor and review critical risk management reports and provide advice and opinions on risk assessment results, risk management measures, and the company's remaining risk management plans to ensure that risk management is effective and appropriate for the Company's business operations and that risk management can be managed at an acceptable level and in line with the risk management policy.

6.1.7 The Board of Directors is responsible for maintaining that the Company operates in accordance with applicable laws and standards, both domestically and internationally.

6.1.8 In the event that the Company has a subsidiary or other business in which the Company invests significantly (e.g., having a voting shareholding from 20% but not more than 50%), the Board of Directors will also take the internal control and risk management assessment results into consideration in accordance with Clauses 6.1.1 – 6.1.7.

6.1.9 In order for the company's departments to have the same approach to risk management and comply with applicable laws and standards, the Company has appointed the Risk Management Committee with the following scope of authority and responsibilities:

1. Establish the Company's overall risk management policy and structure, which covers significant risks such as financial risks, investment risks, and risks affecting the reputation of the business, etc., to present to the Board of Directors in accordance with the risk management guidelines of the Stock Exchange of Thailand and Institute of Internal Auditors of Thailand.
2. Establish strategies and guidelines for managing the Company's risks in accordance with the risk management policy so that each type of risk can be assessed, monitored and controlled to an acceptable level of which all departments shall involve in risk management and control.

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3. Oversee and monitor compliance with risk management policies under guidelines and policies approved by the Board of Directors.
  4. Set risk gauges and risk ceilings that the Company will accept.
  5. Establish measures to be used to manage risks according to circumstances.
  6. Assess risks at the organizational level and determine how they are managed to an acceptable level, as well as supervise risk management according to the prescribed methods.
  7. Review risk management policies and improve them to be effective and effective enough to control risks.
  8. Have the power to summon relevant persons to clarify or appoint and define roles that give employees at all levels the duty to manage risks as appropriate and report to the Risk Management Committee in order for risk management to achieve its objectives.
  9. Report on management This includes adjustments to comply with the policies and strategies prescribed to the Audit Committee for review and regularly presented to the Board of Directors.
  10. Prepare the annual enterprise risk management manual.
  11. Integrated risk management system to link information systems.

#### **Principle 6.2**

The Board of Directors shall establish the Audit Committee that can act effectively and independently.

6.2.1 The Board of Directors shall establish the Audit Committee consisting of at least 3 directors, all of whom must be independent directors and have qualifications and duties in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

6.2.2 The Board of Directors will establish the duties of the Audit Committee in writing with the following duties:

1. Review financial reports to ensure accuracy and reliability, including adequate disclosure of information by coordinating with external auditors and executives responsible for the preparation of quarterly and annual financial reports.
2. Review the Company's internal control system and internal audit to be appropriate and effective, and consider the independence of the internal audit unit, as well as approve the

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appointment, relocation, dismissal of the head, internal audit agency or any other agency responsible for internal audit, and may suggest that reviewing or reviewing any transactions deemed necessary and important, and bringing recommendations on the improvement of the internal control system that is important and necessary to propose to the Board of Directors by reviewing with external auditors and internal audit managers.

3. Review the compliance with securities and exchange laws or the Stock Exchange of Thailand's regulations, policies, rules and other laws relating to the Company's business.
4. To consider, select and propose the appointment of independent persons to act as auditors, as well as to consider the remuneration of the Company's auditors to the Board of Directors, including attending meetings with auditors without management attending the meeting at least once a year.
5. Review the Company's internal audit plan in accordance with generally accepted methods and standards.
6. Consider connected transactions or transactions that may have conflicts of interest in accordance with the laws and regulations, as well as disclosure of the Company's information in order to ensure that the transaction is reasonable and in the best interests of the Company.
7. Review the Company's appropriate and effective risk management system.
8. Report on the audit committee's performance at least 4 times a year.
9. Prepare audit committee reports as disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and must contain at least the following information:
  - a) Opinions on accuracy, completeness, and trust of the Company's financial reports;
  - b) Opinion on the adequacy of the Company's internal control system;
  - c) Opinions regarding compliance with securities and exchange laws, regulations of the Stock Exchange of Thailand or laws relating to the Company's business;
  - d) Opinion on the suitability of the auditor;
  - e) Opinions about transactions that may have conflicts of interest;
  - f) The number of meetings of the Audit Committee and the attendance of each member of the Audit Committee;



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- g) Opinions or overall remarks received by the Audit Committee in accordance with the Charter; and
  - h) Other items that shareholders and investors should be aware of within the scope of duties and responsibilities assigned by the Board of Directors.
- 10. Prepare a joint report to review the appointment, removal, evaluation of the work of internal audit officers.
  - 11. In order to perform its duties, the Audit Committee has the power to invite management, management, or employees of the relevant companies to provide their opinions attend meetings or submit documents deemed relevant or necessary.
  - 12. To have the authority to hire consultants or third parties in accordance with the Company's regulations to provide opinions or consultations in case of necessity.
  - 13. The Audit Committee must evaluate the performance by self-assessment and report the results along with operational obstacles that may cause the operation to not achieve the objectives of establishing an audit committee to the Board of Directors every year and
  - 14. Review and revise the Audit Committee Charter at least once a year.
  - 15. Perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.
- 6.2.3 The Board of Directors shall ensure that the Company provides mechanisms or tools that will allow the Audit Committee to access the information necessary to perform its assigned duties, such as allowing the Audit Committee to summon the relevant parties for information. To discuss with the auditor or seek independent opinions from other professional advisors for the consideration of the Audit Committee.
- 6.2.4 The Board of Directors shall establish an independent person or internal audit body to perform its duties as responsible for developing and reviewing the effectiveness of the risk management system and internal control, as well as reporting to the Audit Committee and disclosing the review report in its annual report.
- 6.2.5 The Audit Committee must consider the adequacy of the risk management and internal control system and disclose it in its annual report.

The Board of Directors should manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The Board of Directors should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

6.3.1 The Board of Directors shall supervise the security system of information, including establishing confidentiality policies and procedures, maintaining integrity and availability as well as managing information that may affect market sensitive information. The executives, senior executives and employees, as well as related third parties such as legal advisors, financial advisors shall also comply with the data security.

6.3.2 The Board of Directors shall ensure that the management and monitoring of transactions that may have conflicts of interest, as well as to ensure that such transactions are carried out in accordance with the procedures and disclosures as required by law and in the interests of the Company and its shareholders as a whole, and stakeholders should not participate in decision-making.

6.3.3 The Board of Directors shall provide a requirement for the Directors to report their interests at least before considering the agenda of the Board of Directors' meeting. and recorded in the minutes of the Board of Directors' meetings. The Board of Directors shall ensure that directors have significant stakeholders in a manner that may prevent such directors from commenting independently, refraining from participating in the meeting for consideration in that agenda.

#### **Principle 6.4**

The Board of Directors will oversee the preparation of clear anti-corruption policies and practices and communicate at all levels of the organization and to outsiders in order to be implemented. This includes supporting activities that promote and cultivate all employees to comply with applicable laws and regulations.

#### **Principle 6.5**

The Board of Directors should establish a mechanism for handling complaints and whistleblowing.

6.5.1 The Board of Directors shall supervise the mechanisms and procedures for handling stakeholder complaints and ensure that there is a convenient channel for receiving complaints more than one channel, as well as disclose complaint channels on the website or annual reports.

6.5.2 The Board of Directors shall ensure a clear policy and guidelines for identifying clues and should establish a channel for whistleblowing via (1) directly to the Board of Directors through the Company Secretary and/or (2) directly to the Audit Committee via the following channels: The Company will keep the complainant's information confidential.

**Company Secretary Department**

- Telephone : 02-363-9300 ext. 9300 – 9302
- E-mail : [cs@siamraj.com](mailto:cs@siamraj.com)
- Postal mail to the Company's address with attention to the Company

The Company believes that employees are the main factor and a valuable resource in the business to ensure fair and equality of the process. Therefore, the Company has opened channels for employees to file complaints as well as provide protection to employees who file complaints, and/or witnesses who provide information from unfair practices such as relocation of duties, disciplinary action, etc. The procedures are specified in the Employee Handbook and work regulations and are announced to employees in general through their-mails and in the DIGIDOCs system.

6.5.3 The Board of Directors will ensure appropriate protection measures are in place for whistleblowers with good faith intent.

**Principle 7: Ensure Disclosure and Financial Integrity****Principle 7.1**

The Board of Directors must ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.

7.1.1 The Board of Directors will ensure that personnel involved in the preparation and disclosure of information are knowledgeable, skills and experience that are suitable for duties, responsibilities and sufficient amounts. Such personnel include the chief executive of accounting and finance, accountants, internal auditors, company secretaries and investor relations.

7.1.2 In order to approve the disclosure, the Board of Directors should take into account the relevant factors in the case of financial reports it shall consider at least the following factors:

- (1) Evaluation of the adequacy of the internal control system
- (2) Opinions of the auditors in financial reports and observations of the auditor regarding the internal control system, as well as observations of the auditor through other channels of communication (if any).
- (3) Opinion of the Audit Committee
- (4) Compliance with the company's objectives, key goals, strategies and policies.

7.1.3 The Board of Directors will oversee the disclosure of information, which includes financial statements and the Annual Report (56-1) adequately reflects the financial position and performance, as well as encourages the Company to provide an explanation and analysis of management discussion and analysis or MD&A in order to disclose the financial statements quarterly so that investors can better understand the changes to the Company's financial position and performance in each quarter. In addition to the numerical data in the financial statements alone.

7.1. 4 In the event that the disclosure of any information relating to a particular director, the directors shall ensure that the disclosure of their part is complete and accurate, such as the shareholder information of their group and disclosure in connection with the Group's shareholders' agreement.

#### **Principle 7.2**

The Board of Directors should monitor the company's financial liquidity and solvency.

7.2. 1 The Board of Directors will ensure that management monitors and evaluates the company's financial position and regularly reports to the Board of Directors. The Board of Directors and management will find a solution quickly if there are signs of financial liquidity problems and debt repayment capacity.

7.2.2. To approve any transaction or to propose an opinion to the shareholders' meeting for approval, the Board of Directors will ensure that such transactions do not affect the continuity of operations, financial liquidity or debt repayment capacity.

#### **Principle 7.3**

In the face of financial difficulties or likely problems, the Board of Directors will ensure that the Company has a plan to resolve the issue or that there are other mechanisms in place to solve financial problems under respect of stakeholder rights.

7.3.1 In the event that the Company is likely to be unable to repay debts or have financial problems, the Board of Directors will closely monitor and ensure that the Company conducts its business with caution and complies with disclosure requirements.

7.3.2 The Board of Directors will ensure that the Company sets out a financial resolution plan that takes into account fairness to stakeholders, including creditors, as well as to monitor problem solving by regularly managing status reports.

7.3.3 The Board of Directors shall ensure that the consideration of any decision to resolve the Company's financial problems in any way shall be reasonable.

#### **Principle 7.4**

The board should ensure sustainability reporting, as appropriate.

7.4.1 The Board of Directors will consider the appropriateness of disclosure of information in accordance with the law and in accordance with the Code of Conduct, Anti-Corruption Policy and the treatment of employees and stakeholders, as well as fair treatment and respect for human rights, as well as social and environmental responsibility. This information may be disclosed in the annual report or may be prepared in a separate book as appropriate by the Company.

7.4.2. The Board of Directors will oversee the disclosure of important information and reflect the practices that will lead to sustainable value creation for the Company.

#### **Principle 7.5**

The Board of Directors shall supervise management to provide an unit or person responsible for investor relations that communicates with shareholders and other stakeholders such as investors, analysts, appropriately, equally and timely.

7.5.1 The Board of Directors shall establish communication policy and disclosure policy to ensure proper communication and disclosure of information to third parties equally, timely and use the appropriate channel. The Board of Directors shall establish communication policy and disclosure policy to ensure proper communication and disclosure of information to third parties. The Company also communicates with the entire organization to comply with such policies.

7.5.2 The Board of Directors shall determine the person responsible for providing information to third parties, understand the company's business, including its objectives, core goals, values and ability to communicate well with the capital market.

7.5.3 The Board of Directors will ensure that management determines the direction and supports investor relations tasks, such as establishing principles for providing information, policy on the use of internal information and clearly define the duties and responsibilities of investor relations to ensure effective communication and disclosure.

7.5.4 The Company values the opinions that investors and the general public have on the Company. Therefore, the Company established an investor relations department to serve as a central channel for communicating information between the Company and investors, including shareholders. The investment relations are the central channel of two-way communications of which it is the dissemination of company information to investors. The information published must be accurate, complete, and timely for the decisions made by investors, and on the other hand, to hear feedback and feedback from investors and to be presented to the Board of Directors and to the Board of Directors to acknowledge investors' views on the Company. The report is on a quarterly basis.

Investor Relations has a clear operational plan. Performance indicators are provided to see the development of tasks, such as the number of meetings with investors, number of roadshow events

participating in analyst meetings, participation in the Opportunity Day of the Stock Exchange of Thailand, and how long does it take to update website information. In addition, annual satisfaction surveys are conducted to better improve the quality of services provided to investors.

In case shareholders and investors interested in the Company, for more information, please contact Investor Relations at telephone: 02-363-9300 ext. 7101 or email address: nattanont.k@siamraj.com

**Principle 7.6**

The Board of Directors should ensure the effective use by the company of information technology in disseminating information.

7.6.1 In addition to disseminating information in accordance with certain criteria and through the channels of the Stock Exchange of Thailand, the Board of Directors will consider the disclosure of information in both Thai and English through other channels such as the Company's website by doing so appropriately and presenting up-to-date information.

The Company will disclose at least the following information on its website:

- (1) Vision and values of the Company;
- (2) Nature of business of the Company;
- (3) List of Board of Directors and Executives;
- (4) Financial statements and reports on the current financial position and performance and the previous year;
- (5) Form 56-1 and annual report available for download;
- (6) Information or other documents presented by the Company to analysts and fund managers or media;
- (7) Direct and indirect shareholding structure;
- (8) Group structure including subsidiaries, associated company, joint ventures and special purpose enterprises/vehicles (SPEs/SPVs);
- (9) A group of major shareholders directly or indirectly holding shares from 5% of the total number of shares sold and have the right to vote;
- (10) Direct and indirect shareholding of directors, major shareholders, senior executives;

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- (11) Invitation to the Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders;
  - (12) Articles of Association and Memorandum of Association;
  - (13) Corporate Governance Policy, Anti-Corruption Policy, Information Technology Security Policy and Risk Management Policy;
  - (14) Charter or duties, responsibilities, qualifications, term of office of the Board of Directors, including matters that must be approved by the Board of Directors and Charter or responsibilities, qualifications, term of office of the Audit Committee and the Nomination and Remuneration Committee;
  - (15) Code of Conduct; and
  - (16) Contact information or complaints or persons responsible for investor relations, company secretary, such as the name of the person who can provide the information such as telephone number or e-mail.

**Principle 8: Ensure Engagement and Communication with Shareholders**

**Principle 8.1**

The Board of Directors should ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.

8.1.1 The Board of Directors will ensure that important matters in both the law and issues that may affect the company's operational direction are considered and/or approved by shareholders. The important matters are incorporated as agenda items for the AGM.

8.1.2 The Board of Directors will support shareholder participation, such as:

- (1) Determination of the criteria for minority shareholders to propose additional agenda items prior to the date of the shareholders' meeting. To promote fair and equitable treatment of shareholders by giving a combined single or multiple shareholder the right to hold at least 5% of the company's total voting rights, the Company will publish these criteria on the Company's website and inform the news via the Stock Exchange of Thailand website by allowing shareholders to propose agenda or nominate directors within the company's term. The Board of Directors shall consider the matters proposed by the shareholders as agenda items, and if the Board of Directors rejects the proposed matter as the agenda, the Board of Directors must inform the shareholders' meeting of the reasons.
- (2) Criteria for minority shareholders to nominate candidates to be directors.

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The Board of Directors will ensure that the criteria are disclosed to shareholders in advance.

8.1.3 The Board of Directors will ensure that the notice of the shareholders' meeting contains accurate information. The Company assigned the Securities Depository (Thailand) Co., Ltd. which is the securities registrar of the Company, to deliver the invitation letter to the shareholders.

8.1.4 The Board of Directors will ensure that the notice of the shareholders' meeting with relevant documents be submitted and published on the Company's website ([www.siamrajathanee.com](http://www.siamrajathanee.com)) 30 days prior to the meeting date.

8.1.5 The Board of Directors will allow shareholders to submit questions in advance of the meeting date by determining the criteria for submitting the inquiry in advance and publishing the criteria on the Company's website.

8.1.6 The notice of the shareholders' meeting and related documents will be prepared in English in and published together with the Thai version.

The notice of the shareholders' meeting consists of the following statements:

- (1) Date,time and venue of the shareholders' meeting
- (2) Agenda items and matters to be presented to the meeting, stating that the agenda is for a knowledement or approval, as well as clearly divided into matters such as in the agenda concerning directors, the election of directors and the approval of remuneration of directors have been separated into individual agenda items.
- (3) Objectives and reasons and opinions of the Board of Directors on each agenda item proposed, including:
  - a. Dividend Payment Agenda – Dividend Policy and the proposed dividend rate is paid for reasons and accompanying information in case of offering to refrain from paying dividends, explain the reasons and accompanying information.
  - b. Appointment of Directors Agenda – Specify the name, age, education and work history, number of listed companies and general companies of which such nominated person serve as directors. Recruitment guidelines and procedures. In the event of the re-nomination of the former director, the Company shall provide information on the attendance of the meeting last year and the date of appointment as a director of the Company.
  - c. Remuneration of Directors Agenda – Policies and criteria for determining the remuneration of directors for each position and all forms of remuneration including money and other benefits.



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- d. Appointment of Auditors Agenda – The name of the auditor, the audit company's name with the work experience. The independence of the auditor, the audit fee and other service charges.
  - (4) Proxy form prescribed by the Ministry of Commerce
  - (5) Other meeting information such as annual report, voting process, counting and informing votes, the right of each type of share to vote, information of independent directors proposed by the Company as proxies and the required documents by shareholders prior to attending the meeting and a map of the meeting venue, etc.

### Principle 8.2

The Board of Directors should ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.

- 8.2.1 The Board of Directors will determine the date, time and venue of the meeting, taking into account the convenience of attending the shareholders' meeting, such as the appropriate meeting period and sufficient time for discussion and meeting venues are convenient for travel, etc.
- 8.2.2 The Board of Directors will ensure that no action is taken that limits the chances of attending the meeting or overloads the shareholders, such as not requiring shareholders or proxies to bring documents or proof of presence beyond those set out in the relevant regulatory practices. This is to preserve the right for inconvenient shareholders to attend the meeting on their own. The company will deliver the proxy form. Form A, Form B, and Form C are attached to the invitation letter and clearly indicate the documents required to be provided in the proxy. Shareholders can assign representatives of shareholders or independent directors of the Company to attend the meeting and vote on their behalf at the shareholders' meeting. In addition, the Company will publish invitations to shareholders' meetings and proxy statements, along with details and procedures on the Company's website.

In addition, the Company has a policy to facilitate and encourage shareholders to attend shareholder meetings. By giving shareholders the right to deliver a proxy to an independent director in advance of the meeting date. This is not required to be submitted on the day of the shareholders' meeting only and to encourage institutional investors and/or custodians to attend the shareholders' meeting. The Company has provided an opportunity to review the list. Information and documents required to register to attend the meeting before the date of the shareholders' meeting, including arranging the company's staff to receive proxy statements and supporting documents from institutional investors. If the shareholder requests to the Company

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- 8.2.3 The Board of Directors will promote the adoption of technology for shareholders' meetings, including shareholder registration, vote counting and display, so that the conduct of the meeting can be done quickly and accurately. The Company provides shareholders with the opportunity to register approximately 2 hours in advance of the meeting and use barcode system to register and count votes for transparency. Shareholders can also register to attend the meeting at any time to exercise their voting rights in agenda items that have not yet been considered.
- 8.2.4 The Chairman of the Board of Directors shall preside over the shareholders' meeting. It is responsible for overseeing the meeting in accordance with the law, the Company's relevant rules and regulations and it shall allocate time for each agenda item set out in the notice of the meeting appropriately and allow shareholders to express their opinions and consider the meeting in matters relating to the Company.
- 8.2.5 In order for shareholders to make decisions on important matters, directors as attendees and as shareholders do not support the additional agenda items which is not notified in advance. It is important that shareholders spend time studying the information before making a decision.
- 8.2.6 Encourage all directors and related executives to attend the meeting so that shareholders can ask questions on related issues.
- 8.2.7 Before the start of the meeting, the secretary of the meeting will advise the Board of Directors, executives, auditors of the Company and legal advisors who act as intermediaries and vote counters. Then, the Company should notify shareholders of the number and proportion of shareholders attending the meeting in person and of the proxy shareholders, how to set up meetings, voting, and vote counting. The meeting will be in order of agenda as provided in the notice of the meeting. There is no sudden change or addition of the agenda on the day of the meeting and allows each shareholder to express their opinions, ask questions equally, freely and it shall answer the questions to the point and also, give the debate some time.
- 8.2.8 In the event that there are multiple agenda items, the chairman of the meeting shall hold a separate resolution on each agenda, such as the shareholder exercising the right to appoint directors individually in the term of appointment of directors.
- 8.2.9 The Board of Directors will encourage the use of ballots on important agenda items and encourage independent parties to count or monitor votes at meetings and disclose the results of the votes agreed, disagree and abstain from voting. In each agenda, the meeting shall be informed and recorded in the minutes of the meeting. For the vote on the appointment of directors and the agenda of the meeting that requires a resolution from the shareholders, the Company has organized ballot voting and allowed shareholders to vote on the election of directors one by one using ballots for the term.
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**Principle 8.3**

The Board of Directors shall ensure that the disclosure of the resolutions of the meeting and the preparation of the minutes of the shareholders' meeting shall be accurate and complete. The Company does not discriminate against a particular group of shareholders. Shareholders have equal access to the Company's information, which is disclosed to shareholders and the public through the Company's website at [www.siamrajathanee.com](http://www.siamrajathanee.com) or please contact at 0-2363-9300 Ext. 8000 / 084 324 3083 or email address: [ir@siamraj.com](mailto:ir@siamraj.com)

8.3.1 The Board of Directors shall ensure that the Company discloses the resolutions of the shareholders' meeting with the results of the vote on the same day as the meeting date or as late as 9.00 a.m. on the next business day.

8.3.2 The Board of Directors will ensure the delivery of minutes of the shareholders' meeting to the Stock Exchange of Thailand within fourteen (14) days from the date of the shareholders' meeting as well as publish the minutes on the Company's website at [www.siamrajathanee.com](http://www.siamrajathanee.com)

8.3.3 The Board of Directors will ensure that the minutes of the shareholders' meeting record at least the following information:

- (1) List of directors and executives attending the meeting and proportion of directors attending the meeting do not attend a meeting.
- (2) Voting method and voting counting, resolutions of the meeting and the results of the vote (approved, disapproved, abstained) of each agenda item.
- (3) Questions and answers at the meeting, including the name and surname of the questioner and respondent.

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## Code of Conduct

To comply with the good corporate governance principle of Siamrajathanee Public Company Limited (the “Company”), the Company has determined the standard of code of conduct for the managements and employees to comply with it together with the Company’s Articles of Association and rules by aiming that the management and operation of the Company shall be transparency, fairness, efficiency, honorable and prestige for the confidence and trustworthy of business partners, customers, and general public. Details of the code of conduct are as follows:

### 1. Business Ethics

The Company shall comply with and shall procure its employees to comply with the business ethics as follows:

- (1) To carry out the business with integrity, honesty and responsibility to the society in the area of laws, ethics, and attempting to do good for individuals, community, society and environment.
- (2) To treat customer fairly on goods and services without discrimination.
- (3) To carry out the business by implementing the standard operation system with good control and to use knowledge and expertise with discretion and sufficient information and evidences including to comply with laws and regulations strictly.
- (4) To not disclose the customer’s information received from the business operation of which such information under the normal circumstance, shall not be disclosed unless the disclosure will be required by laws.
- (5) To create channel for the customer’s complaint on the incomplete of goods and services.
- (6) To disclose information of goods and services accurately and completely.
- (7) To comply with terms and conditions of customers with fairness if the Company is not able to comply with the terms and conditions, the Company shall notify such customer to find the solution.

### 2. Best Practices of Executives

All executive officers shall comply with the rules, regulations, notifications and orders of the Company and the supervisors at the above level as follows:

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- (1) To support the policy and compliance with the rules, regulations, orders, notifications or circular letter of the Company which have been announced to all employees for acknowledgment.
  - (2) To perform duties with integrity and fairness including to report any circumstances that may create any damages in reputation and properties of the Company without delay.
  - (3) Be polite, respectful and respectful to colleagues.
  - (4) To perform duties with determination and compliance with rules and corporate governance of the Company to be the good example for all employees in order for the Company to be successful and to comply with morality.
  - (5) To maintain the benefits and confidentiality of the Company, customers or other relevant business activities of the Company which shall not be disclosed strictly. For the disclosure of information regarding the financial business and the personal, the Company shall comply with the accurate and proper practice with the permission only and it shall perform with thoughtful and efficient. Therefore, during the employment and after the termination of employment, all employees shall keep the forgoing information as confidential information if any employees disclose or circulate to other person or use such confidential information other than the performance of duties for the Company, such employee shall be liable for any actual damage to the Company.
  - (6) To maintain and prevent the assets of the Company from any damage or loss whether arising from persons or disasters including it shall not use any goods whether equipment or properties of the Company for personal purpose or benefit of third party.
  - (7) To manage the business operation with morality and ethics including to support the creation of moral and ethics in all level of the Company and to monitor and solve any conflict of interest that may occurs in the Company.
  - (8) To supervise subordinates closely with fairness and without prejudice.
  - (9) To be ready to work as a team and be able to listen the opinions of others.
  - (10) To comply with, support and supervise employees under the supervision to comply with rules, discipline, and Articles of Association of the Company in the usage of computer system, computer information, computer traffic information strictly in order for the usage of Company's computers to comply with the laws concerning computer, copyright or other relevant laws, and to prevent any damage on reputation and image of the Company.

**3. Non-desirable Practice of Executives**

All executive officers shall not perform their duties in any manners which will create any loss of the Company and himself or herself as follows:

- (1) Spending the Company's working time for other things or personal benefits.
- (2) To carry out the same business and such business is competitive with the Company's business whether for the personal or other benefits or being a controlling shareholder of such business that may create any loss to the Company whether direct or indirect.
- (3) Behave in any manners that may create any loss to position or reputation of the Company.
- (4) To inform or use inaccurate information or to not disclose accurate information to the Company.
- (5) To perform duties with negligence or take any actions which are inappropriate for the good duties of the executive to achieve the successful of works with integrity.
- (6) To not disclose or mislead the fact in order to receive the benefits for itself or other persons which may create loss to the Company whether direct or indirect.
- (7) To disrupt or act in any way that impedes the performance of the company's authority or issues any orders to employees to act unlawfully or unethically.
- (8) Breaking civil and criminal laws that damage oneself or others. Whether intentionally or not.
- (9) To disclose wages or salaries The rate of salary increases of themselves or of others. Whether intentionally or not.
- (10) To receive or consent to receive assets or other benefits from customers, traders, partners, competitors, or any other person who does business with the Company or hospitality, which proves that it exceeds the appropriateness, except for traditional gifts or business reception as usual, or the cost of promoting business that brings commercial reputation in exchange for fair exchange, they exceed the appropriate means of receiving assets or other benefits from customers, Traders, partners, competitors, or anyone else who does business with the Company or hospitality, which proves to be beyond reasonable, except for traditional gifts or business receptions, or the cost of promoting a business that brings a commercial reputation as a customary exchange, if they are worth more than THB 20,000, they must immediately notify the supervisor from the supervisor. However, if they exceed THB 20,000, they must be notified to the level supervisor immediately.

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- (11) To bribes, either directly or through third parties, and/or improperly influence government agents; This conflicts with the Company's policies.
  - (12) To take any additional, truncated or corrective actions in any record or information to alter or misrepresent performance and record the accounting to be intentionally misrepresented for any purpose.
  - (13) Payment or management of the business with the intent or to understand that part of the payment or management of the business; There are purposes other than those specified in the document for payment or business management.
  - (14) Being a person who is an insolvent or has any reasons under the laws to assume that there is an insolvent.
  - (15) Does not maintain the intellectual property information of the Company or that the Company acquires from the performance of employee duties.
  - (16) To infringe the works and intellectual property of others.
  - (17) To perform any act that unlawfully exploits oneself or others.
  - (18) To request the non-purchasing department for support from merchants or partners (if it is necessary to request such support for the benefit of the Company, the department shall discuss with the purchasing line to be responsible for the operation, except for marketing activities, marketing and business development are responsible).
  - (19) To acts that neglect or facilitate any person who exploits or accesses or interferes with computer systems, computer information, information regarding the Company's computer traffic, abused or without the company's permission, or intentionally, supports, consents to the occurrence or existence of service provider offenses under computer law or copyright law or other applicable laws.

#### **4. Imposing Penalties on Executives**

- (1) Non-serious violations: Executives will receive a written warning letter that identifies the nature of the breach as well as the reasons that rely primarily on the breach, giving the executive the opportunity to dispute the allegations against the supervisor. If the issue is not resolved, present the matter to the Board of Directors for consideration and hold the decision of the Board of Directors finally. If there is a second violation, or the executive does not correct the offence from the initial breach as received the warning letter, the company will not be able

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to resolve the breach in the first place. Such executives will be subject to strict disciplinary action, which may include dismissal.

- (2) Serious violations, including the following violations, such as giving or receiving bribes, fraud, Disclosure of confidential information or intellectual property of the Company to third parties and any actions that degrade the Company's honor or conceal or not report any sensitive information, discussions or documents to supervisors. The Company may consider termination without compensation and without the need to issue a written warning letter first.

## **5. Best Practice of Employees**

To support good environment of working and efficient, the employees shall comply with the following practices:

Employees shall work with integrity and due diligence and improve productivity. This is for the benefit of ourselves and the company.

- (1) Employees shall strictly comply with the company's work regulations and regulations.
- (2) Employees shall respect and obey supervisors who command favors the company's policies and regulations.
- (3) Employees shall respect their rights and respect each other, avoiding the disclosure of information or stories of others in terms of performance and personal matters in a way that will cause damage both to employees and to the Company.
- (4) Employees should avoid receiving any gifts that may make themselves uncomfortable on their duties in the future. If this is inevitable, notify the supervisor immediately.
- (5) Employees shall not use their position or benefit being received from the duties to earn any personal or third party benefits or to complete the Company's business.
- (6) Employees shall treat customers and business partners with integrity and equality.
- (7) Employees shall keep the information of customers, business partners and organization as confidential information strictly.
- (8) Employees shall report any information to their supervisor without delay after knowing that such matter may impact operations or reputation of the Company.
- (9) Employees shall protect the rights and benefits and properties of the Company in good conditions and it shall use such properties in full benefits, with efficient, and shall not create any loss or waste or deterioration before the appropriate period.



**6. Disciplinary Actions**

If any employees perform duties in manners that may create any conflict of interest with the Company, the Company shall consider it in accordance with the organization structure and work rules and each department can preliminarily consider the inappropriate manner internally and shall provide the result to the senior supervisor and relevant line of work for disciplinary actions with appropriate penalty. However, if such conflict of interest is serious and create significant damages and the responsible department cannot manage it, it shall propose this matter to the management of the Company for conclusion and determining the penalty.

**Penalties**

- (1) Verbal warning
- (2) Writing warning
- (3) Reduction of wage
- (4) Suspension
- (5) Termination without severance pay according to the laws concerning labor protection
- (6) Prosecution



SIAMRAJATHANEE PUBLIC COMPANY LIMITED

Attachment 6

## Audit Committee Report

## Attachment 6

### Audit Committee Report

The Audit Committee of Siamrajathanee Public Company Limited (the “Company”) consists of three Independent Directors who are the expert with the experience and qualification in accordance with the requirements of the Capital Market Advisory Board whereby Mr. Udomsak Rojviboonchai is the Chairman of the Audit Committee and Mr. Nattakit Tangpoonsinthana, Ph.D. and Mr. Supachai Parchariyanon, M.D. are the member of the Audit Committee. The Audit Committee performs its duties under the scope, duties and responsibilities as assigned by the Board of Directors. In 2020, the Audit Committee held 4 meetings on a regular basis and for 1 of all meetings, such meeting with auditor did not have the management team and operating team attend the meeting in accordance with the Stock Exchange of Thailand’s regulations, in order to provide recommendations on the relevant matters of which it had received a good cooperation from the management team, the internal auditor and the auditor of the Company, the key details of the meeting and independent recommendations are as follows:

- **Financial statements’ review**

The Audit Committee has reviewed the quarter financial statements and the annual financial statement for the year ended 2021 of the Company including the consolidated financial statements with the auditor and the management team. The review focused on the significant transactions and the significant changes of transactions to ensure that the financial statements has been prepared in accordance with the accounting standard and has been disclosed in full, accurate, appropriate, in time and beneficial to the shareholders and other persons who will be beneficial from the financial statements.

- **Internal control system’s review**

The Company gave importance to the internal control system therefore the Company engaged the independent internal auditor who was reputable and professional according to the profession standard and was able to perform the internal audit works effectively as well as no conflict of interest with the Company and independent in reporting the information and fact to the Audit Committee which would assist the supervision of the organization and internal control system and risk management of the Company effectively. IVL Audit Company Limited has been selected to act as the independent internal auditor and the Audit Committee has procured the assessment of internal control system and risk management to achieve the acceptable level. The Audit Committee has resolved that the internal control system and the risk management were adequate and has also resolved to approve the annual internal audit plan, the internal audit report including the monitoring of the improvement of performance as audited by the independent internal auditor and the providing of recommendations for the benefit of improvements with efficiency and effectiveness.

- **Compliance with the laws concerning securities and exchange, the Stock Exchange of**

**Thailand’s regulations and the supervision of compliance with the relevant laws and regulations**

The Audit Committee has reviewed the result of the compliance with the laws concerning securities and exchange, the regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board, the accounting standard including the applicable laws relating to the Company's business operation to ensure that the Company has complied with the relevant laws and regulations. The Audit Committee has resolved that the Company has complied with the relevant laws and regulations accurately.

- **Supervision of transaction which may have the conflict of interest**

The Audit Committee has reviewed the related party transactions of the Company and its subsidiaries and the transactions between the group's Company to ensure that such transactions were reasonable and beneficial to the Company and in accordance with the laws and regulations of the Stock Exchange of Thailand of which the Audit Committee has resolved that such transactions have been made in accordance with a normal business conditions including it has been disclosed the information sufficiently, and the Audit Committee's opinions have been provided to the management team as the guideline on standard of performance.

- **Reporting to the Board of Directors**

The Audit Committee has reported the performance of the independent internal auditor to the Board of Directors on a quarterly basis and has also provided recommendations which were beneficial to the operation of the management team of which the management team has improved its performance properly.

- **Internal control systems' review**

The Audit Committee and the auditor held the meeting together and it has resolved that there were no significant issues relating to the financial report and performance of the auditor. Therefore, the Audit Committee has proposed to the Board of Directors for consideration and approval and subsequently, proposing to the shareholders' meeting for the approval of appointment of auditor and audit fee for the fiscal year 2021 of which the nominated auditor was EY Office Limited for the accounting period ending 31 December 2021. The auditor shall include Miss Pimjai Manitkajohnkit, the Certified Public Accountant No. 4521 and/or Miss Rungnapa Lertsuwankul, the Certified Public Accountant No. 3516 and/or Miss Orawan Techawatanasirikul, the Certified Public Accountant No. 4807 and/or Miss Rosaporn Decharkom, the Certified Public Accountant No. 5659 to perform the audit and to provide opinion to the financial statements of the Company due to the past performance of this audit firm was in accordance with the profession standard, and this audit firm understood the company's business and delivered the works on time regularly.

The auditors had the qualification in accordance with the requirements of the Office of the Securities and Exchange Commission. In addition, this audit firm and auditors had no relationship and no conflict of interest with the Company, subsidiaries, managements, major shareholders or connected persons.

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The Audit Committee has resolved that in 2020, the Company has procured the sufficient and appropriate internal control system and internal audit including the procedure to ensure that the Company's performance was in accordance with the relevant laws and the Company has prepared and disclosed the financial information of the Company accurately, completely and reliably.

21 February 2022

On behalf of the Audit Committee



Mr. Udomsak Rojviboonchai

Chairman of the Audit Committee

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