

THE FIRST AND FAST GROWING IT SECURITY COMPANY IN THAILAND





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On July 1, 2021, nForce Secure Public Company Limited (SECURE) had the first day trade in technology sector in Market for Alternative Investment (MAI) with the stock value 1,644 million Baht (at IPO Price).

SECURE is the group of companies that is a distributor of cybersecurity solution products and services related to the products that the Company distributes.



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Vision and Mission

VISION

To be the Leader in Cyber Security Solutions to protect business and organizations by highly secured innovation, aiming to be the Regional Leader.

MISSION

To be the distributor of Cyber Security Solutions with quality and high-technology services, care for stakeholders and employees' wellbeing, building up alliance to enhance business opportunity.



Products & Services of the Company business

NFORCE SECURE PUBLIC COMPANY LIMITED

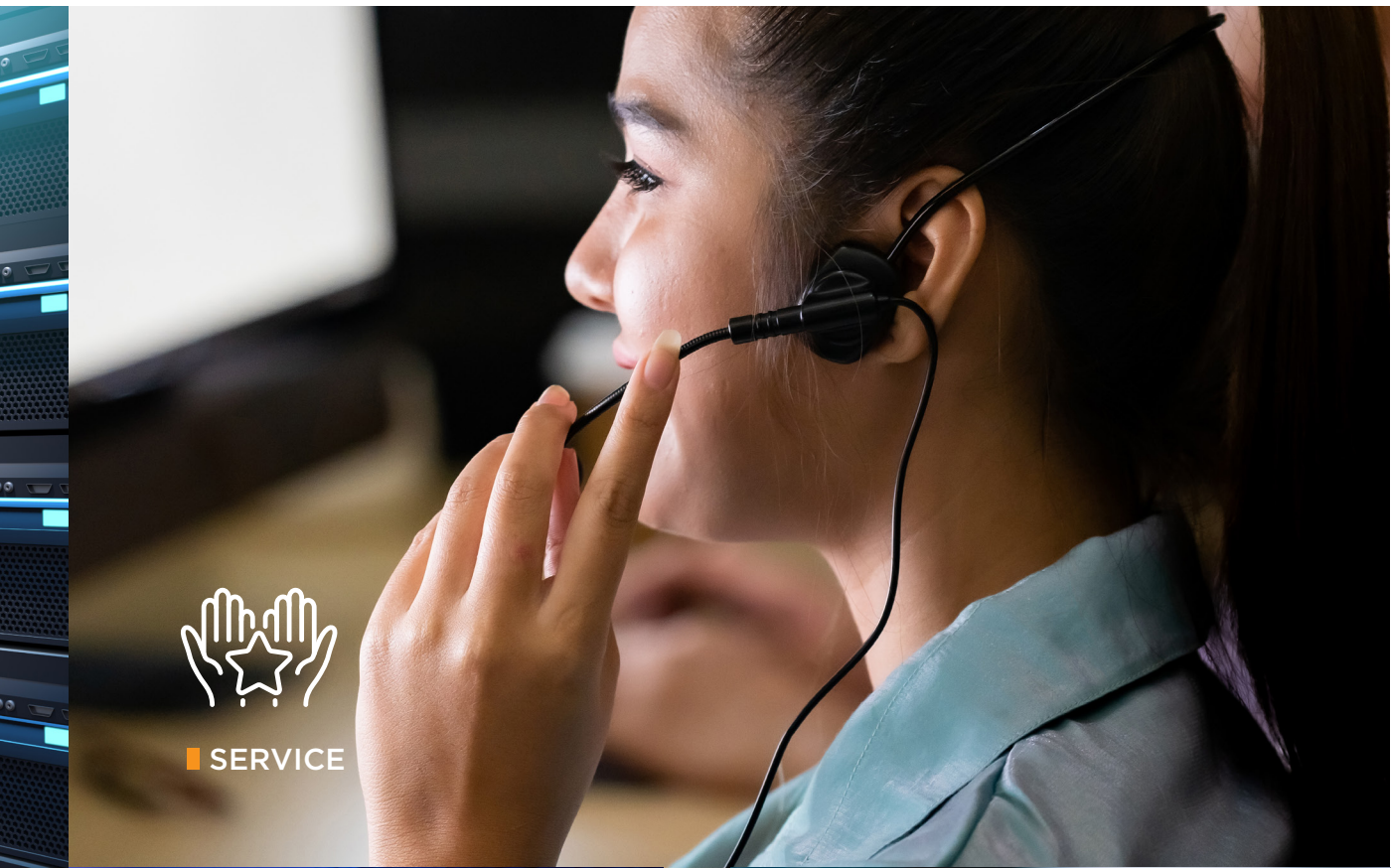
Distributor of Cybersecurity Products and related Network Management such as Palo Alto Networks, Trend Micro, Solarwinds, Radware, Gigamon, ExtraHop, Big ID etc. These products are leaders in Cybersecurity fields for example, Firewall, Anti-Virus/Anti-Malware, Authentication, Encryption, etc. Moreover, there are also services related to the products that the Company is the distributor to facilitate customers who use products such as Training, Installation and Maintenance, including consulting services for various problems caused by the use of the system or software that the Company is a distributor.



FIREWALL



ANTI VIRUS ANTI MALWARE



■ SERVICE



■ AUTHENTICATION



■ ENCRYPTION



Message from Chairman

The Company determines the operational strategy for aiming to be all excellent business in the long-term relationship with the customers and partners and expand international business for growth. The Company can be a value-added distributor in Cybersecurity and regional Leader.







Message from CEO

We are proud to be the regional distributor in Cybersecurity which is reliable in business growth and bring success for Vendors and System Integrators (SI) with our value-added services and our experts.







The Board of Directors



General Lertrat Ratanavanich
The Chairman of the Board /
Independent Director



Asst. Prof. Dr. Pattanant Petchchedchoo
Chairman of the Audit Committee / Director/
Member of the Corporate Governance Committee /
Independent Director



Mr. Karoon Phungsoondara
Chairman of the Corporate Governance
Committee / Director /
Independent Director



Dr. Smitti Darakorn Na Ayuthaya
Chairman of the Nomination and Remuneration Committee /
Director/ Member of the Audit Committee /
Independent Director



Mr. Piyasak Chotipruk

Director /
Member of the Audit Committee /
Member of the Corporate Governance
Committee / Independent Director



Dr. Supachai Sukhanindr

Director /
Member of the Nomination and
Remuneration Committee /
Independent Director



Mr. Nakrop Niamnamtham

Director /
Chairman of the Executive Committee /
Chief Executive Officer



Ms. Sukanya Luanchamroen

Director/
Member of the Executive Committee /
Deputy Chief Executive Officer



Mr. Anotai Adulbhan

Director/
Member of the Executive Committee /
Member of the Nomination and
Remuneration Committee

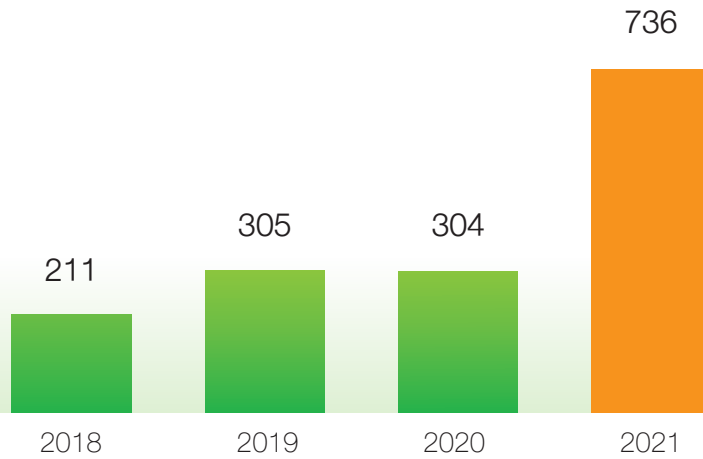


Financial Highlight



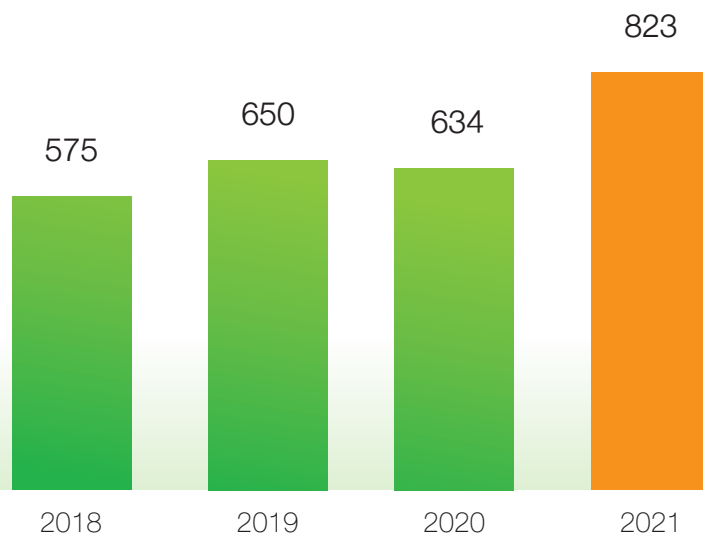
Total Asset

(unit: million baht)



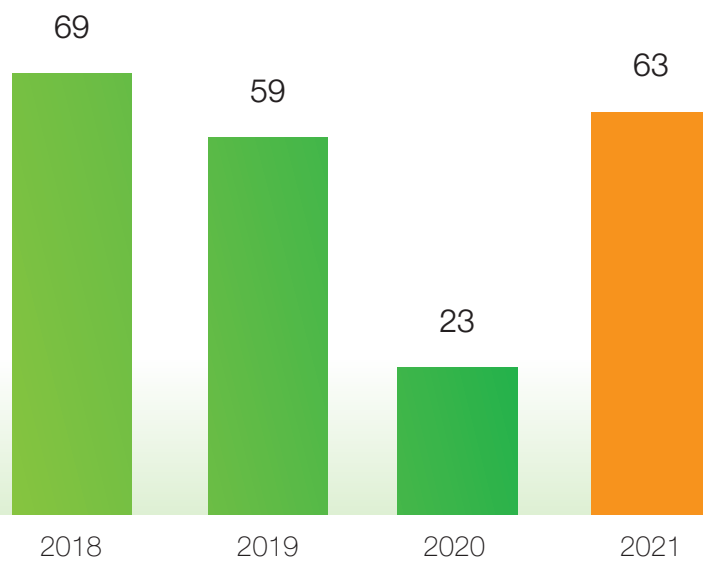
Total revenue

(unit: million baht)



Net Profit

(unit: million baht)



Part1

Structure and Operations of the Group





Structure and Operations of the Group

1. Policies and Business Overview

1.1 Overview of Business Operations

In 2005, Niamnamtham Group and Luanchamroen Group jointly established nForce Security System AP Company Limited ("nForce AP"), which was registered on 5 August 2005, with an initial authorized capital of 1,000,000 Baht. Niamnamtham Group and Luanchamroen Group hold 30% and 40% of nForce AP's authorized capital respectively, with other shareholders holding 30% of nForce AP's authorized capital. Later in 2014, the group of shareholders, Niamnamtham Group and Luanchamroen Group, agreed to establish nForce Secure Company Limited with a authorized capital of 30,000,000 Baht to operate as a distributor of cybersecurity products and related products in network management. nForce AP has transferred the contracts of being a distributor of certain products to the Company, and this has caused the same group of customers who used to trade cybersecurity products with nForce AP to instead buy and sell cybersecurity products with the Company instead, while nForce AP changed its name to Altair Management Company Limited and its main business changed to the real estate business. nForce AP is the owner of an office building renting to the Company.

The Company focuses on being a distributor of products that can meet the needs of customers in the field of cybersecurity by offering quality and reputable products in each product category, which can be classified into 4 categories; (1) End Point Security, (2) Network Security, (3) Network Performance and Monitoring and (4) Others, such as Encryption Solution, software related to Authentication and software related to Archiving, etc. Most of the product owners are manufacturers, inventor and developer of its own software and equipment, giving each product unique and different operational capabilities. The products that the Company distributes are internationally famous and recognized, including Palo Alto Networks Inc., Trend Micro Australia PTY Limited (Trend Micro), Solarwinds Software Europe Limited (Solarwinds), Radware Limited (Radware), Giggamon Inc., (Giggamon) and Extrahop Networks Inc. (Extrahop Networks), etc. The product owners that the Company is the distributor are all leaders in cybersecurity fields, whether it is a firewall, anti-virus, as well as anti-malware, authentication and encryption, etc.

Moreover, there are also services related to the products that the Company is the distributor to facilitate customers who use products such as installation services (Installation) and maintenance service (Maintenance), including consulting services for various problems caused by the use of the system or software that the Company is a distributor and training services for the using of system (Training), etc.

The Company's main customers are System Integrators or SI that act as aggregators of various information technology needs of users directly (End User), design and install various information technology systems by presenting in the form of information technology solutions to meet the needs of users directly in the enterprise. The direct users consist of Government and private sectors. The system and technology integrator contractors will work with product dealers (distributors), who are knowledgeable and specialized in the desired products. The dealer will be responsible for the procurement and delivery of the product to be in accordance with the information technology system that the contractor assembles the design system according to the requirements. The system integrator (SI) who are the Company's main customers are mostly well-known companies and have business potential, making them often those who have been selected to undertake various projects of both public and private organizations

1.2 Vision and Goals in Business Operations

The Company is determined to be one of the leading distributors of security products and cybersecurity which are parts of the country's infrastructure that enhances the efficiency of cybersecurity and the products in the field of network management (Network Management) that are related, including the development of software products to effectively meet the needs of domestic corporate customers. The goal is to be a leader in being a distributor of a wide range of products of international standard quality in the Southeast Asian market. Moreover, the Company is also determined to add value in the supply chain by offering a complete range of services both before and after sales to build trust in the products as well as to meet the needs of customers both in terms of installation services (Installation), maintenance services (Maintenance), as well as consulting services for various problems which are caused by the use of the system or software that the Company is a reseller and training services for using the system (Training), etc.

1.3 Key Changes and Development

Year 2005 - nForce Security Systems AP Company Limited 1/ was established on August 5, 2005 with a authorized capital of 1,000,000 Baht by Niamnamtham Group and Luanchamroen Group holding 30% and 40% of nForce AP's authorized capital respectively, to operate as a distributor of cybersecurity products with partners producing and developing software systems that enhance cybersecurity efficiency for various organizations.

Remarks : ^{1/} nForce Security Systems AP Company Limited changed its name to Altair Management Company Limited and registered the name change on 28 May 2020, including changing the place of incorporation and changing the purpose of business operation to a real estate business in accordance with the facts without operating its business as a distributor of cyber security products and will not engage in business competition with the Company.

Year 2014 - Subsequently, on January 9, 2014, the group of shareholders which are: Niamnamtham Group and Luanchamroen Group agreed to establish nForce Security Company Limited with a authorized capital of 30,000,000 Baht to operate as a distributor of cyber security products and related products in network management (Network Management) with purpose to lead the Company to be listed on the Stock Exchange of Thailand by increasing the authorized capital to reflect the stability of the Company's financial status and build confidence for the Company's partners, including creating opportunities for future business growth. Niamnamtham Group and Luanchamroen Group hold shares in the Company in the proportion of 45% and 55% of the total shares respectively.

- nForce AP has transferred the contracts of being a distributor of certain products to the Company. This made the group of existing customers who had been dealing cybersecurity products with nForce AP, to buy and sell cybersecurity products with the Company instead, while nForce AP has changed its core business to real estate by owning office buildings renting to the Company.
- The Company also holds shares in nForce AP in the proportion of 99.99% of the total authorized capital, making nForce AP a subsidiary of the Company for the purpose of borrowing a loan from financial institutions.
- The Company received the "APAC and Japan Partner Conference 2014 Excellence in Innovation ASEAN " award from Palo Alto, one of the leaders in Network Security of the world as a dealer who has expertise in successful installation and designing services to customers. The Company is an expert regarding service and care for customers in the ASEAN region who use Palo Alto Network products.

Year 2017 - On April 28, 2017, the Extraordinary General Meeting of Shareholders No. 1/2017 had a resolution approving the payment of dividends to shareholders at the rate of 6.43 Baht per share, totaling of 19,284,056 Baht, which the Company has already paid the aforementioned dividends.

- The Company sold all of its investments in nForce AP to the major shareholders group in order to restructure the Company to be ready for listing on the Stock Exchange of Thailand. nForce AP was not a subsidiary of the Company anymore.
- The Company received the "Unsung Pre-Sales Support 1H FY2017" award from Trend Micro Australia Proprietary Company (Trend Micro), one of the leaders in End Point Security as the 2017 Excellent Product Reseller, that can solve most problems with Trend Micro's products by using the Company's in-house team without the assistance of the Trend Micro's team.
- The Company received the "APJ Channel Awards 2017 Outstanding Sales Growth Award (Asia Pacific, Japan)" from Solarwinds, one of the leaders in Network Performance and Monitoring, as a product distributor with the most outstanding sales in the Asia-Pacific region and Japan.

Year 2018

- The Company was ranked as one of the 25 Hottest Cyber Security Companies 2018 by APAC CIO Outlook magazine, a magazine for information technology business resources in the Asia-Pacific region, to be one of the 25 Most Recognized Cyber Security Companies of 2018.
- The Company received the "50 Most Admired Companies of the Year 2018" certification from Silicon Review Magazine, one of the most trusted online and print media related to news, business, and the industry related to technology as one of the 50 Companies to Watch for 2018.
- The Company received the "Strong Technical Engagement 2018" award from Trend Micro for being a product distributor with an outstanding technical support team of the year 2018 who can use their knowledge and capability especially to assist customers in solving specific technical problems of Trend Micro's products effectively.
- On August 29, 2018, the 2 major shareholder groups which are Niamnamtham Group and Luanchamroen Group has jointly established Moz Seguro Company Limited with a authorized capital of 1,000,000 Baht, and holding 45% and 55% of the total shares respectively, with the objective of investing in holding the main shares in the Company.
- On September 15, 2018, the Extraordinary General Meeting of Shareholders No. 1/2018 had a resolution approving the payment of dividends from the 2017's net profit to shareholders at the rate of 8.96 Baht per share, totaling a total amount of 26,887,564 Baht, which the Company has already paid dividends.
- On December 3, 2018, the Extraordinary General Meeting of Shareholders No. 2/2018 passed a resolution approving the payment of dividends to shareholders at the rate of 12.42 Baht per share, totaling a total amount of 37,256,335 Baht, which the Company has already paid dividends.

Year 2019

- The Company was awarded the "Best Sales Growth Distributor 2019" award from Solarwinds for being the sales representative with a higher volume of product orders.
- The Company received the certificate "30 Most Valuable Companies to Watch CIO Bulletin 2019" from the CIO Bulletin magazine, which is a source on the information technology industry regarding new innovations and business practices related to information technology to be one of the 30 Companies to Watch from CIO Bulletin in 2019.
- On April 1, 2019, the Annual General Meeting of Shareholders passed a resolution approving the payment of dividends from 2018's net profit to shareholders at the rate of 13.89 Baht per share, totaling a total amount of 41,674,387 Baht, which the Company has already paid dividends.
- On July 8, 2019, the 2 major shareholder groups, namely Niamnamtham Group and Luanchamroen Group sold shares to Moz Seguro in the proportion of 35% of the authorized capital to prevent being taken over by outsiders. After the transaction of the shares, the ultimate shareholding proportion of the Company will consist of a group of shareholders which are Niamnamtham Group and Luanchamroen Group holding shares in the proportion of 45% and 55% of the total shares respectively.
- On December 17, 2019, the Extraordinary General Meeting of Shareholders No. 2/2019 resolved to approve the Company pay interim dividends to the shareholders at the rate of 8.33 baht per share, totaling of 25,000,000 baht, which the Company has already paid the dividend.
- On December 20, 2019, the Company and the existing shareholders has signed a share purchase agreement with Hudson Asia Holdings PTE Limited (Hudson Asia), which operates as a holding company that focuses on investing in technology businesses with the potential to compete and grow in the future. Henderson Capital Asia Limited holds 100.00% of the Hudson Asia's shares. Henderson Capital Asia Limited operates its business by investing in potential Asian companies, of which Henderson Capital Asia Limited is 100.00% owned by Lakeshore Capital I LP. Lakeshore Capital I LP operates by investing in potential companies in Asia. Lakeshore Capital I LP's shareholders include 5 major institutional investors with a combined stake of more than 85%, and 24 individual investors invest no more than 15%, and currently, Lakeshore Capital I LP's investors are not individuals who may have conflicts with the Company in accordance with the announcement of the Securities and Exchange Commission and The Stock Exchange of Thailand (except Mr. Anotai Adulbhan who is a representative from Hudson Asia Holdings PTE Limited to be a director of the Company)

Year 2020

- On January 22, 2020, the Extraordinary General Meeting of Shareholders No. 1/2020 resolved to approve the increment of authorized capital in the amount of 1,470,000 Baht from the original authorized capital of 30,000,000 Baht to 31,470,000 Baht by issuing 147,000 new ordinary shares at par value of 10 Baht and a premium on par value of 330.14 Baht per share, totaling 50,000,000,000 Baht which Hudson Asia bought the whole capital increase shares because other shareholders waive their rights, and the existing shareholders, Mr. Nakrop Niamnamtham and Ms. Wipaporn Buristrakul agreed to sell 356,400 shares to Hudson Asia through NFS PV Limited. NFS PV Limited is held by Mr. Nakrop Niamnamtham and Ms. Wipaporn Buristrakul in the proportion of 45% and 55% of the total shares respectively. As a result, after the increase in the paid-up capital and from the purchase of existing shares, Hudson Asia holds a shares in the Company of 16% of the authorized capital.
- On February 27, 2020, the Board of Directors' Meeting No. 2/2020 resolved to approve the Company to pay the interim dividends to shareholders at the rate of 2.13 Baht per share, totaling of 6,700,000 Baht, which the Company has already paid the dividend.
- On April 23, 2020, the Annual General Meeting of Shareholders No. 1/2020 resolved to approve the increment of authorized capital in the amount of 6,030,000 Baht from the original authorized capital of 31,470,000 Baht to 37,500,000 Baht by issuing 603,000 new ordinary shares at the par value of 10 baht per share, offered to the existing shareholders of the Company.
- On September 9, 2020, the Extraordinary General Meeting of Shareholders No. 3/2020 resolved to approve the Company to proceed as follows:
 - Converted into a public company under the name nForce Secure Public Company Limited, which was registered to be a public company limited on September 10, 2020 to be listed on the Stock Exchange of Thailand
 - Changed the par value of ordinary shares from the original value of 10.00 Baht per share to 0.50 Baht per share, which made the number of registered shares and the number of issued and paid-up shares increased by 71,250,000 shares, an increment from 3,750,000 shares to 75,000,000 shares, with the registered and paid-up capital remained unchanged. The change was registered with the Ministry of Commerce on 10 September 2020.
 - Increased the authorized capital of ordinary shares in the amount of 15,470,500 Baht at a par value of 0.50 Baht per share, which increases the authorized capital from 37,500,000 Baht to 52,970,500 Baht by issuing new ordinary shares as follows:
 - Allotment of newly issued ordinary shares of the Company in the amount of 13,870,500 Baht, with a par value of 0.50 Baht per share, totaling 27,741,000 shares, divided into 1,990,700 new ordinary shares for sale to the directors, executives and employees of the Company and 25,750,300 newly issued ordinary shares to be offered to the general public for the first time.
 - Allocation of 3,200,000 newly issued ordinary shares of the Company with a par value of 0.50 Baht per share to be reserved shares for the issuance and offering of warrants to purchase ordinary shares (ESOP) of the Company to the management and employees of the Company.
 - Approved the introduction of the Company's ordinary shares Listed as listed securities on the Market for Alternative Investment ("mai")
 - On December 14, 2020, the Board of Directors Meeting No. 8/2020 approved the Company's future investment plan. Due to foreseeing business opportunities from the Personal Data Protection Act (PDPA) coming into effect in June 2022, the Company decided to make an investment plan with Data Wow Company Limited ("Data Wow"), which is a company that specializes in software development and data analytic to focus on the development and distribution of Personal Data Protection (PDPA) related software.

- Year 2021** - As of 1 April 2021, the Company and Data Wow jointly established nDataThoth Company Limited ("nDataThoth") to engage in the business of developing and distributing software related to personal data protection (PDPA), as well as related services. The main product that nDataThoth will develop for sale in the early stages is a consent management system for collecting personal data from data collection points, from the website and other various applications, including giving advice to customers about the establishment of various systems and PDPA legal requirements and consent forms to collect, use or disclose personal information in order to comply with PDPA law, etc., under the name "Unified Consent Management Platform" (UPC). nDataThoth has a authorized capital and paid-up capital of 15.00 million Baht and has a stake in nDataThoth between the Company and Data Wow at 55.00% and 45.00% of authorized and paid-up capital. The Company will be responsible for technical knowledge and understanding related to cybersecurity, understanding the market of cybersecurity as well as contact to find customers for nDataThoth while the Data Wow has the duty to transfer knowledge, information, knowledge, technology, and relevant technical expertise for the development and production of relevant software under the Personal Data Protection Act and operates business for nDataThoth, including expertise in digital marketing as well. After receiving the approval letter from the Board of Investment (BOI) within 2021, nDataThoth will be able to start selling the products.
- Listed as listed securities on the Market for Alternative Investment ("mai")
 - On December 28, 2021, nDataThoth received a promotional certificate from the Board of Investment, type of business 5.7.3, high-value-added software development business.

1.4 Fundraising

The Company made its initial public offering (IPO) on 23-25 June 2021, amounting to 27,741,000 shares at the offering price of 16.00 Baht per share, with the remaining money after deduction of various expenses related to the offering of shares in the amount of 420.72 million Baht, with a report on the use of capital increase ended on December 31, 2021 as follows:

Unit : (Million Baht)

Objectives of Capital Increase	Amount ^{3/}	Amount used until 31 December 2021	Capital balance as of 31 December 2021
1. Construction of a Technical Support Center	20.00	0.00	20.00
2. Investments in research and development of cybersecurity-related products	50.00	0.00	50.00
3. Investing in related businesses to grow the Company ^{1/}	100.00	0.00	100.00
4. Working capital of the Company ^{2/}	250.72	33.15	217.57
Total	420.72	33.15	387.57

Remark: ^{1/} Investing in related businesses to create growth for the Company depending on the business opportunity and appropriateness for future investments; this may include expanding the business through other acquisitions.

^{2/} Working capital of the Company including repayment of short-term loans, interest

^{3/} The use of money according to the objectives in (1) - (4) shall not be higher than money received from the public offering of the newly issued ordinary shares at this time.

1.5 Obligations that the Company has committed in the registration statement for the offering of securities and/or conditions of licensing of the SEC Office (if any) and/or conditions for the listing of securities of the SET (if any).

None

1.6 Name, location of head office, type of business, company registration number, telephone, fax, company website, the total number and type of the Company's outstanding shares

Company Name	nForce Secure Public Company Limited.
Company Name (English)	NFORCE SECURE PUBLIC COMPANY LIMITED
Type of Business	Distributor of cyber security products and products related to the field of Network Management
Registration No.	0107563000258
Authorized Capital	52.97 million Baht ^{1/}
Paid-up Capital	37.50 million Baht
Par Value	0.50 Baht per share
Head Office	9/2 The Synchronized Project, Soi Ratchadaphisek 18, Ratchadaphisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310
Tel.	02-274-0984
Website	www.nforcesecure.com

Remarks: ^{1/} Total authorized capital to support the use of warrants by executives and employees (ESOP) 1. 60 million Baht

2. Policies and Business Overview

2.1 Revenue Structure

The main revenue of the Company come from selling of hardware and software products and he secondary income from the Company's services. The total income has been growing continuously. Revenue structure are classified by types of revenue of the Company from 2019 to 2021

Types of Income	Year 2019		Year 2020		Year 2021	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
1. Revenue from sales	623.00	95.73	611.94	95.74	802.60	97.2
2. Revenue from rendering of services	19.92	3.06	21.99	3.44	20.94	2.54
3. Other income ^{1/}	7.87	1.21	5.22	0.82	2.16	0.26
Total revenue	650.78	100.00	639.14	100.00	825.70	100.00

Remarks: ^{1/} In 2019, the Company had foreign exchange gains included in other income amounting to 6.04 million Baht respectively, while in 2020, the Company had a foreign exchange loss of 5. 24 million Baht, therefore not including in other income.

The above sales revenue structure can be classified according to the Company's products in 4 types, namely (1) End Point Security (2) Network Security (3) Network Performance and Monitoring and (4) Others as follows:

Types of Income	Year 2019		Year 2020		Year 2021	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
1. Network security	348.93	56.01	359.97	58.82	619.83	77.23
2. EndPoint Security	148.38	23.82	146.36	23.92	105.97	13.20
3. Network Performance and Monitoring	100.15	16.08	64.55	10.55	73.90	9.21
4. Others	25.54	4.10	41.06	6.71	2.90	0.36
Total revenue from product sales	623.00	100.00	611.94	100.00	802.60	100.00

2.2 Characteristics of Products and Services

The Company's business operations can be divided into 2 main parts as follows: (a) business as a distributor of cybersecurity solutions (b) business that provides services related to products that the Company is a distributor for.

a) A distributor of cybersecurity solutions


The Company is a distributor of cybersecurity for many world-renowned vendors, including Palo Alto, Trendmicro, Solarwinds, Radware, Gigamon and Extrahop, etc. The product owners that the company is that dealer are all leaders in cybersecurity in various fields, such as a device firewall, anti-virus, including anti-malware, authentication, and encryption, etc.

The products that the company is a dealer can be classified into 4 types: (1) EndPoint Security (2) Network Security (3) Network Performance and Monitoring and (4) Others, including software related to Encryption Solution, Authentication, Archiving, etc. Most of the product owners are manufacturers, researchers, and developers of software and equipment with outstanding and different abilities. The products that the company is the dealer have been selected to be famous and internationally recognized products with the features and strengths of work that differ in each product making the company able to offer a wide range of products and generate sales for each product owner which causes the continually growth of income of the Company.

Each type of product is detailed as follows:

1. Network Security



These products are designed to detect and prevent network-level attacks before they reach other important systems. The main products in this group are Firewall devices that control access and use of the network by specifying conditions to allow only authorized persons to access and use the network; there is protection for both third parties, including those who do not have the authority to access the system. Moreover, there is prevention to access to networks and data, including the ability to prevent people within the organization from accessing websites that are at risk as well. The condition of access to the network of the Firewall is to protect general users or a malicious person attacking the organization's system. Furthermore, it also includes a search engine to detect any threats or malware before those threats attack or damage the information network in the organization. The use of artificial intelligence technology has also been utilized to automatically detect and respond to threats, as well as be able to predict or analyze the attack patterns of threats. The network security products that the Company sell as follow;

Product	Model/Type	Qualifications	Customer Group
Viascope	IPSCAN 	Network security concerning the managing of IP addresses of computers on the network in order to prevent IP Address computers, and it also has a feature to verify your identity through the website to make usage of computer networks more secure.	Private organizations and government agencies

2. EndPoint Security





Currently, cyber-attacks are more complex. The main goal of the attack is to steal information or damage the user's device directly, including computers, notebooks, tablets, smartphones, etc., including systems that use them. The products directly related to the security of the user's device protect against virus or malware attacks, as well as protecting against attacks, collecting data and sending it for analysis to find out how to protect it from various threats to reduce the risk of business from data leaks or equipment damage that leads to business interruption, etc.




The products that the Company is a distributor in the security system of the user's device directly, are such as anti-virus, anti-malware, etc.

Product	Model/Type	Qualifications	Customer Group
Trend Micro	Endpoint Security 	Trend Micro User Protection, a security solution that protects users from malware which is software designed to damage computers and computer network. There are different types of malware, such as viruses or worms that attach to email messages and ransomware, which can steal and encrypt user data for ransom. The protection in many ways for the control point before the user's access to the end device, whether it is e-mail, the website, as well as the use of software services over the Internet or SaaS, etc. will help protect the device and various data of users to be more secure.	Private organizations and government agencies
Palo Alto Network	Cortex XDR Endpoint Protection 	It directly protects the user's device by using Machine Learning technology and analyze the data on the system to check for abnormalities or potential attack patterns. Then, it allows the computer to react and prevent attacks automatically. This makes it possible to prevent damage in a timely manner to reduce the burden on personnel who perform administrative duties and to increase the efficiency of system protection. Additionally, with Palo Alto's new technology, Cortex XDR 2.0, which allows organizations that do not use all Palo Alto devices can link data from multiple sources to display results on a single screen.	Private organizations and government agencies

3. Network Performance and Monitoring

Network Performance and Monitoring helps to monitor the operation of computer networks, including computer equipment so that the IT Admin can check that the system or device used in the network is capable of operating as intended. The system also allows it to detect system or device limitations before they encounter problems, such as problems from misconfiguration of devices, network data bottlenecks, memory and data processing problems, issues with controlling new types of equipment, physical issues such as power outages, temperature abnormalities, heat and humidity, etc., The organizations can manage continuity of the network and system equipment so that there are no disruptions that could affect business operations, and in the event of a system disruption, the performance management system helps the IT Admin to quickly and accurately identify the root cause of the problem. This saves time in fixing and restoring the system as well. The products in this group that the Company is a dealer, including




Product	Model/Type	Qualifications	Customer Group
Radware	Load Balancing 	A device that manages system performance by managing the workload of the computer's server in a network that is similar in order to have any device work harder than usual. There is also a special technology, High Availability, that works in tandem with the Load Balancer by making the system interchangeable. If one device stops working, the system will instruct the other to run instead. This allows the system to work continuously without interruption.	Private organizations and government agencies
Gigamon	Network Visibility 	A device that collects data on an organization's network infrastructure and delivers the data to the tool or admin through a single platform. It is a combination of hardware and software for communicating the functionality of that application. This allows administrators to select the information they need to reduce the workload of analytics tools. This makes it possible to detect and respond to threats in a timely manner.	Private organizations and government agencies
Solarwinds 	Monitoring System 	Software that performs high-level system monitoring that can monitor the network, server, application, database, and storage, etc. It can also pull data from various systems to automatically create relationships and chart them to assist administrators in quickly and accurately reviewing and identifying the problem point. This results in quick troubleshooting and smooth system operations.	Private organizations and government agencies




Product	Model/Type	Qualifications	Customer Group
Colasoft	nChronos 	One of the powerful network analysis tools is that it has the ability to store network data so that administrators can go back to the time of the problem to analyze its cause. It helps to accurately identify the root cause of the problem.	Private organizations and government agencies
	UPM 	Software that helps in analyzing and collecting data in real-time, showing various important information by displaying the results in the form of various relationship graphs, as well as helping to monitor the performance of the organization and reducing admin time to identify the root of the problem.	Private organizations and government agencies
Extrahop	Reveal(X) 	The software is used to fully monitor the data in the network in order to detect threats in real time. There is a special technology that can monitor the use of various applications and databases and store the results in a machine learning model.	Private organizations and government agencies


4. Others

In addition to the main products mentioned above, the company also sells other products that are important for system administration and data management, including user identification, which is another important aspect of network management to be efficient and secure. The products in this group that the company is a distributor of include:

Product	Model/Type	Qualifications	Customer Group
AIC	Server Platform  	Devices that combine server and storage technologies in one device, and with the unique design of AIC, energy consumption is reduced. Moreover, the thermal management is better than a typical server deployment. In the event that hardware is added or modified for maintenance, it can be removed or added without any equipment for use in disassembling parts.	Private organizations and government agencies

BigID	<p>BigID</p> 	<p>is software that allows organizations to manage the personal information of their employees and customers. There will be a special feature to check and analyze the relationship of the data automatically with the main special abilities as follows:</p> <ul style="list-style-type: none"> • Data Discovery can discover personal data in the organization in the form of a database, the format of document files or data on the cloud. • Data Mapping tracks access to personal data to analyze and process personal data that occurs in the organization automatically and continuously. • Privacy Risk helps organizations understand risks of information that may occur. • Respond to Data Breach enables organizations to compare data and determine relationships that may arise from personal data breaches in the organization. • Compliance Analysis is a tool that allows organizations to verify their compliance with laws related to personal data protection. <p>From the feature of searching and tracking personal data both inside and outside the organization, including employees and customers of the organization, BigID is a tool that helps organizations that recognizes the importance of data governance related to data security and privacy which is in line with the enforcement of the Personal Data Protection Act B.E. 2019 that will come into effect around the end of May 2022 for organizations to be able to manage information effectively</p>	Private organizations and government agencies
Synopsys	<p>SAST/SCA/IAST/DAST</p> 	<p>Software that helps verify applications by creating and developing a write check, setting variables, and running a series of commands related to the source code to see how secure it is. It will point out the risks when using it and see if it is necessary to change the format of the new instruction set or not, and so on, in order for the developed application to be safe, efficient, and reduce the risk of data leaks or various attacks that may occur after its use.</p>	Private organizations and government agencies
Datalocker	<p>Encryption Solution</p> 	<p>Devices and software related to data encryption in the form of External Storage, such as Harddisk Drives (HDD), Solid-State Drives (SSDs) and Universal Serial Bus (USB). The products are FIPS 140-2 validated by NIST, recognized by the world's leading organizations in data security standards.</p>	Private organizations and government agencies

Palo Alto Network	<p>Cortex/XSOAR</p>  	<p>Palo Alto's unique technology in the service provides surveillance and protection of critical enterprise systems or devices from compromise or unauthorized access by using artificial intelligence (AI) technology or the ability of machine learning to monitor, track and analyze data volumes, events that occur in the network or equipment in order to detect various attacks that may occur and make a response and auto-correct the incidents to reduce the impact and damage that may occur to the organization to not exceed a strong level.</p>	Private organizations and government agencies
Acalvio	<p>Deception technology</p> 	<p>The technology of tricking malicious attackers into traps to examine the methods of intrusion, the methods of attacks, or the way of the attacker works in order to process information and find ways to prevent, for example, ransomware, the system will check the methods of malicious attackers to encrypt files and forward them to other devices in the system, and the system will order the computer infected with ransomware to stop working.</p>	Private organizations and government agencies
Cyfirma	<p>Cyber Intelligence Platform</p>	<p>It is a system that provides attack data, vulnerabilities, news in the hacker community and elsewhere for analysis and predicts the attack or various risks that may occur in the future, including the use of security devices to bring information and information to verify that it is a real risk in the cyber world and to suggest ways to manage the risks or various techniques used to protect the agency.</p>	Private organizations and government agencies
Cloud Flare	<p>SASE, Cloud Security, CDN, ZTNA, Isolation Browser</p>	<p>CDN and Cloud Security service provider that is in the Top 5 in the world and has 7 hubs or communication hubs in Thailand, with security services for Web, DNS and protection against DoS, DDoS attacks, etc., CloudFlare also offers services to protect the use of the Internet for clients in the form of Isolation Platform by doing Browser Isolation.</p>	Private organizations and government agencies
Beyond Trust	<p>Privilege Password Management, EndPoint Privilege Management, Cloud Privilege Protection, Secure Remote Access</p>	<p>User rights management system such as Root for Linux operating systems or Administrator for the Windows operating system to protect the user with high privileges not to expose to risks, or sharing password that may cause the password to be stolen by including Privilege Password Management, EndPoint Privilege Management, Cloud Privilege Protection and Secure Remote Access.</p>	Private organizations and government agencies

Terranova	General Knowledge, Risk Specific, Role-Based, Manage Regulation	A system of safety training that is used by users in every corner of the world supports user testing to assess safety insights and can arrange the learning to match the understanding of the learners. The system will combines several security and usability courses, such as secure code management, knowledge about ransomware attacks, understanding of phishing, etc.	Private organizations and government agencies
nForce UPC		It is a system that has been developed to support compliance with the Personal Data Protection Act in respect of Data Privacy Management, which will help manage both the rights of the customer to be able to file a claim according to the rights that they can exercise through the service of filling out a ready-made request form via the website and allow the organization to manage those claims within the time limit required by law. nForce UCP can manage requests by systematically categorizing the requests by connecting and working with data discovery systems, such as Big IDs, using data discovery and classification methods combined with machine learning technology that can, directly and indirectly, search for and associate personal information. This will help organizations know the exact location of data storage and make it possible to handle customer requests efficiently and completely following the requirements.	Private organizations and government agencies

The Company has jointly invested with Data Wow Company Limited (“Data Wow”), a company specializing in highly complex technology systems, especially in the field of Artificial Intelligence (AI) and database. In the establishment of nDataThoth Ltd. (“nDataThoth”) on April 1, 2021, as at December 31, 2021, nDataThoth has a authorized capital of 15 million Baht, where the Company holds 55% of the authorized capital, and Data Wow Co., Ltd. holds 45% of the authorized capital. nDataThoth is engaged in software development and product development related to personal data protection under the Personal Data Protection Act, B.E. 2019 with basic products as follows:

(1) Enterprise consent Management (nForce Unified Consent Management Platform: UCP)

Consent management system for collecting personal data from various data collection points, for example, when using a mobile application or website, consent will be requested for the collection of such information, etc., to obtain personal information stored in the database and bring such information to analyze and process for use in various fields.

(2) PDPAFORM

Consent Form to collect, use, or disclose personal information

(3) COOKIE WOW

The consent system uses cookies or small data collected on the website to collect and use.

(4) PDPA PRO

A protection of personal information service system, whereby the Company has 1) Consultants to provide advice to customers about various systems and legal requirements of the PDPA 2) Consent Form System to collect, use or disclose personal information and 3) Consent systems for cookies or small data collected at the website to be collected and used to enable customers to comply with the Personal Data Protection Act B.E. 2019

(5) Visitor Management

Visitor management system, that is, the registration system for entering and leaving the area for visitors for systematic management and building safety.

In addition, nDataThoth has received one Investment Promotion Certificate from the Office of the Board of Investment (BOI) with tax benefits, including corporate income tax exemption and exemption of import duty on machinery as approved by the Board as approved by the Board in summary as follows:

Investment Promotion Certificate No.	64-1441-1-00-2-0
Date of approval	December 28, 2021
for the Company	nDataThoth Limited
Type of business that have been promoted	HIGH VALUE-ADDED SOFTWARE
Period of corporate income tax exemption	8 Year(s)
Important rights and benefits	<ul style="list-style-type: none">- Permission to bring foreigners who are craftsmen or experts, spouses and dependents of both types of people, and dependents of both types of people, into the Kingdom in the amount and for the period determined by the Board.- An alien who is a craftsman or an expert and is permitted to stay in the Kingdom as mentioned above is granted permission to work only in the position and duties approved by the Board for the period as long as he/she is permitted to stay in the Kingdom.- Exemption of import duty on machinery as approved by the Board- For a period of 8 years from the date of starting income from the business, the net profit received from the promoted business operation is exempt from corporate income tax.- In the case of operating a business and having a loss during the period of corporate income tax exemption, it is permitted to deduct annual losses incurred during the tax exemption period from net profits incurred after the corporate income tax exemption period for a period not exceeding five years from the date of the expiration of such period. Net profit of any year or several years can be chosen to be deducted.- Exempt from bringing dividends from promoted businesses to be included in the calculation for income tax payment throughout the period of corporate income tax exemption.

The products that the Company is a distributor for are categorized by product type and can be as follows:

Product	Paloalto	Trendmicro	Acalvio	Radware	Cyfirma	Colasoft	Gigamon	Viascope	CloudFlare	Solarwinds	Synopsys	Extrahop	AIC	Datalocker	Beyondtrust	BigID	RuJie	Terranova	Characteristics of Products
Hardware																			
- Server													✓						This is the computer that performs one or more services for the client computer.
- Storage													✓	✓					Centralized storage devices.
- Hyper converged infrastructure : HCI)													✓						This is a computer with multiple nodes, or the basic unit of a data structure on the same computer.
- Network Security	✓	✓		✓				✓											Security devices used on the network
- Network Performance				✓															A devices that speed up the use of various operational systems in the organization.
- Network Monitor						✓	✓					✓							A device used to monitor network traffic.
- Security Monitor	✓	✓	✓									✓							Security devices used on the network
- Network equipment																	✓		Network equipment for connecting, including wireless

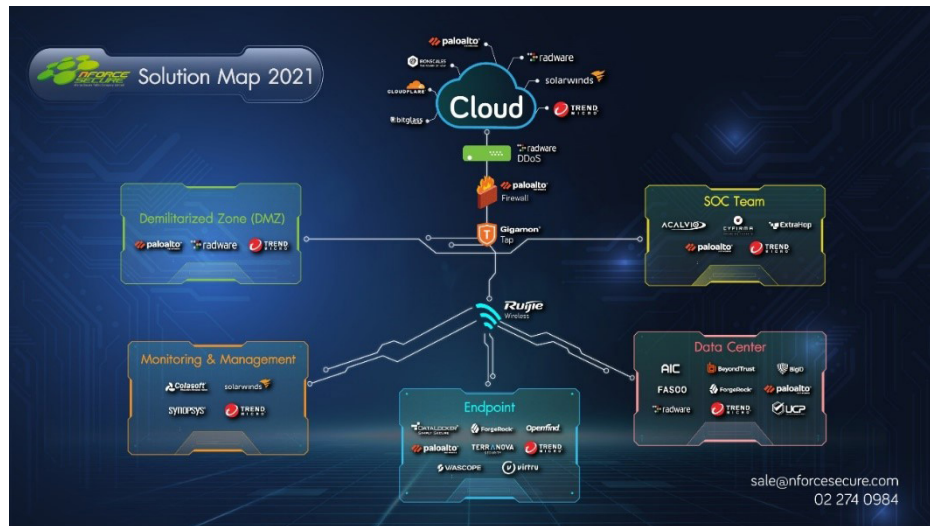
Product	Paloalto	Trendmicro	Acalvio	Radware	Cyffirma	Colasoft	Gigamon	Viascope	CloudFlare	Solarwinds	Synopsys	Extrahop	AIC	Datalocker	Beyondtrust	BigID	Ruijie	Terranova	Characteristics of Products
Software																			
- Endpoint Security	✓	✓																	PC security software including data leakage prevention.
- Network Performance																			A devices that speed up the use of various operational systems in the organization
- Information management system																✓			Software that performs centralized data management, browsing, data matching, and data management services
- Network Monitor										✓									The software used to monitor the network and the computers in the network.
- Security Monitor			✓									✓							Network monitoring software to analyze security risks.
- Risk Analysis System	✓	✓	✓		✓						✓	✓							Software used for analysis by viewing usage data on systems such as client computers or receiving information from the protection system or analyzing commands in the source code
- Network Security	✓																		Network monitoring software to analyze security risks
- Security and use of Cloud									✓										Security protection and use of Cloud

In addition to selling hardware and software in each project, the Company is also a distributor for the renewal of service contracts (MA - License) of the product owners; this is a renewal of service related to the hardware device from the product owner, for example the hardware device has a problem, fan not working or the electricity does not enter the device. As a result, the customers can report the problem in order to send the hardware for repair or replacement from the product owner; this includes the renewal of services related to software running in conjunction with the hardware device to enable subscription software support, such as updates or other special functions that the product owners have continuously developed each year, Including software upgrades to fix in the event of bugs depending on the version of the software in use so that the software can be used to its full potential again, etc. Usually in the first sale of products, the customer shall purchase a service agreement (MA- License) with purchase of the product; the service agreement may be valid for 1 year or more depending on the initial purchase agreement. For the second service agreement renewal, before the expiration of the service agreement period, the Company will coordinate with the product owner and the system and technology integration contractor to renew the mentioned service agreement. Consequently, the Company has revenue from selling the renewal of the service agreement (MA- License) every year continuously.

In addition, the Company provides subscriptions of the vendors to the customers. Where the software that customers purchase on-demand, such as Palo Alto firewall software or Trend Micro antivirus software, runs on the product owner's hardware device. Subscription updates will provide the software with a new virus recolonization database, different types of threats, and ways to counter or prevent them. If the customer does not renew the subscription, the device can still be used. Only in the event of a new virus or a new threat, the software will not be able to detect or prevent emerging threats. Therefore, most customers renew their subscriptions regularly to reduce such risks.

In selling products such as MA-Vendor or Subscription from the 2nd year onwards, the Company has a system to contact customers whose products are close to maturity by the Service Renewal Team that coordinates to track the purchase history of every MA-Vendor or subscription of every customer to inform customers to purchase MA-Vendor or subscription to renew the service agreement after the original service agreement expires. This will result in effective maintenance and assistance in fixing the customer's operational system equipment by the product owner.

Summary diagram of the Company's main products in each category



b) Business of providing services related to products that the Company is a distributor

The Company has a technical team with knowledge and understanding, specializing in products that the Company is a dealer in each category as well. The service team will offer related services from the stage of the product offering with various services for customers who are System Integrator (SI) to be able to choose and purchase various services of the Company to meet their needs which can be divided into 3 types of services as follows:

1. Installation Service

The Company provides installation services for equipment and/or systems that the customer has purchased the Company's services for so that the system can work according to the contractor's design and technology integration and to meet the needs of users directly by installing various systems, including related equipment according to the pre-defined scope of work. The installation of the system and equipment will be carried out by the Company's technical team, which consists of engineers who have knowledge and expertise in each product and passed the training and standardized testing with a certificate of competence from the product owner in order to build confidence for customers who are system integrator (SI) or end users and to ensure them that they will receive good and quality service from the Company, which reduces the chances of a product being damaged or not properly installed due to a lack of understanding of the product.

After installing the products that the Company is a dealer, if a customer is subject to a cyberattack, as a result, the customer's data is lost and the customer can't access data or the computer is damaged, the Company will not be obligated to pay damages to the customer due to the distribution documents and/or services between system integrator (SI) and the Company, there is no guarantee of liability, in case of damage caused by the system integrator (SI) selling products to end user, and end user is damaged from using the mentioned product. In addition, the damaged data may happen for many reasons, such as misuse, awareness

or knowledge of people on cybersecurity towards work procedures or process of customers may have channels for cyber risks, etc. Moreover, the cybersecurity products that the Company is a distributor are the ownership and responsibility of the vendors, which the Company has no right to modify or revise the products and has no responsibility for the product cybersecurity. Additionally, in the past, the Company has never had any lawsuits filed on such issues.

2. Training Service

The Company provides training services to end users directly according to the scope of services that are initially agreed upon after installation. The short training course will be held for 1-2 days by the Company's technical team with expertise in that product to allow direct users to understand the use and control of various system devices correctly and appropriately.

In this regard, the Company will provide training to customers based on the course content established by the product owner. If the product has a variety of features or functions, such as systems for detecting abnormalities in network systems or devices, or a system for detecting the amount of information in the network at any given time, etc., the Company will provide training based on the functions of the system purchased by the customer for the customer to understand the correct usage.

3. Maintenance Service

Providing maintenance services for information technology systems and equipment related to the products that the Company is a distributor consists of two services as follows:

- 3.1 Corrective Maintenance will be in the form of a service contract with different rates of service according to the scope and duration of the service. Most of the contracts will have a service contract term of approximately 1 year, mainly providing basic advice to customers in the event that the system or device crashes so that the system or device can continue to work efficiently. If a hardware device problem, the Company will coordinate to inform the owner of the product to send the hardware to repair or replace the new hardware device from the product owner. While waiting for the product to be sent for repair, the Company has a service to lend demo devices instead of waiting for the repaired product so that the customer's business can continue to operate. The Company also has various services according to customer requirements, for example in the case of software upgrades, but the customer is unable to download software upgrade and installation, the Company will provide services for uploading software and installing such software, etc. Customers can contact to report the incident to the Company via 2 channels, which are telephone number 02- 274- 0984 or email support@nforcesecure.com etc.

In addition, in order to facilitate and increase the variety of corrective maintenance services, the Company provides additional services for customers as follows:

- Providing corrective maintenance services on business days and hours 8x5 at the customer's location on the next business day after receiving the notification (8x5 next business day on site)

- Providing 24 remedial maintenance and temporary product replacement or lending (24x7 hardware replacement)
- Providing a 24-hour corrective maintenance service at the customer's location and offering temporary replacement or lending of test products (24x7 onsite and hardware replacement)

Summary Table of the Characteristics of Value-added Services that the Company Distributes

Characteristics of additional services	Scope of service of corrective maintenance					
	Services	Remote control of the display screen (Remote)	Tel.	Email	Correction service at the customer's location (Onsite)	Temporary product replacement or lending service (Hardware Replacement)
1. Corrective maintenance service on business days and hours (8 hours x 5 business days)						
1.1 Corrective maintenance services during business hours (Standard 8x5)	8 x 5	✓	✓	✓	✗	✓
1.2 Provision of corrective maintenance services on business days and hours 8x5 at the customer's location on the next business day after receiving the notification (8x5 next business day on site)	8 x 5	✓	✓	✓	✓	✓
2. Providing 24 hour corrective maintenance service (24 hours x 7 days)						
2.1 24 hour remedial maintenance service and temporary product replacement or lending service (24x7 hardware replacement)	24 x 7	✓	✓	✓	✗	✓
2.2 Providing 24 hour corrective maintenance services at the customer's location and offering temporary replacement or lending of test products (24x7 onsite and hardware replacement)	24 x 7	✓	✓	✓	✓	✓





















3.2 Preventive Maintenance is the form of the service to check the operation of equipment and systems according to the scheduled maintenance intervals. This is usually a period every 6 months.

2.3 Competitive strategies

From the vision of the Company that the Company is determined to be one of the leading distributors of cybersecurity products and products in the field of Network Management, the Company therefore focuses on offering products and services to meet the needs of customers and creating a competitive strategy as well as developing the strengths of the Company to maintain the reputation and trust of vendors which the Company is a distributor and the system integrators that are direct customers and users who are indirect customers of the Company. The Company's main competitive strategy consists of:

1. Being a distributor of a wide range of products and internationally renowned products.

The Company focuses on being a distributor of cybersecurity products to famous and internationally known product owners who are the market leaders in each product category with awards to guarantee the quality of the product of the product owner itself, focusing on quality products that can meet the needs of various customers which consist of 1) Network security 2) End point security 3) Network performance & monitoring and 4) Others. The Company has been appointed as a reseller from several of the leading product owners in the cybersecurity market, including Palo Alto, Trend Micro Solarwind, Radware, Gigamon, BigID, and others; most of which are known internationally, emphasizing on selecting products that are famous and are the strengths of each product owner to offer a variety of technologies and an alternative to system integrator (SI) and can meet the needs of users directly.

Product types	Product owners at the Company is a reseller As at December 31, 2021
Network Security	  
End point security	 
Network Performance and Monitoring	   
Others	          

2. Strong relationship with stable business partners, both Vendor and system integrator (SI), leading in Thailand and abroad, are professional and reliable, in order to support the sustainable growth of the Company in the future.

The Company has strong and long-standing relationships with business partners who own leading products abroad. The business partners have expertise in research, product development, a strong team, ability to continuously develop innovation and production networks in many countries around the world, such as

- Palo Alto Networks, one of the leaders in Network Security, trusted by more than 70,000 customers in over 150 countries worldwide and
- Trend Micro, with over 500,000 customers worldwide, is a market leader in Endpoint Security. In addition, Trend Micro is the market leader in cloud security. The awards include Google's "Google Cloud 2019 Technology Partner of the Year for Security," which highlights the capabilities of cloud-based security technologies.
- Solarwinds is one of the leaders in Network Performance and Monitoring, offering products that are able to monitor and help better manage the performance of IT environments with more than 275,000 customers in over 190 countries worldwide.
- Radware is one of the leaders in Network Security and Cloud and data center management solutions with more than 12,500 enterprise customers.

Such business partners caused the expansion of the Company's business to be done quickly and sustainably through cooperation with these partners. In addition, in distributing its products in the country, the Company places great emphasis on relationships with leading system integrators in Thailand. The Company has a sales department that is responsible for liaising with various with customers as specified in the list continuously to build and maintain good long-term relationships. In addition to cooperating together, the Company and the system integrators also organize seminars to educate about new products and merchandises, trends of cyber threats as well as various technologies that arise in order to directly educate users and maintain good relationships between the Company and customers.

Although the Company is a distributor of a variety of products, the products that the Company chooses to be that reseller have technical differences. As a result, each product is not competitive or competing for market share between products that the Company is the direct distributor, making the product owners feel that they can trust. There is a continuous communication to buy or sell products. The Company is considered as the main distributor of many product owners. This can be clearly seen from the awards that confirm the ability to market and to sell products for the owners of the Company's products, such as Distributor of the Year ASEAN & India from Bluecoat as the Outstanding Distributor in ASEAN & India 2012, APJ Channel Awards 2017 Outstanding Sales Growth Award (Asia Pacific, Japan) from Solarwinds, Outstanding Sales Growth Distributor in Asia Pacific and Japan, Best Sales Growth Distributor 2019 Award from Solarwinds as a Distributor with High Product Orders, etc. One of the Company's main strategies is to select products that are reputable and unique to each product owner in order to offer a variety of technologies as an alternative to the social integrator (SI), and can fully meet

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3. To be a leading Value-Added Distributor in a fast growing industry.

The sales department and technical team consisting of the Company's expert engineers will jointly analyze the needs of users directly (Proof of Concept) with the products that the Company is a reseller of and various systems that the system integrator (SI) designed to meet the needs of users directly (End User) and for consideration, including providing trial product lending services to allow system integrators (SI) to assemble systems and technologies (SI) or direct users (End User) to test the quality and functionality of the device in order to determine whether such products are compatible with the user's system directly (End User) or can work together with various systems or devices that the system integrators (SI) designed to work appropriately before actually placing an order to ensure that the ordered products can work according to the purpose of use. In this pre-sale process, the Company will not charge any expenses to the customers; this is considered a pre-sale service to initially impress customers and is the strength that creates competitive advantages for the Company. For after-sales service (post-sale), the Company provides services related to the products that it has as a dealer, including system installation services, equipment, training, maintenance services, advice on basic troubleshooting and consulting on system operation and/or equipment to allow the device itself to be able to return to work as before.

However, the Company has focused on adding value to the products that it sells, including being a leader in finding innovative products for cybersecurity systems. to meet the needs of customers. As a result, the Company was able to generate long-term revenue growth.

4. Having a team and quality personnel

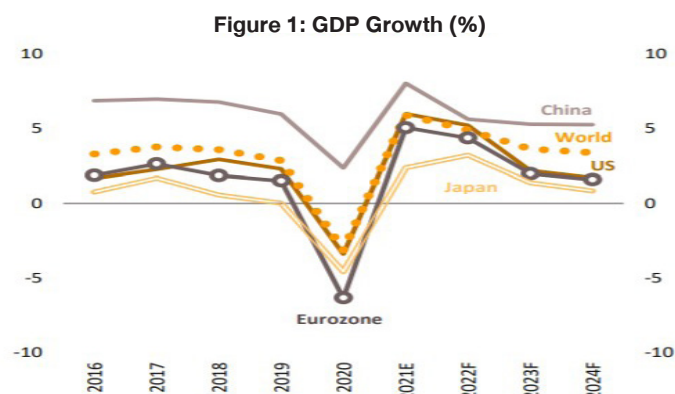
The Company believes that talented people, particularly the Company's senior executives, led by Mr. Nakrop Niamnamtham, Chief Executive Officer, and Ms. Sukanya Luanchamroen, Deputy Chief Executive Officer, are at the heart of its business operations and the foundation for the success of the Company's long-term strategy. They both have prior experience in technology-related businesses, particularly in the cybersecurity industry for a long time in leading Thai companies. Furthermore, both of them have been executives at the level of Executives, with extensive experience and expertise in various management positions. The management team brought ideas and knowledge from leading corporations to be used in creating a vision, company values, and various operational processes in order to bring professionalism to be adapted for a Thai company and create a knowledgeable team to import innovative products to meet the needs of target customers and increase the Company's business growth potential. In addition, the Company has a policy of training and developing personnel to have knowledge and understanding of the products that the Company is a distributor. To provide in-depth expertise, the Company divides employee work lines by product and provides training with product owners, as well as supporting knowledge training and testing to get certificates by each product owner to confirm personnel knowledge and competence in order to instill confidence in customers. Currently, the Company has 30 technical staff members who have been certified (Certificate) by each product owner, for a total of 24 people, which will help to improve the service level and add value to the products that the Company sells.

Pricing Policy

The Company has set the selling price at the cost of goods plus a margin. The cost of goods consists of equipment or system costs, transportation costs, freight costs, including estimating the fluctuation of foreign exchange rates, etc. For service pricing, the scope of service, duration, number of times of service and the complex nature of the system or device will be determined and estimated as the contingent service cost plus the specified margin. Determining the cost of each trade or service, the Company will consider the margin of profit at an appropriate rate in each project, which may differ depending on the suitability of each product type, order value, customer group who are direct users. However, when determining each purchase price, the Company must keep the gross profit margin in mind in order to support the selling and administrative expenses and avoid a loss from such operations.

2.4 Industry Outlook

The global economy is expected to grow by an average of 4% per year in 2022-2024, fueled by private-sector economic activity and the continued expansion of the manufacturing sector, as well as the recovery of the service sector. As a result of widespread vaccination, epidemic control measures are becoming less stringent, and cities are gradually reopening in many countries.



Source: IMF World Economic Outlook (October 2021), Krungsri Research

Source: Krungsri Research, January 2022

The global economy's structural changes have an impact on the future business direction. In the next 3 years, the key technologies that will play a role in the business sector which will add value to the manufacturing and service sectors. It is used to generate long-term growth and strengthen supply chains, for example, (1) the Internet of Things (IoT) plays a role in connecting the data of everyday devices via embedded sensors in items, such as medical devices, electrical appliances, and so on. Nowadays, IoT is being used more and more in service businesses, such as hotel rooms that use mobile devices to control all of the electricity in the rooms or a transportation company that tracks packages and manages the movement of goods, etc. (2) Artificial intelligence (AI): The application of artificial intelligence in conjunction with other technologies such as Cloud IoT to process big data such as medical businesses that use AI to diagnose diseases or memorize patterns to track the COVID-19

outbreak. AI is used in the real estate industry to design building structures, among other things. (3) Technology of the Third Generation (5G) 5G networks facilitate the process of controlling machines so that they can effectively collaborate with one another and reduce the cost of labor, time, and mistakes in the manufacturing process. (4) The blockchain system for collecting and recording data by disseminating the database to network members for them to share information. As a result, using the blockchain system provides you with high security. Encryption is used to limit access, and it is frequently used in financial transactions in the form of digital assets. (5) Edge computing: a big data processing system that connects consumer demand data to change production lines or business models in real time to respond quickly to consumer behavior. It is used in healthcare, transportation, and logistics business planning for climate assessment. (6) Data analytics is the systematic analysis of large amounts of data to assist operators in providing services and products that meet their needs. Consumer demand, for example. (Source: Krungsri Research, January 2022.)

Trends in global IT spending market value

Global Information Technology Spending Market Trends According to Gartner, a global IT technology research and consulting firm, IT spending will be approximately USD 4 trillion in 2022, 5.5 percent increase from 2021, as organizations strive to continuously improve how they work in the future and focus on infrastructure investments to improve safety, including support for working in a hybrid form of employees. Enterprise software spending is expected to increase by 11.5 percent in 2022, with infrastructure software spending outpacing application software. Application and global device spending reached a new high this year (15.1%), driven by continued growth in remote activities such as work, healthcare, and distance learning. However, Gartner predicts that enterprises will continue to upgrade devices and/or invest in a variety of connected devices to grow and deploy hybrid workstations in 2022.

The projected value of global information technology spending between 2020 and 2022 is as follows:

Trends in global IT spending market value

	2020		2021F		2022F	
	Expense (billion US dollars)	Growth value (percent)	Expense (billion US dollars)	Growth value (percent)	Expense (billion US dollars)	Growth value (percent)
Data Center System	178.84	2.5	196.14	9.7	207.44	5.8
enterprise software	529.03	9.1	600.89	13.6	669.82	11.5
Device	696.99	-1.5	801.97	15.1	820.76	2.3
IT service	1,071.28	1.7	1,191.35	11.2	1,293.86	8.6
communication service	1396.33	-1.5	1,451.28	3.9	1,482.32	2.1
Total investment value All information technology	3,872.47	0.9	4,241.64	9.5	4,474.20	5.5

Source: Gartner (Gartner Inc.) (October 2021)

The trend of information technology spending in Thailand

According to Gartner, spending on technology products and services in Thailand in 2022 will increase by 6.4 percent over 2021, totaling 870 billion Baht, with communications services being the largest market for IT spending. In addition, enterprise software is expected to have the highest spending growth in 2022, up 14.8% from the previous year.

The value of spending on information technology in Thailand between 2020 and 2022

	2020		2021F		2022F	
	Expense (billion Baht)	Growth value (percent)	Expense (billion Baht)	Growth value (percent)	Expense (billion Baht)	Growth value (percent)
Data Center System	19.43	-1.0	20.71	6.6	21.66	4.6
enterprise software	45.78	12.6	53.48	16.8	61.38	14.8
Device	165.99	11.5	202.03	21.7	220.11	9.0
IT service	70.69	3.0	77.87	10.1	85.47	9.8
communication service	461.24	14.6	465.35	0.9	482.84	3.8
Total investment value All information technology	763.13	6.1	819.43	7.4	871.45	6.4

Source: Gartner (Gartner Inc.) (November 2021)

Trends in the cost of digital technology services in the world

Global Spending on Digital Transformation Technologies and Services Forecast



Source: Statista. Krungsri Research

Global digital technology services expenditures are expected to grow 16.2 percent per year between 2021 and 2023, according to Statista Research, owing to (1) the restructuring of businesses across all sectors using digital technology. (2) Trends in the development of new digital platforms in a variety of forms in response to technological advancements, driven by a desire to serve customers in more personalized ways (personalized digital transformation). As a result, it is in a better position to support the expansion of various types of digital service transactions. (3) The trend of partnering with major digital technology service providers to develop software and provide system services for various business sectors, such as Apple and Huawei, for example, are providing

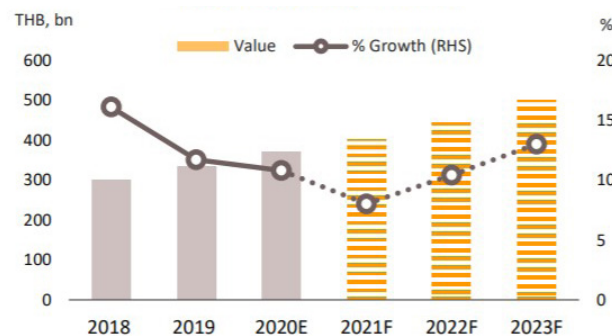
digital services to EV carmakers in order to develop intelligent driving system solutions.(4) In the business sector, investments in cloud IT infrastructure to process data in a timely manner, coming along with As-a-Services, a software-based service model (5) As a result of the global COVID-19 pandemic, a new way of working and living is required, which necessitates more communication via digital platforms as well as consumer behavior that still favors online channels.

Trends of Digital Services and Software Businesses in Thailand ^{1/}

The overall revenue of digital services and software businesses is expected to grow at a rate of 10.5 percent per year from 2021 to 2023. The following are the major digital industry segments:

- 1) Providing services through digital media includes a variety of Internet-based service transactions, such as information services, designing a Forex trading advisory system, big data analytics services, cloud platform, and infrastructure (excluding software) services, and digital services in FinTech, MedTech, AgriTech, is expected to grow at a rate of 12.0-13.0% per year on average.

Revenue of Total Digital Services and Software Business in Thailand



Source: ^{1/}Trends of Digital Services and Software Business 2021–2023 by Krungsri Research (August 2021).

- 2) Software and software services ^{2/}: include software manufacturing, distribution, service, and rental categorized by type of software, such as embedded system software, enterprise software, or Cloud (Software as a service: SaaS), analytics software and processing big data Software used to control high-tech equipment, etc., During the years 2021–2023, it is expected to grow at a rate of 7.0 percent-8.0 percent per year, with significant support from business conditions that are expected to gradually improve in 2022-2023, causing investment in software and cloud IT systems to expand to support both the private and public sectors in developing new types of online services and applications.

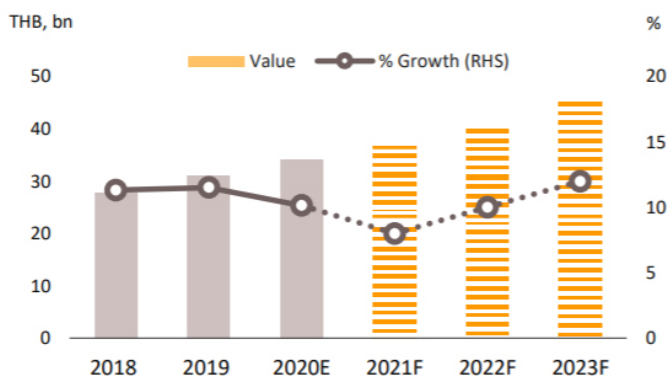
Revenue of Software and Software Services



Source: Depa. Krungsri Research

- 3) Digital Content ^{2/}: Games, animation, computer graphics, movies, and television shows are examples of digital content, information, or creative media production. According to the Superdataa Nielsen company, educational media in the form of AR/VR/MR, cartoons, characters, and E-books will grow on average by 9.0-10.0 percent per year between 2021 and 2023. (websites and companies founded by researchers in the gaming industry). The global games and online media market is expected to grow by 12% (USD 139.9 billion) in 2020, with Asia accounting for 59 percent of revenue, and it's expected that once the outbreak has subsided and the vaccine is available, the global gaming market will continue to grow in this direction. Thailand is one of the Asian markets with the highest growth potential; this is in line with PwC Thailand's Global Entertainment & Media (E & M) Outlook 2020-2024 report, which predicts that video game and e-sports expenditures in Thailand will grow by 7.2 percent per year from 2020 to 2024, as online games are classified as electronic sports by the Ministry of Tourism and Sports. In addition, other business sectors are likely to be more interested in sponsoring e-sports.

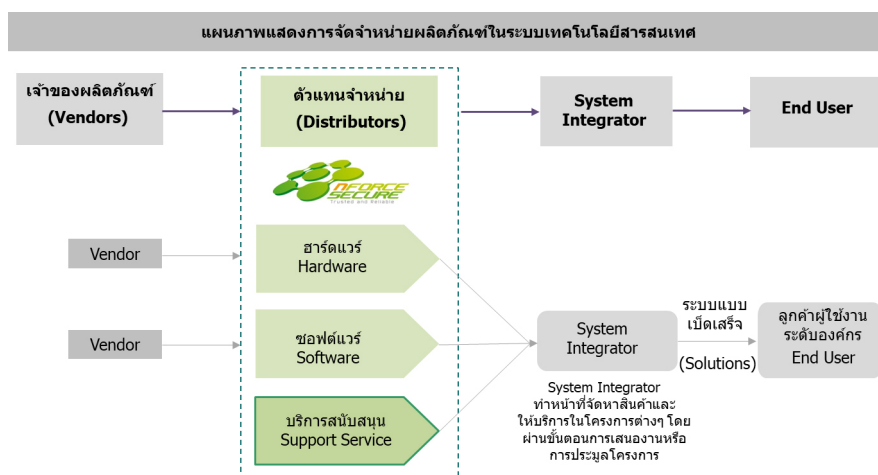
Revenue of Digital Contents



Source: Depa. Krungsri Research

Remarks: ^{2/} Based on definitions from the Digital Economy Promotion Agency's Statistical Survey Report: DEPA), consistent with the definition of digital industry in ATKearney and UNCTAD's Digital supply chain report based on the GDI Development Informatics Working Papers, University of Manchester, Bukht R and Heeks R (2017).

2.5 Characteristics of customers and target groups



The Company's main customers are system integrator (SI) who collect various information technology needs, according to the diagram showing the distribution of products in the information technology system, serving to directly collect information technology needs of users and design various systems. It is presented as an information technology solution to meet the needs of users directly at the enterprise level which consists of government agencies and the private sector.

The revenue generated by the sale of the Company's products and services is determined by how much information technology requirements of various organizations that wish to improve cybersecurity or system administration in order to promote the security of information and networks are used within the Company. Moreover, the revenue also depends on opportunity for each system integrators (SI) who are the customers of the Company will be successful in bidding or being recruited to work on various projects of users directly. When the Company has been contacted by the system integrator (SI) about various needs of users directly (End User), the Company will recommend or design and offer products and services that the Company is a distributor to the system integrator (SI) to assemble a technological solution to offer to direct users (End User). The system integrators (SI) who are the Company's customers are mostly the companies with a reputation and business potential. Therefore, they are often chosen to undertake corporate projects, such as NTT Solutions (Thailand) Limited, Metro Systems Corporation Public Company Limited, Yip In Soi Company Limited, G-Able Co., Ltd., etc.

Sales Channels

The Company has a sales channel, which is the acquisition of work through the sale of products and services by the Company's sales team cooperating with each system integrator. The revenue from the sale of goods and services is contingent on the possibility that the system integrators (SI) who are partners will win the auction or be selected to directly undertake various projects for the end user. During the competition for the job, the Company, as a product distributor, will work with the system integrator (SI) to register the project via the online system or a dedicated channel of the product owner and to avoid conflicts and competition between distributors that may not be transparent. As a result, the product owner has a mechanism to establish a policy for ordering products through the registration project by requiring the product distributor, who may be a system integrator in some cases, to be in charge of registering the project to provide basic information about the project, such as the dealer's name, the name of the contractor who will assemble the system, as well as the name of the technology project or direct user-related information systems, including other information systems, etc. Part of the product owner's consideration will be in the form of a project registration prior to obtaining the right to consider first (First Come First Serve), along with the completeness of the preliminary information provided to the product owner. The method eliminates the possibility of duplication or price competition. In addition, to avoid conflicts of interest, the project registration requires the system integrators (SI) to purchase goods or services from the product owner only through a registered agent.

2.6 Procurement of Products and Services

The hardware and software products that the Company sells are divided into four categories: endpoint security, network security, network performance and monitoring, and other systems or software. including software related to identifying and verifying identity (authentication), as well as software that helps managing personal databases of employees in the organization and the corporate customers, software that encrypts data on storage devices in the form of USB sticks, external hard disks, etc. The main products being sold are Palo Alto Networks, Trendmicro, Solarwinds and Gigamon.

During the years 2019-2021, the Company purchased products from Palo Alto Networks, one of the Company's main products, in proportions of 41.49 %, 59.92 % and 74.38 % of the total purchase price of the Company, respectively. Most organizations pay more attention to such matters because the majority of Palo Alto Networks' products are related to Network Security. It is a valuable resource because of the variety of information that an organization has. Furthermore, both public and private sector organizations must focus on data security comply with the law's requirements to protect oneself against cyber-threats.

During the years 2019-2021, the total amount of product purchases from the first ten product owners accounted for 96.30 , 99.08 and 99.57 percent of the total purchase price of the Company each year.

The Company has a good relationship with each product owners that the Company distributes. Moreover, the Company is a prominent distributor of the owners of certain products and received awards confirming the ability to market and to sell products to the owner of the Company's products, such as the Distributor of the Year ASEAN & India award from Bluecoat as the best distributor in ASEAN and India 2012, APJ Channel Awards 2017 Outstanding Sales Growth Award (Asia Pacific, Japan) from Solarwinds as the most outstanding sales representative in the Asia-Pacific and Japan region and Best Sales Growth Distributor 2019 award from Solarwinds as a distributor with a high volume of product purchases, etc.

Usually, the Company has no policy for ordering products from vendors other than the product owner, but there are cases where the Company necessitates to order some items from other dealers in order for the project of the Company to be commissioned to provide goods according to customer requirements of the system integrators so that the designed system can work at full efficiency. Most of them are products that the product owner requires to purchase from their own distributors, making purchases directly with the product owner not possible, especially in the case of a product or accessory parts to make equipment or the purchased software work better with the network of end users. The Company has ordered products from other distributors during the year 2019 - 2021 at 6.85 %, 0.33 % and 0.28 % of the total purchase price of the Company each year, respectively.

Delivery of goods to customers

The Company does not have a policy of ordering in advance in order to keep stock or to avoid having to wait for distribution. Except for some spare parts or test equipment that must be kept in reserve for maintenance, the product will be ordered from the product owner only after receiving the order from the customer, a temporary replacement, which is one of the Company's service scopes, such as power supplies and circuit boards, testing equipment, and so on.

Usually when receiving orders from customers, the purchasing department will review the details of the customer's order document with the sales department and project managers. Once the details of the order are correct, a purchase order document will be sent to the product owner for ordering, and normally, the period of ordering from the product owner until the product is delivered to the Company is about 30 days. When the product arrives at the Company, the warehouse department is responsible for preliminary inspection of goods by checking the number of products to determine if the received products are as exactly as ordered or not, to inspect if the overall exterior condition is in good condition and will receive the products into the warehouse by collecting the products separately for each project; there will be a project code with the name of the customer on it for clarity when delivering the next product. Subsequently, the warehouse staff will then notify the project manager and the technical department in charge of the project to test the quality of the product to see if it can be used normally. If no error is found, the technical department will coordinate with the accounting department to coordinate with the customer in order to deliver the products or to install the product at the location specified by the customer according to the scope of the service contract. If an error is discovered, the Company will notify the product's owner, who will then be able to send a replacement product.

2.7 Operating Assets

As at December 31, 2020 and as at December 31, 2021, the Company has assets used in its major business operations, consisting of:

2.7.1 property, plant and equipment and right-of-use assets

Asset types	Net Book Value (million Baht)		Types of Ownership	Encumbrance
	December 31, 2020	December 31, 2021		
1. Building improvements	3.51	2.56	-	-None-
2. Office equipment	1.35	0.90	The Company	-None-
3. Computer and equipment	11.20	7.37	The Company	-None-
4. Furnisher and fixtures	0.15	0.1	The Company	-None-
5. Assets under installation	-	0.45	The Company	-None-
6. Right-of-use assets ^{3/}	14.63 ^{4/}	11.83 ^{4/}	under lease	-None-
Total	30.84	23.21		

Remarks : ^{1/} On March 19, 2020, the Company redeemed the land and building, Title Deed No. 4836, Asset Location No. 247/5 Soi Rung Rueng, Suthisarn Winitchai Road, Samsen Nok Sub-district, Huai Khwang District, Bangkok from a financial institution and dispose of the mentioned land and buildings to Altair Management Company Limited (formerly known as nForce Security Systems AP Company Limited, registered for name change on May 28, 2020) at a price of 19.75 million Baht, which the selling price is based on the appraised price from an independent appraiser. The selling price is based on an independent appraiser's estimate.

^{2/} Assets under installation consists of office equipment such as CCTV for technical service centers.

^{3/} Altair Management Company Limited has rented a building to the Company to serve as its office building. The lease agreement details are in 2.7.4 according to the lease term of 3 years.


^{4/} In 2020, the Company has adopted the Financial Reporting Standard No. 16 (TFRS 16) for the first time in which the Company has reclassified the Company's right-to-use assets, presented as a list of property, plant and equipment as at December 31, 2021, the Company's right-to-use assets consist of the recognition of office building lease agreements under the operating lease agreement amounting to 12.14 million Baht.

2.7.2 Intangible Assets

Asset types	Net Book Value (million Baht)		Types of Ownership	Encumbrance
	December 31, 2020	December 31, 2021		
Computer program	1.04	0.91	The Company	-None-
Total	1.04	0.91		

2.7.3 Important Trademarks/Service Marks

As at December 31, 2021, the Company is in the process of filing an application for trademark/service registration, amounting to 1 item with details as follows:

Trademark/Service	Registration date	Types	Status
	August 14, 2020	Trademark/ Service	In the process of filing an application for registration

2.7.4 Office Building Lease Agreement

As of December 31, 2021, the Company has a building lease agreement with Altair Management Company Limited to use as an office location. The details are as follows:

Tenant	nForce Secure Company Limited.
Lessor	Altair Management Company Limited (Formerly known as, nForce Security Systems AP Company Limited)
Contract period	3 years from 16 January 2020 – 15 January 2023 The lessee has the right to extend the lease for another time for a period of 3 years from the expiration date of the lease term. The tenant must notify the landlord of his intention to renew the lease in writing at least 3 months before the expiration of the rental period.
The essence of the contract	Details of the lease agreement are as follows: <ol style="list-style-type: none"> 1. The lessor agrees to rent, and the lessee agrees to lease the leased property, which is an office building with the area of 747.75 square meters, located at No. 9/2, The Synchronized Project. Soi Ratchadaphisek 18, Ratchadaphisek Road, Huai Khwang Sub district, Huai Khwang District, Bangkok 2. In exchange for the monthly rental of the leased property, the lessee agrees to pay rent to the lessor at the rate of 240,000 Baht per month (two hundred and forty thousand baht only). 3. The tenant will occupy, use, seek benefits, or take any other action with the leased property in connection with being used as a tenant's office, and the tenant agrees not to change the purpose and utilization of the leased property unless prior written consent of the tenant has been obtained. 4. During the lease term, the tenant will make a non-life insurance. The lessee is the one who pays the insurance premium, and the lessor is the beneficiary under the contract.

2.8 Property insurance

As at December 31, 2021, the Company has insured assets against risks. The total amount insured 36 million Baht, details as follows

1. Fire insurance policy

Policy type	Fire insurance policy
Insurance company	Muang Thai Insurance Public Company Limited
The assured	Altair Management Company Limited
Location of the insured/ insured property/insured property	1. 9 / 2 The Synchronized Project, Soi Ratchadaphisek 18, Ratchadaphisek Road, Huai Khwang Sub district, Huai Khwang District, Bangkok 10310 2. Property damage coverage, including buildings (excluding foundations)
Insurance period	For a period of 1 year from 26 November 2021 - 26 November 2022
Sum insured	6 million Baht
Beneficiary	Altair Management Company Limited

2. Property insurance policy

Policy type	Property insurance policy
Insurance broker	Thanachart Bank Public Company Limited
Insurance company	New Hampshire Insurance Company Limited
The assured	nForce Secure Public Company Limited.
Location of the insured/ insured property/ insured property Insurance/ Coverage	1. 9 / 2 The Synchronized Project, Soi Ratchadaphisek 18, Ratchadaphisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310 2. Property damage coverage such as furniture, inventory, servers, computer equipment
Insurance period	For a period of 1 year from September 15, 2021 - September 15, 2023
Sum insured	30 million Baht
Beneficiary	nForce Secure Public Company Limited.

2.9 Investment Policy in Subsidiaries and Associates

As at April 1, 2021, the Company has invested in nDataThoth Ltd. to develop and distribute software related to Personal Data Protection (PDPA) and services related to such products.

In this regard, the Company has established a framework for the implementation of investment policies and supervision of operations of subsidiaries and associates as follows:

2.9.1 Investment Policy in Subsidiaries and Associated Companies

The Company has a policy of investing in companies with the same business objectives as the Company's core business or similar businesses, including businesses that support the Company's business, which will result in the Company having more turnover or profit, or investing in businesses that provide benefits (synergy) to the Company, which can support the Company's core business operations to be more comprehensive in order to increase the competitiveness of the Company. However, the Board of Directors may consider investing in businesses other than the Company's main business or other businesses, if the Board of Directors believes that such a business has potential and that such an investment will benefit the Company and its shareholders as a whole. The investment must be consistent with the business's conditions, policies, goals, and growth direction as well as the Company's strategic plan. The Company will consider the investment proportion in this regard with proper investment analysis procedures, expected profit potential risks, and the Company's financial status prior to deciding to invest in various projects. Making such investment decisions must be approved by the Board of Directors' meeting or the shareholders' meeting (or as the case may be) Moreover, requesting approval for such investments must be in accordance with the notification of the Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand.

2.9.2 Supervision of operations of subsidiaries and associates

The Company has a policy in place to oversee operations in subsidiaries and associated companies. The goal is to establish measures and mechanisms, both directly and indirectly, that will allow the Company to supervise and manage the subsidiary and associated companies to ensure that the specified measures and mechanisms are followed as if being a unit of the Company itself; In addition, the measures must be consistent with the Company's policy, as well as applicable laws, announcements, regulations, and rules from the Capital Market Supervisory Board, the Securities and Exchange Commission and the Thai Stock Exchange to continue to benefit from the Company's investment in such subsidiaries and associated companies. The following are the specifics:

In charge of overseeing subsidiary and associated companies, the Board of Directors will consider appointing directors or executives with the necessary qualifications and experience to represent the subsidiary's business and that associated company in management to establish important policies and oversee the operations of such subsidiaries and/or associated companies. The directors or executives who are representatives of the Company must be responsible for supervising the subsidiary and/or associated companies to manage or perform various tasks according to the Company's policy. Furthermore, the directors or executives must use discretion in accordance with the resolution of the Board of Directors meeting and/or the shareholders' meeting of the Company that approves important matters of the subsidiary and/or associated companies in order to bring the maximum benefit to the Company and for the sustainable growth of the Company, taking into account the suitability of each company and the relevant laws of the subsidiary and/or those associated companies as well.

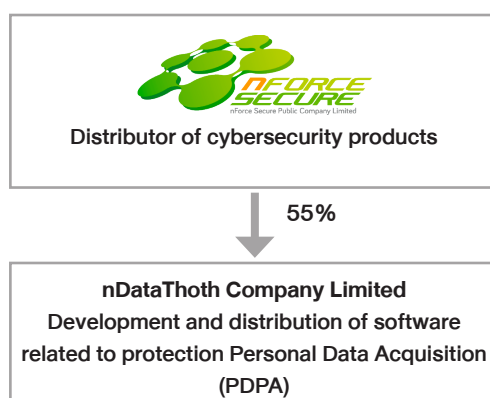
In addition, directors or executives who are representatives of the Company must supervise the subsidiary. There is a disclosure of transaction information between the subsidiary and the related persons of the subsidiary. Acquisition and disposal of assets or any other important transactions of the said subsidiary must be accurate and complete by using the above-mentioned disclosure and transaction rules in the same

manner as the Company's guidelines including supervising the subsidiary to conduct verifiable financial statements completely, accurately and punctually. The Company will closely monitor the operating results and operations of such subsidiaries and/or associated companies and present the results of analysis, opinions and recommendations to the Board of Directors for consideration, determination or improvement to promote the business of subsidiaries and/or associated companies in order to continually develop and grow.

3. Group shareholding structure

3.1 Group shareholding structure

As at December 31, 2021, the shareholding structure of the Company Group is as follows:



1. nForce Secure Public Company Limited.

Company registration date	: January 9, 2014
Registered as a public limited company	: On September 10, 2020
Authorized capital and Paid-up capital	: 51,370,500 Baht
Office location	: 9 / 2 The Synchronized Project, Soi Ratchadaphisek 18, Ratchadaphisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310
Nature of Business	: Distributor of cyber security products and products related to the field of Network Management
Company's Directors	: 1. General Lertrat Ratanavanich
	2. Mr. Karoon Phungsoondara
	3. Asst. Prof. Dr. Pattanant Petchchedchoo
	4. Dr. Smitti Darakorn Na Ayuthaya
	5. Mr. Piyasak Chotipruk
	6. Dr. Supachai Sukhanindr
	7. Mr. Nakrop Niamnamtham
	8. Mr. Anotai Adulbhan
	9. Ms. Sukanya Luanchamroen
Authorized Director to bind the Company	: The authorized directors to sign on behalf of the Company are Mr. Nakrop Niamnamtham and Ms. Sukanya Luanchamroen, co-sign with the Company's seal.

2. nDataThoth Limited

Company registration date	: April 1, 2021
Authorized capital and Paid-up capital	: 15,000,000 Baht
Office location	: 1778 Summer Hub Building, 6th Floor, Sukhumvit Road, Phra Khanong Sub district, Khlong Toei District, Bangkok
Nature of Business	: The business of software development and distribution related to personal information protection software (PDPA) and related services.
Company's Directors	: 1. Mr. Nakrop Niamnamtham 2. Ms. Sukanya Luanchamroen 3. Mr. Jesdakorn Samittiauttakorn
Authorized Director to the Company	: Mr. Nakrop Niamnamtham or Ms. Sukanya Luanchamroen signs with Mr. Jesdakorn Samittiauttakorn, totaling two, with the Company's seal affixed.
Relations with the Company	: The Company holds 825,000 shares, representing 55% of the authorized capital and paid-up capital of nDataThoth, and has two common directors with the Company, namely Nakrop Niamnamtham or Ms. Sukanya Luanchamroen.

Amount of Authorized capital and Paid-up capital

The Company has a total Authorized capital of 52,970,500 baht (fifty-two million nine hundred and seventy thousand five hundred baht only), of which 105,941,000 ordinary shares are issued with a par value of 0.50 baht (fifty satang) and a paid-up capital of 51,370,500 baht. (Fifty-one million three hundred and seventy thousand five hundred baht only) is 102,741,000 ordinary shares with a par value of 0.50 baht (fifty satang). After the exercise of all warrants, the Company will have a paid-up capital of 52,970,500 Baht (fifty-two million, nine hundred and seventy thousand -five hundred Baht only), representing 105,941,000 ordinary shares with a par value of 0.50 Baht per share (fifty satang).

4. Shareholding Structure

As at December 31, 2021, the Company's shareholder structure consists of

No.	List of Major Shareholders	Number of Shares (Shares)	% shares
1.	Moz Seguro Company Limited ^{1/}	25,023,840	24.36
2.	Luanchamroen Group ^{2/}	20,888,460	20.33
	Ms. Sukanya Luanchamroen	16,265,480	15.83
	Ms. Arporn Luanchamroen	1,858,920	1.81
	Mrs. Rungrawee Luanchamroen	1,858,920	1.81
	Ms. Weerana Buristrakul	905,140	0.88
3.	Niamnamtham ^{2/}	17,090,660	16.63
	Mr. Nakrop Niamnamtham	14,766,920	14.37
	Ms. Phasikha Rattanapong	2,323,740	2.26
4.	Hudson Asia Holdings Pte. Ltd.	4,267,140	4.15
5.	• Humanica Public Company Limited	4,121,100	4.01
6.	UBS AG London Branch	1,716,700	1.67
7.	Registered provident fund MFC Master Fund	1,280,200	1.25
8.	Thailand Securities Depository Co.,Ltd for Depositor	1,230,000	1.20
9.	Mr. Nipphon Sangwanmanont	830,000	0.81
10.	Mr. Nattapat Rangsang	820,300	0.80
	Other shareholders	25,472,600	24.79
Total number of shares ^{3/}		102,741,000	100.00

Remarks:

1/ Moz Seguro Co., Ltd. is a company incorporated in Thailand, conducting business by holding shares in other companies (holding company) with shareholders as at June 10, 2021 is as follows:

List of Shareholders	Before the offering of ordinary shares	
	Number of Shares (Shares)	Proportion of shares (%)
1. Luanchamroen Group	55,000	55.00
1.1 Ms. Sukanya Luanchamroen	35,000	35.00
1.2 Ms. Arpaporn Luanchamroen	4,000	4.00
1.3 Mrs. Rungrawee Luanchamroen	4,000	4.00
1.4 Ms. Weerana Buristrakul	4,000	4.00
1.5 Mr. Channarong Buristrakul	4,000	4.00
1.6 Ms. Vipaporn Buristrakul	4,000	4.00
2. Niamnamtham ^{2/}	45,000	45.00
2.1 Mr. Nakrop Niamnamtham	40,000	40.00
2.2 Ms. Phasikha Rattanapong	5,000	5.00
Total	100,000	100.00

2/ This grouping is in accordance with the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 dated December 15, 2008 only, not the grouping under Section 258 of the Securities and Exchange Act B.E. 1992 (including any amendments) in any way

3/ Excluding the number of reserved shares after the exercise of warrants to purchase the Company's ordinary shares (ESOP Warrant) issued to the Company's executives and employees 3,200,000 units in total

5. Issuance of other securities

The Extraordinary General Meeting of Shareholders No. 3/2020, held on September 9, 2020, resolved to approve the issue and offering of warrants to purchase ordinary shares of the Company (ESOP Warrants) to the Company's executives and employees for a total of 3,200,000 units (1 unit of warrant is entitled to purchase 1 ordinary share of the Company) and an allotment of 3,200,000 newly issued ordinary shares of the Company with a par value of 0.50 Baht per share to support the exercise of the warrants. The warrants represent 3.02 percent of the total number of shares after the public offering and the exercise of the warrants by delegating powers to the Board of Directors or Chief Executive Officer in setting other details related to the allocation of such warrants as seeing fit under the rules, conditions, and procedures prescribed by the meeting and not contrary to or inconsistent with the laws, rules, and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. On April 30, 2021, some executives waived the rights that they had been partially allocated to the warrants. The Chief Executive Officer, as a person authorized by the Company's shareholders has allocated warrants to purchase ordinary shares of the new company. The details of executives and employees that have been allocated warrants as follows:

No.	Name – Surname	Position	April 30, 2021		As of December 31, 2021	
			Number of warrants (shares)	as a percentage of the total warrants	Number of warrants (shares)	as a percentage of the total warrants
1.	Mr. Nakrop Niamnamtham	Chief Executive Officer	96,000	3.00	96,000	3.00
2.	Ms. Sukanya Luanchamroen	Deputy Chief Executive Officer	96,000	3.00	96,000	3.00
3.	Mr. Paskorn Khotchapunsoontorn	VP Engineering	240,000	7.50	240,000	7.50
4.	Ms. Narisara Wongchanteuk	VP Sales	240,000	7.50	240,000	7.50
5.	Ms. Ark Chumphonphan	Chief Financial Officer	240,000	7.50	240,000	7.50
6.	Executives and employees of the Company		2,288,000	71.50	2,288,000	71.50
Total number of warrants			3,200,000	100.00	3,200,000	100.00

The summary of important matters regarding the issuance and offering of warrants to purchase ordinary shares by the Company's employees (ESOP Warrant) amounting to 3,200,000 units is as follows:

Details of the offering	Data
Securities Initial	Employee stock option program warrant nForce Secure Public Company Limited. ("Warrants")
Offeror	nForce Secure Public Company Limited.
Objectives of the issuance and offering of warrants to purchase ordinary shares	<p>1.1 In order to create motivation and boost the morale of the Company's executives and employees that have contributed to the success of the Company in the past,</p> <p>1.2 To create a sense of ownership among the Company's executives and employees,</p> <p>1.3 In return for the management and employees who have the determination, dedication, and sacrifice to work for the Company,</p> <p>1.4 To motivate talented and efficient personnel in work to jointly work for the Company in the long term.</p> <p>1.5 When the warrants are exercised, the Company will use the cash received from the exercise of the warrants to purchase ordinary shares of the Company as working capital.</p>
Category/type	Except in the case where the warrant holder is deceased, the holder's name is specified and cannot be transferred. When an executive or employee dies, the heirs of such individuals have the right to purchase shares under the warrants on their behalf until the expiration of the allocated warrants.
Total number of warrants	The amount does not exceed 3,200,000 units.
Number of ordinary shares allocated to support the exercise of rights	3,200,000 shares (par value 0.50 Baht per share), representing 3.02 percent of the total number of shares after the initial public offering (IPO) and the exercise of all warrants at this time.

Details of the offering	Data
Term of Warrants	5 years from the date the warrants were issued. The warrants will not be extended by the Company.
Offering price per unit	0 Baht (zero baht)
Exercise ratio	1 unit of warrant is entitled to purchase 1 ordinary share. Unless the exercise ratio is adjusted in accordance with the conditions for right adjustment specified in the terms and conditions governing the rights and obligations of warrant issuers and warrant holders to purchase the Company's ordinary shares.
Exercise ratio	The same price as the price for the initial public offering (IPO price)
Terms and conditions for the exercise of rights	Warrant holders can exercise their warrant rights as follows: At the end of two years from the date of issuance of the warrants, the right can be exercise no more than 20% of all warrants allocated according to the exercise price. At the end of three years from the date the warrants were issued The right can be exercised on no more than 20% of all warrants assigned based on the exercise price. At the end of four years after the warrants' issuance date, the right can be exercised for no more than 30% of the total number of warrants allotted based on the exercise price. At the end of five years from the date of issuance of the warrants, they can exercise all warrant rights that have been allocated based on the exercise price.
Reasons for issuing new shares to support a change in rights exercise	When the exercise price is adjusted in accordance with the rights adjustment conditions specified in the terms and conditions of the warrants, which is an event specified in accordance with the Securities and Exchange Commission's Notification ("SEC Office")
Other rights and benefits other than ordinary rights and benefits	- None -
Warrant secondary market	The warrants issued this time will not be listed as listed securities on the Thai Stock Exchange. ("SET")
The secondary market for ordinary shares created by the exercise of warrants	The Company's will bring the ordinary shares of warrant as a listed security on the Alternative Investment Market (MAI).

Remark: On September 21, 2020, the Company registered the transfer limitation with the Securities and Exchange Commission's Office.

In this regard, the Board of Directors and/or the Chief Executive Officer, as well as the person designated by the Board of Directors and/or the Chief Executive Officer, are authorized to consider other details. related to warrant allocation, such as warrant allocation for each occasion, one time or regularly, payment of a warrant, offering method, conditions and other details regarding warrant allocation as seen appropriate under the rules, conditions, and procedures prescribed by the shareholders' meeting and not contrary to or inconsistent with the law, rules, and regulations of the Securities and Exchange Commission, the SEC, and the Stock Exchange of Thailand

6. Dividend Payment Policy of the Company

The policy of the Company is to pay dividends to shareholders at a rate of not less than 50% of the net profit from the separate financial statements after tax and various reserves and all types as specified in the laws and regulations. The Board of Directors will consider dividend payments with the interests of the shareholders as the primary consideration, and dividend payments must not interfere with the Company's normal operations. However, the dividend payment is subject to change based on the Company's operating results and financial position, economic conditions, liquidity, and investment plans as needed and in any other manner deemed appropriate by the Board of Directors. Except for interim dividends, the annual dividend payment must be approved by the shareholders' meeting. The Board of Directors has the authority to approve interim dividend payments from time to time. When the Company's profits are sufficient to pay interim dividends without jeopardizing the Company's operations, the Company shall report the payment of such interim dividends to the shareholders' meeting for approval at the next meeting.

Dividend payments made by the Company between 2019 and 2021 are shown in the table below.

Items		Year 2019	Year 2020	Year 2021
Annual net profit	(Million Baht)	58.42	23.73	63.44
Dividend payout	(Million Baht)	66.67 ^{1/}	57.40 ^{2/3/}	36.42 ^{5/}
Dividend payout ratio ^{4/}	(%)	114.12%	241.90%	57.40

Remarks:

^{1/} The Annual General Meeting of Shareholders resolved on April 1, 2019, to approve the Company's dividend from net profit for the fiscal year 2018 to shareholders. The Company has already paid the dividend at the rate of 13.89 Baht per share, totaling 41,674,387 Baht. On December 2, 2019, the Board of Directors' meeting No. 5/2019 resolved to approve the Company's payment of interim dividends to shareholders at the rate of 8.33 Baht per share, totaling a total amount of 25,000,000 Baht, which the Company has already paid the dividend.

^{2/} On April 23, 2020, the Annual General Meeting of Shareholders in 2020 resolved to approve the Company paying dividends to shareholders at a rate of 2.13 Baht per share, totaling 6,700,000 Baht, which the Company has already paid.

^{3/} On August 14, 2020, the Board of Directors Meeting No. 5/2020 resolved to approve the Company paying interim dividends to shareholders from the Company's retained earnings in the accounting period ending December 31, 2019, at the rate of 13.52 Baht per share, totaling 50,700,000 Baht, with such dividends to be paid on September 1, 2020.

^{4/} Dividend payout ratio is calculated from Dividend Paid / Annual Net Profit

^{5/} On May 13, 2021, the Board of Directors No. 2, 2021 approved the payment of interim dividends from retained earnings as at March 31, 2021, to shareholders at a rate of 0.48 Baht per share, for a total of 36,420,000 Baht. The dividends are scheduled to be paid to shareholders on May 25, 2021.



Risk Management

Risk Management Policy and Plan

nForce Secure Public Company Limited realizes the importance of enterprise risk management in the management system and operations with the aim of making risk management a corporate culture. All employees must apply the policy appropriately and realize the importance of sustainable risk management. In addition to helping the company to be able to operate the business to achieve the main objectives and goals set, including having good corporate governance, it also creates a concrete added value for the Company. Therefore, in order for various departments in the Company to have a risk management approach in the same direction, the Executive Committee therefore formulates the Company's risk management policy. This edition is intended to serve as a guideline and framework for operational risk management for all employees. This will lead to the achievement of risk management objectives throughout the organization and the maximum benefit to the Company in the future.

1. Definition of Risk Management

Risk is any action event that may occur under uncertain circumstances and which will affect, damage, fail, or reduce the likelihood of achieving the goals and objectives of the Company, at the organizational level and departmental, and on an individual level.

Risk management is the process of dealing with risks in the operations of the Company according to the goals that have been set by providing a system and a plan for risk management. In order to manage the risks affecting the Company, the level and size of the impacts to be at an acceptable level, including systematic assessment, control, and audit, by taking into account the achievement of the Company's goals as a priority.

2. The Company's Risk Management Framework

The risk management framework consists of the Executive Committee and Risk Management Working Group at all levels.

At the organizational level, including the Executive Committee, under the policy and supervision of the Board of Directors, where the Chairman of the Executive Committee is the chairman whose duties and responsibilities are in accordance with the Company's guidelines. As well as, the internal control system is reviewed by the Audit Committee.

At the departmental level: department manager and all internal employees (Risk Management Working Group) under the supervision of the Executive Committee.

3. Roles, Duties, and Responsibilities in Risk Management

Risk management is the duty of the Company's employee at all levels, including those acting as consultants, person acting on behalf of the Company. The roles and responsibilities are as follows:

3.1 The Risk Management Committee

- 3.1.1 Consider giving opinions on the risk management policy, risk management strategy and administrative framework, and corporate risk in consistent with the objectives, main goals, and the Company's business plans and acceptable risks of the business in terms of overall risk management as well as major risks; such as business risks, market risk, liquidity risk ,operational risk ,and risks affecting the reputation of the business, etc., before submitting to the Board of Directors for approval.

- 3.1.2 Strategize in accordance with the risk management policy. Assess, monitor, and take care of the organization's risk level appropriately and in line with strategy and business goals, including changing situations. This includes the determination of the acceptable risk level (Risk Appetite) and the deviation of the Company's acceptable risk level (Risk Tolerance) before proposing it to the Board of Directors for approval.
- 3.1.3 Assess the impact and likelihood of the identified risks in order to prioritize them, and devise appropriate risk management methods before presenting to the Board of Directors for approval.
- 3.1.4 Supervise the risk management in the Company and Enterprise Wide Risk Management with focusing on the risk awareness and risk culture of management division and employees for appropriate operation. The Risk Management Committee supports the risk management working group and management.
- 3.1.5 Supervise and support the review of risk management policies and frameworks of the Company regularly at least once a year to ensure that such risk management policies and frameworks remain consistent and suitable for overall business conditions and the Company's risk management activities.
- 3.1.6 Have the authority to summon related individuals to give opinions, attend meetings, clarify or appoint and assign roles for operators at all levels to appropriately manage risks and report to the Risk Management Committee in order to achieve the objectives of risk management.
- 3.1.7 Report on major risks of the Company, including the status of risk, risk management guidelines, progress, and results of risk management, regularly to the Board of Directors for their acknowledgment. If there are significant factors or events that may have a significant impact on the Company, they must be reported to the Board of Directors as soon as possible for acknowledgement and consideration.
- 3.1.8 Has the authority to appoint a Risk Management Working Group as necessary by supporting the Risk Management Working Group in terms of personnel, budget, and other necessary resources within the scope of responsibility.
- 3.1.9 Consistently provide advice and support to the Board of Directors and Risk Management Working Group on organizational risk management, as well as promote continuous improvement and development of risk management system within the Company.
- 3.1.10 Seek professional opinions from external personnel or external organizations to provide independent advice or suggestion on risk management to the Executive Committee and related parties. Including temporary outsourcing to help assist the operation of the Risk Management Working Group to be able to perform duties to achieve the objectives within the specified period. Such employment will be good for the Company.
- 3.1.11 Identify risks by considering both external and internal factors that may cause the Company to fail to achieve its objectives before presenting them to the Board of Directors for approval.

- 3.1.12 Assess the impact and likelihood of the identified risks in order to prioritize them, and devise appropriate risk management methods before presenting to the Board of Directors for approval.
- 3.1.13 Review the adequacy of the policy and risk management system, including the effectiveness of the system and compliance with specified policies
- 3.1.14 Consider the report of the assessment of the potential for fraud. This includes the impact covering various types of fraud, such as making false financial reports, causing property loss, corruption, internal control override by the Executives (Management overrides of internal controls), and changes to important information in reports, acquisition or misuse of property, etc.
- 3.1.15 Perform other duties assigned by the Board of Directors.

3.2 Risk Management Working Group

The Risk Management Working Group, i.e., department managers and all employees in the Company, will be responsible for implementing the risk management guidelines to prepare the relevant risk mitigation plans. Implement and report the results of the implementation of the plan to the secretary of the Executive Committee on time. Under the supervision of the Executive Committee Each party must perform the following actions: Identifying various risks and analyzing and assessing potential risks, including the likely impact on the Company.

- 3.2.1 Prepare a risk management plan in the responsible line in order to include the risk management system as part of the work process as well as communicate and convey it to the operators in the line to acknowledge and practice properly, to ensure that risks are assessed, managed, and reported on in practices properly.
- 3.2.2 Examine, review, and assess potential risks, including the trend of impacts that external and internal risks may have on the organization.
- 3.2.3 Determine risk management policies, guidelines, and risk management processes for submission to the Executive Committee for consideration of the overall risk management plan.
- 3.2.4 Determine the risk management strategies and resources used by the Company in accordance with the risk management policy, as well as the Company's strategy and business direction.
- 3.2.5 Report on the results of risk management and risk management, including the risk status of each specified topic, to the Executive Committee for consideration every quarter.
- 3.2.6 Perform other duties assigned by the Board of Directors.

3.3 Internal Auditor

- 3.4.1 Communicate with management and auditors about risks to plan an audit that focuses on risk (Risk-Based Auditing).
- 3.4.2 Ensure that the Company has sufficient and appropriate internal controls for risk management and that controls are effectively followed.

4. Objectives and Scope of Risk Management

4.1 Objectives of Risk Management

To deal with problems and obstacles at work, prevent or reduce the likelihood of unfavorable events and their consequences. This will cause the operation to fail to achieve the objectives and goals of the organization and also promote good corporate governance.

4.2 Scope of Risk Management

To ensure the continuity of operations and achieve the Company's objectives, all departments within the Company must have risk management following the Company's policies and regulations by making risk management one of the processes in the daily operations of all employees. It aims to ensure that risk management is instilled as part of the corporate culture.

4.3 Factors that drive risk management

4.3.1 Requirements of the governing body of the Company

4.3.2 The Institute of Internal Auditors of Thailand

4.3.3 Executives viewpoint

4.4 Risk Management Policy

All of the Company's departments must plan to have the same systematic and continuous standard risk management process by utilizing information technology, the speed of communication and processing can be increased, as well as the need to monitor, evaluate, and adjust the risk management plan regularly to meet the objectives.

5. Benefits of Risk Management

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

- 5.1 The Company's performance can be in accordance with the goals and objectives that have been set.
- 5.2 Promote continuous and sustainable business growth to create added value for the Company and its stakeholders.
- 5.3 Promote good corporate governance
- 5.4 Encourage directors, executives, and employees to gain knowledge, understanding, and awareness of the importance of risk management, which will continually lead to careful work and reduce the likelihood of loss from operations.
- 5.5 In the preparation of various project plans, the Company can utilize the results of the risk analysis as part of its decision to undertake or not undertake any project that will affect the Company.
- 5.6 Help define various objectives and strategies of the Company to be more complete and feasible and in accordance with risk appetite.
- 5.7 Promote preparation and solutions to various problems that may occur and affect the Company's performance.

- 5.8 Possess the technology and information systems that help with collecting data, calculating various calculations, reporting, and reviewing data accurately, completely, and quickly.
- 5.9 Executives are provided with information to use in making decisions more accurately and faster.
- 5.10 Resources are allocated appropriately, taking the cost-effectiveness of the investment into account.
- 5.11 The participation of employees in the Company and integration with other work systems of the organization that will jointly drive the organization to achieve its objectives

6. Components of Risk Management

The Company has adopted the Enterprise Risk Management Integrated Framework components accordingly to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) risk management framework guidelines, which are standard risk management guidelines at the international level, used as a guideline for the Company's risk management wherein risk management components are as follows:

- 6.1 Objective Setting
- 6.2 Risk Identification
- 6.3 Risk Assessment
- 6.4 Preparation of a Risk Management
- 6.5 Control Activities
- 6.6 Monitoring & Evaluation

The aforementioned risk management components are also known as "risk management processes." In order to reinforce the efficiency and increase the opportunity for risk management in order to achieve its objectives, the Company has defined additional components for risk management, namely, internal environment and information and communication, with details as follows:

a) Internal Environment

The Company provides a favorable environment and atmosphere. This is the fundamental principle for other steps in risk management in an organization. If no good internal environment is provided, it will affect the strategy and goals of the Company in the determination of risk identification, assessment, and management activities wherein the important elements that affect the environment within the organization are as follows:

- Philosophy, beliefs and culture of risk management to create long-term value for the Company
- The role of the Audit Committee which is an important factor in risk management supervision
- Select personnel with knowledge, abilities, and honesty including personnel improvement to suit their responsibilities
- Provide an appropriate organizational structure
- Determination of appropriate authorities to enable employees to perform their duties to achieve the Company's objectives

b) Information & Communication

- There must be clear communication from the Board of Directors and top executives on risk management policies and allow all employees to understand their roles and duties in risk management to change behavior and/or required activities by expecting the risk to be at an acceptable level.
- Attribution must be identified, and information must be gathered from both inside and outside the organization, including storage and communication within the organization. Information must be stored in accordance with the format and within the time frame specified by law. So that the company's executives and personnel are aware of the information and keep it up to date, including performing duties and communicating on risk management issues on a regular and efficient basis.

7. The Company's risk management process according to COSO's guidelines consists of 6 steps as follows:



Stage 1 Objective Setting

Establish business objectives or the purpose of the work that makes it clear that it is consistent with policies, goals, strategies, and acceptable risks in order to be able to analyze the expected risks in their entirety in all departments. This will lead to good risk management at the department level. The elements that will be used to determine the objectives are as follows:

- 1.1 It must be clear and scalable, including being able to be implemented into reality and having a time frame for implementation that is in accordance with the principle of "SMART", which stands for
- Specific : specific / clear
 - Measurable : can be measured
 - Achievable : attainable/ practical
 - Reasonable : can be true / reasonable
 - Time constrained : has a time limit / time frame

- 1.2 It must be linked to and consistent with the Company's goals or agency indicators that are consistent with the acceptable level of risk (Risk Appetite) and the degree of deviation from the acceptable level of risk (Risk Tolerance).

Risk Appetite refers to the type of risk factor and the level of risk a company can accept to help the company achieve its vision and mission.

Risk Tolerance means the degree of deviation from the type of risk factor and the level of acceptable risk.

Stage 2 Risk Identification

Risk Identification is to find out what risks are likely to occur and prevent agencies and organizations from achieving their objectives. The risk identification process is as follows:

- 2.1 Identify risks by considering activities, projects, and work processes related to the Company's various plans, such as annual action plans, annual business plans, etc., that prevent the Company from achieving its objectives and goals.
- 2.2 Identify risks or look for risks and causes by considering the sources of risk, both internal and external factors that affect the performance of each activity, project, and work process, failure to achieve objectives and goals.

Methods to identify key risks:

- Analyze workflow and document flow, or analyze related processes.
- Brainstorming
- Organize a workshop
- Maintaining history of damages

Sources of internal risk factors may come from the following factors:

- The Company's objectives
- Policy and strategy
- Operations and work processes
- Organizational structure and management system
- Financial Management

Sources of external risk factors may come from the following factors:

- Government policies
- Economic conditions
- Competition (business competitors)
- Rules
- Natural event
- Others

2.3 Risk classification can be divided into 4 categories as follows:

2.3.1 Strategic Risk: S refers to risk arises from formulation of strategic plan and the implementation of the plan that is inappropriate as well as the inconsistencies between policies, goals, strategies, organizational structures, and competitive situation.

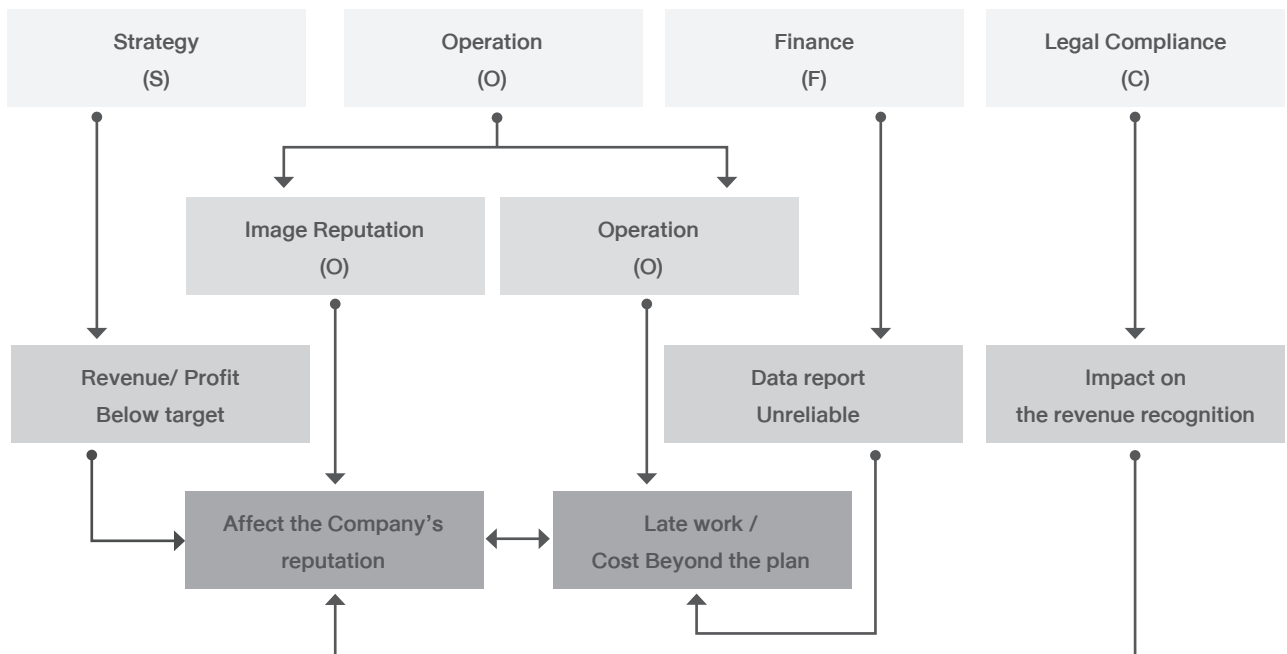
2.3.2 Operational Risk: O refers to risk arises from all phases in the operation process that covers factors related to the process, technology equipment, and personnel in operation.

2.3.3 Financial Risks: F refers to risk associated with reporting various information with accuracy to build trust such as the Company performance report etc.

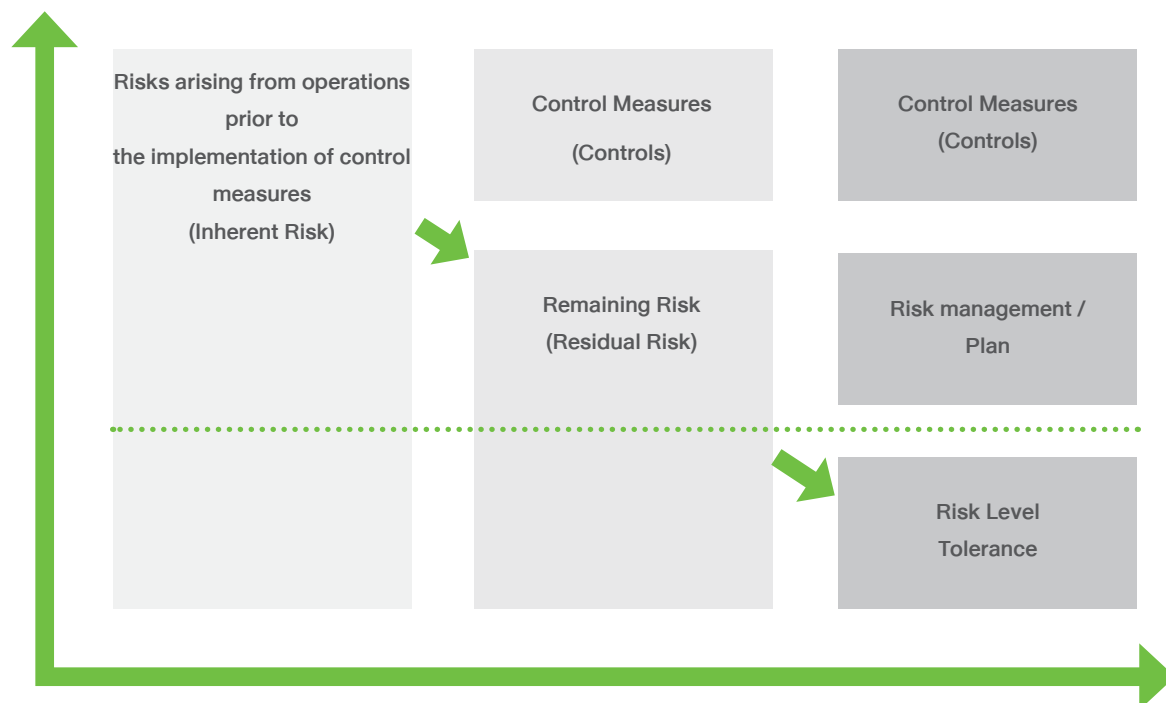
2.3.4 Compliance Risk: C refers to the risk that arises from the inability to comply with applicable laws and regulations, or inappropriate existing laws and regulations, or obstacles in the operations.

Risk classification into categories will demonstrate the relationship between each type of risk clearly in order to be able to truly manage the risk that causes damage, which can be demonstrated from the preparation of a risk map.

Creating a risk map according to the type of risk.



Stage 3: Risk Assessment



Risk Assessment means a measure of the severity of the risk by taking the risks obtained from step 2 (risk identification) and assessing them with the following steps.

- 3.1 Consider the risks associated with the action before implementing the risk control measures derived from the risk identification in step 2, taking into account the severity of the risk and the likelihood that it will occur before implementing the risk control measures (Inherent Risk).
- 3.2 Identify existing control measures (Controls) to control / reduce the risks of each risk cause.
- 3.3 Assess the residual risk by analyzing the likelihood and severity of the impact according to the criteria for determining the level of risk likelihood and the severity of the impact, which can be considered both qualitative and quantitative. The company defines 4 levels of assessment criteria, where the "risk level" is equal to the product of the likelihood of the risk and the severity of its impact.
- 3.4 Take the "risk level" that has been assessed in accordance with 3.3 and rank it by the level of importance of the risk by 4 levels as follows:

Risk Level	Point(s)	Definition
High	8-16	<ul style="list-style-type: none"> - Unacceptable risk, need to be dealt with urgently - Risk without mitigation plan and/or risk management. Adequate effectiveness - The Company's management urgently needs to manage the risk reduction level by having a risk management plan, with the determination of activities that must be performed immediately. - The management of this level of risk must be prioritized by Chief Executive Officers.
Moderate	4-7	<ul style="list-style-type: none"> - The risk is at an acceptable level, but there must be preventive measures. - Good risk management plan, but the efficiency of risk management is not good. - Although the Company's risk management is at an acceptable level, it must prioritize risk management in accordance with the established plans. Additional plans may be considered if necessary.
Low	2-3	<ul style="list-style-type: none"> - The risk is at an acceptable level, but there must be preventive measures. - Good risk management plan, and the efficiency of risk management is quite effective. - Management is quite good. Additional plans may be considered if necessary.
Very low	1	<ul style="list-style-type: none"> - The risk is at an acceptable level, but there must be continuous preventive measures. - Good risk management plan, and the efficiency of risk management is effective. - No additional management plans are required but the standards for implementing the current measures have been monitored regularly and should be maintained.

Risk assessment must be carried out both before the preparation of the risk management or management plan and after the plan has been implemented. This will determine how efficient and effective the risk management/management plan is and whether the risk management/management plan should be reviewed or improved.

Risk Matrix and Risk Appetite

The Risk Management Committee has determined the risk appetite to not exceed level 5, which has been prepared in a table of prioritizing risks and effects as follows:

Level		Very low	Low	Moderate	High
Probability		Insignificant	Minor	Moderate	Major
		1	2	3	4
High	4				
Moderate	3				
Low	2				
Very low	1				

Stage 4 Risk Response

Risk response entails determining operational guidelines to reduce the likelihood of loss by using the results of the risk assessment from step 3 to develop a risk management plan. The agency that owns the risk understands the risks that are most relevant to their departments and manages risk management plan by analyzing how to manage the expected risks. One or a combination of methods to reduce the risk of occurrence and/or reduce the severity of the risks' impact to an acceptable level, as well as manage risk management plan for the unit itself. The following are the responses:

4.1 Analyze ways to manage expected risks. There are 4 methods of risk management plan (4T) as follows:

- 4.1.1 **To control or reduce** (treat) is to control risks or find ways to manage them, such as using technical engineering techniques, contingency plans, improvements in operating processes, etc.
- 4.1.2 The term "**transfer**" refers to the act of changing risks or transferring responsibility for those risks to others. For example, getting insurance or hiring a third party to act on your behalf, etc.
- 4.1.3 **Avoidance**/terminate is the elimination of a risk or avoiding accepting it entirely, such as changing the objective or stopping the activity.
- 4.1.4 **Take** note that the organization may have an effective control system, sufficient funds to cover potential impacts, or the level of risk remains at an acceptable level of acceptance of risk due to risk management expenses. By building a control system, it can be worth a lot more than the end result. But there should be monitoring and control measures.

Thus, the selection of risk management methods must consider the cost of risk management and the incurred damages.

4.2 Plan additional risk management with the following steps:

- 4.2.1 Identify methods and alternative measures from risk management/plan approaches (4 T) to bring residual risks to acceptable levels and align them with the stated objectives.
- 4.2.2 Examine and compare the feasibility and cost of each alternative according to item 4.2.1 above, taking into account the worthiness of the investment, both monetary and non-monetary. The operating cost must not be higher than the expected damage.
- 4.2.3 Select the best method by defining the responsible person/period/budget and setting an action plan.

Stage 5 Control Activities

Control activities are policies and operational guidelines for control established by management to ensure that an effective risk management/management plan is clearly defined for those responsible and the timing of implementation. And that control activity is one of the methods of risk management/ management plan.

Examples of control activities such as

- Formulation of policies and procedures
- Supervision of Auditors' performance
- Computer system and computer control
- Physical Control
- Key Performance Indicators
- Division of job responsibilities

The most beneficial control activities should be included in the process to be able to prevent and reduce the risks to an acceptable level. The operating cost must not be higher than the expected damage.

Clearly defining control activities will enable the intended risk management plan to achieve its objectives by providing additional policies and procedures. Clearly define the responsible person and the time for completion. Such as when establishing internal control processes, clearly stipulating the responsible people and the timing for completion. For instance, determining internal control processes through review, supervision, additional division of duties, etc.

Control activities It is considered as one of the components of the internal control system in the form of suggestive control to improve and develop the operating system and internal control system to suit the situation, where agencies must be prepared to reduce risks and make it worthwhile, as well as make the management confident in the effectiveness of the existing internal control system.

Stage 6 Monitoring & Evaluation

Monitoring and evaluation refer to the processes of performance quality control, and evaluation of additional risk management/management plans or control activities are implemented continually and consistently by following up during the operation and evaluating it from time to time to ensure efficient and effective management/plan. Therefore, progress, problems, and obstacles to risk management/management plan must be reported to be used as a guideline for further review or improvement of risk management/ management plans. The follow-up and evaluation procedures are as follows:

6.1 Evaluate and prepare a report on risk management, which includes:

- Risk factor and risk level report
- Existing controls manage residual risks
- Agencies/ Persons responsible for post-control risks

6.2 Report to the chief executive or the Board of Directors. The report contains the following content:

- The risk of discrepancy is beyond acceptable.
- A maximum of 4 risk levels
- Incident that, although the likelihood is low, will affect the safety of employees or others
- Violation of law
- Significant property damage, property impairment
- The reputation of the agency
- Inappropriate Closing Entries and Financial Reporting

Risk factors relating to the Company's business operations

The following text represents significant risk factors which may have a negative impact on the Company and the value of the Company's shares. In addition to the risk factors listed in this document, there may be additional risks that the Company is unaware of at this time, or risks that the Company considers unimportant at this time. This may be an important risk factor in the future. Such risks may have a material impact on our business, revenues, profits, assets, liquidity, funding sources, results of operations, and the Company's financial position or opportunity.

Business risks

1. The risk of dependence on vendors

The Company operates as a distributor of cyber security products and related network management products from world-renowned vendors, wherein all the vendors that are distributors are leaders in cybersecurity in areas such as firewalls, anti-virus, and anti-malware software, authentication and encryption, etc. There are also services related to the products that the Company provides to customers who use various products, such as training services for the use of the system, installation services, and maintenance services, including consulting services for various problems caused by the use of the system or software that the Company sells as a distributor, etc.

In 2021, the Company has orders for goods and services from 1 product owner that account for more than 30% of total purchase value each year, namely Palo Alto Networks, which accounts for 74.38% of total purchases. Most of the products that Palo Alto Networks sells are network security-related products, so most organizations pay more attention to them. Due to the variety of information an organization has, it is a valuable resource. In addition, in order to comply with the requirements of the law, organizations in both public and private sectors need to focus on data security in order to be safe from cyber threats. In 2021, the company has 23 projects that sell Palo Alto Networks products worth more than 5 million baht, accounting for 35.81% of revenue from sales and services. The risk of relying on product owners to supply goods and services: in the event that the product owner does not renew the distributorship contract or is unable to supply products to the company on time and the company still can't find a new product to replace it, this may affect the operation of the company and the company's income significantly.

The Company is aware of the impact that may occur from its dependence on the vendors. The Company has been a distributor for more than 7 years and has had a good rapport with the vendors. The Company is therefore confident that it will be able to continually renew the contract with the owner of this product. Moreover, the product owner is also a company. It is famous for selling global security hardware and software. This ensures the supply of quality products that the vendors can deliver to meet the needs of the direct users of the company.

Because of the Company business operates as a distributor of cybersecurity products, which is an industry that is constantly changing with new attack to threaten the information security of each organization, the Company has a policy of procuring new products from other partners (vendors) related to network security or equipment for end users in the future. The Company focuses on selecting products that are well-known as well as having a unique point of various products to promote the diversity of technology and as alternatives to the contractors and system integrators(SI) and effectively meet the needs of end users. The products that the Company chooses to be a reseller of are different in terms of technicality. The products that the Company selects for sale are not causing any competition or to compete in the market share between the products that are the distributors themselves, causing the company to gain the trust of various product owners. As a result, there is a diversification of the risk of relying on a single large product owner. In addition, on 1 April 2021, the Company and Data Wow Company Limited (Data Wow), which is a company specializing in software development and data analyzing (Data Analytic) as well as jointly established the NDATAHOTH Company Limited to develop and distribute software related to Personal Data Protection (PDPA), including services related to such products by 2022. By the establishment of the NDATAHOTH Company Limited, the Company will increase the opportunity to diversify its revenue base. It also helps its own product creation to increase the variety of products that the Company offers and become a reseller for products other than network security, which reduces the risk of relying on a single large product owner

2. The risk of failure to comply with the terms and conditions of the vendors' contract

The Company is a distributor of cyber security products. Many leading vendors place orders with the Company with the agreement to appoint distributors for the main products manufactured by the Company. Distribution contracts have an average contract term of 1-2 years, and most of them can automatically renew the contract to appoint dealers if the Company can comply with the terms and conditions. The Company must also comply with the reseller contract established by each vendor. Each vendor has terms and conditions that the Company must comply with under different contracts, such as performance requirements, marketing or recommending products, requirements relating to the training of employees to know about the product, etc. If the company fails to follow the terms and conditions of the said contract, the Company may be at risk of contract termination as a distributor; or will not receive a contract renewal of the distributorship upon contract termination, which may affect the business operation and revenue of the Company.

The Company has given importance to complying with the terms and conditions of various contracts to meet the key performance indicators set by certain vendors with certain requirements, including consideration of the renewal of the contract with the vendors. It also takes many factors into account, such as the reputation

of the company, the company's ability to provide services related to products that are distributors, etc. The Company focuses on the knowledge and competence of personnel related to various products and technologies. The Company, therefore, has a policy for related personnel to receive training from the vendors that the Company is their distributor to increase knowledge and work potential for employees. It also creates a competitive advantage over other competitors in the market as well. As a result, the Company has been renewing the distributorship contract with the product owner continuously.

3. The Risk from Technological Change

The Company's business operation is related to information technology. The nature of such a business is the rapid development and change of technology by the production and introduction of new products of the vendors with additional features to support customers' needs. If the Company is unable to keep up with the changing conditions or keep up with the changes in the industry, it will be eliminated from consideration. This may result in customers turning to other dealers for services, which may affect the total revenue of the Company.

The Company has guidelines to reduce the risks from such technology changes by closely monitoring business-related information, news, and changes and adjust to keep up with the changes, including offering products and services to meet the market's demand, including introducing new products to be known to the market. This is to create business opportunities or prevent disadvantages from competitors. In addition, the Company has a policy for personnel in related fields, such as engineers and salespeople, to monitor, study, develop knowledge and attend training and seminars with both product owners and product owners or continuous training with external organizations to be aware of the changes in technology and supply products or suitable equipment, as well as improve the service to be able to support the changes that may occur. As a representative of the world's leading products in information technology, the Company will receive information and regular training from the product owner, so the company is aware of technology changes quickly and promptly.

In addition, the Company reduces the risk of product obsolescence by implementing a policy of no pre-ordering to prevent overstocking, except for spare parts or some equipment as necessary to prepare the relevant services, including corrective maintenance services or related after-sales services. The storage of such spare parts or equipment has a small value.

4. The Risk of Relying on Personnel with Specific Expertise

The Company is a distributor of cyber security products for use at the enterprise level with complexity and diverse application requirements, which rely on the knowledge, ability, and experience of specialized groups of personnel, namely the Technical Department, which consists of engineers, technical experts. As of 31 December 2021, the Company has 34 technical staff members and a sales department, which consists of knowledgeable salesmen specializing in products that the Company is a distributor for. Their duty is to sell products to customers who are contractors for system and technology integration (SI) as of December 31, 2021, the Company has 13 salesmen. At every step of the product presentation process (Pre-Sale), after the Company gets to know the objectives and needs of the users (End User) from

the system and technology integration contractor (SI). In the process of product presentation, the sales department and the technical department which consist of the Company's expert engineers will jointly analyze the needs of the users (End User) directly with the products that the Company distributes as well as various systems that the systems and technologies integration contractors (SI) designed to be presented directly to the end user to present a good product that meets the needs of the direct user (End User) has considered and in after-sale service. The Company provides services related to the products that the Company has provides services as a distributor such as system and equipment installation, maintenance service training, including troubleshooting and consultations on system operation and/or equipment. All of these require personnel specialized with knowledge and expertise in order for them to be able to provides services. Therefore, the Company may have a risk of relying on personnel with specific expertise and this may affect the Company's operations if the Company cannot employ sufficient amount of employees to its needs.

However, the Company recognizes the importance of personnel and has established guidelines to prevent the risk of personnel shortage, including a clear, adequate, and appropriate manpower planning to be in line with the Company's growth direction by prioritizing the development of personnel knowledge on a regular basis by focusing on real-world practice, improving problem-solving skills and increasing service capacity. This also includes focusing on both technical and practical training, as well as improving the connection and working environment, creating a culture of teamwork, strengthening relationships among personnel at all levels within the Company, and encouraging participation in brainstorming and problem solving, as well as competitively setting remuneration and welfare comparing to other companies in the same industry. In addition, the Company also allocated share warrants under the issuance and offering of warrants to purchase the ordinary shares of the Company to employees under the Company's program (ESOP Warrant) to incentives longer tenure with the Company

5. The Risk of Dependence on Executives

The Company relies on a group of top executives that are important in the Company's business operations. In particular, Mr. Nakrop Niamnamtham holds the position of Chief Executive Officer (CEO). As of 31 December 2021, the Niamnamtham shareholder group holds the total of 16.22% of the Company's total shares. Ms. Sukanya Luanchamroen, who is the Deputy Chief Executive Officer (Deputy CEO), holds the total of 19.81% of the Company's total shares. Both executives are the founders of the Company, and is regarded as an executive with good knowledge and expertise in the cybersecurity business, which is one of the key factors that contribute to the growth and expansion of the Company's business, as well as having a good relationship with product owners and customers Having knowledge and competence in business and organizational management is essential. In addition, the aforementioned senior executives also determine the direction of the Company's business operations by selecting new products to be presented to the market and generating sales for the Company. In 2021, the Company has revenue from sales and services of 823.39 million baht or has a 3-year average growth rate (CAGR) equal to 12.7%. The Company's future business success depends on the ability of the Company to maintain such top executives to stay with the Company. Therefore, the loss of such top executives without being able to find suitable executives to replace them may harm the management and the performance of the Company.

However, the Company recognizes the importance of relying on key executives that may affect business operations. Therefore, to reduce the risk of relying too much on a person, the Company has decentralized its organizational structure, by not relying solely on the decisions of key management. By including the Company's Audit Committee, Nomination Committee, Board of Directors, and management team to take part in the managing and deciding within to the powers and duties that have been established, this reduces dependence on such executives. As for the responsibilities in terms of maintaining relationships with product owners and customers, the Company requires engineering teams to collaborate with the marketing team in coordination with the product owner to organize exhibitions as well as providing knowledge on cybersecurity as a channel to introduce new products, which increases business opportunities, personnel development and reduces dependency on executives.

In addition, the Company uses rules and procedures when selecting personnel for the Company's important management positions to be appropriate and transparent to ensure that the Company hires executives who have qualifications, skills, experience, and professional competency, through the Nomination and Remuneration Committee and/or the appointed committee in recruiting or selection and planning for succession, in the event of a vacancy or inability to perform in the position of executive chairman or the equivalent positions. The Company will have a system which will utilize personnel in a similar executive level or the personnel next in line to be the acting executives until the recruitment and selection of qualified personnel according to the criteria set by the Company. Such personnel must be visionaries, have the knowledge, ability, experience, and suitability for organizational culture. The Nomination and Remuneration Committee will consider the candidates and present to the Board of Directors for consideration and approval of the appointment of a suitable person as a replacement.

6. Risk from Fluctuations in Foreign Exchange Rates

The Company purchases products from product owners, most of which are companies located in foreign countries. In 2021, the proportion of purchases from foreign trading partners accounted for 99.72% of the total purchase value. The purchase of such products in US dollars may cause the Company to be exposed to foreign exchange risks. Especially if the exchange rate fluctuates or the baht tends to depreciate. This will result in an increase of the Company's product cost and may affect the profit of the Company. In 2021, the Company had a profit (loss) from foreign exchange in the amount of 2.45 million baht

However, the Company is aware of such risks by determining the allowance for exchange rate fluctuations to be included in the calculation of the cost of goods and services. This is part of the pricing structure for some customers. In 2021, the Company has considered using financial instruments by signing a contract to purchase foreign currency exchange rates in advance (Forward Contract) in order to reduce currency exchange rate fluctuations when purchasing goods from abroad. In addition, the Company's executives are responsible for overseeing and managing foreign exchange risks by following the trend of the Baht currency as necessary to consider signing the contracts of currency exchange (Forward Contract). Each time that the exchange rate changes more than 5% from the exchange rate that was originally specified, the executives will consider signing only part of the advance contracts to be in line with the order quantity to reduce

the risks that may occur at the discretion of the management and to reduce the risk to be within acceptable level and suitable for the Company's business conditions. As of 31 December 2021, the Company has forward contracts totaling USD 2.44 million. The Company does not have any policies in regards to assuming profit from currency exchange.

7. Risk from Semiconductor Shortage

The effects of the semiconductor shortage in the global market which affect many business sectors around the world because semiconductor chips are one of the key components of the product that the product owner (Vendor) uses to produce products for sale. The product owners' (vendor) inability to produce the product and deliver within the specified time frame, this also affects the Company's delivery time frame. Initially, the product owners could ship the products within about 30 days after the purchase date. This has changed to delivery within a period of approximately 150 days, causing the Company to be affected by the delivery of goods while being a distributor for the Company's customers. In 2021, the Company experienced 56 late product delivery from the product owners, causing the delay of product delivery from the originally agreed schedule to the Company's customers.

The Company is aware of such problems. Therefore, the Company has contacted and coordinated with the product manufacturer (Vendor) to assess the delivery time and communicating with customers about the delivery time in advance, so that the customers can plan their purchases as well as the delivery time before the customers ordered products to create mutual understanding. This also helps reduce the possibility of late delivery and customer complaints regarding late delivery. However, as of 2021, the Company has not received any complaints from the customers in this regard.



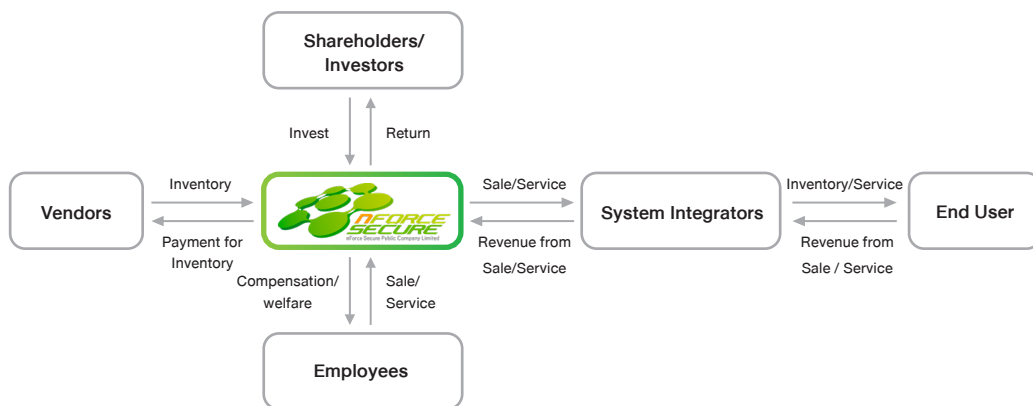
Driving Business for Sustainability

3.1 Sustainability management policies and goals

The Company realizes the importance of running a business for sustainable growth by creating growth opportunities and added value for shareholders as well as related stakeholders. Also focuses on participation in social and environment stewardship. By adhering to the principles of good governance and good corporate governance, the Company realizes the importance of such matters. Therefore, various policies, including corporate governance policies, and a corporate social responsibility policy have been established to focuses on conducting business with care for stakeholders, the economy, society, and the environment with morality and ethics, to create value for the business sustainably.

3.2 Managing Stakeholder Impact in Business Value Chain

3.2.1 Business Value Chain



The Company operates as a distributor of cyber security products and network management products. Therefore, the main activities in the Company's value chain are as follows:

Main activities	Details
1. Procurement	<ul style="list-style-type: none"> Sourcing from various vendors which are the product owners to reduce the risk of relaying on large vendors. Sourcing products directly from the vendors or authorized distributors to obtain quality products by providing a variety of technology to keep up with cyber threats and respond to the needs of customers effectively.
2. Storage and Delivery	<ul style="list-style-type: none"> Inspecting the product condition before accepting the goods into the warehouse Store the product in the appropriate area without negatively affecting the quality of the product. Each project is separated to prevent shipping errors. Test product quality before delivery. In case that an error is found, the Company will notify the vendor so that the vendor can send a new product for replacement. Timely delivery

Main activities	Details
3. Marketing and Sales	<ul style="list-style-type: none"> Plan and analyze the basic system of the end-user, presenting products that meet their needs and in accordance with their budget. Liaise with system integrator (SI) for new projects.
4. Services	<ul style="list-style-type: none"> Meet the needs of customers to meet their goals by analyzing the needs of end users directly with the products that the Company is a distributor, including various systems where systems integrator designed to present good products effectively meet the needs of users for considering. Trial Demo service to allow systems integrator(SI) or end-users to test the quality, including the functionality of the device before actually placing an order, to ensure that the products can work as intended. Provide basic instructions to repair the system or device crashes which are not caused by software bugs or the device itself in order to resume normal operations. Provides loan/return of spare demo for use while waiting for the product or equipment that the product owner is repairing or sending a new device for replacement under the condition and scope of the service contract that the systems integrator(SI) have purchased from the Company.

3.2.2 Stakeholders in the Business Value Chain Analysis

Stakeholders	Stakeholder Participation Channels	Expectations/Needs of Stakeholders	The Company's responds
Shareholders/ Investors	<ul style="list-style-type: none"> Shareholders' meeting Annual report Quarterly financial report Analyst meeting Opportunity Day Disclosure of the Company's information on the website and online media 	<ul style="list-style-type: none"> Stable operational performance and growth, and good investment returns Operates according to Corporate Governance Policy Receive the Company's information accurately, completely, up-to-date, and transparently. Have a risk management system 	<ul style="list-style-type: none"> Proper dividend payment. Manage and develop the organization for sustainable growth. Conduct business with transparency and fairness Transparent and reliable disclosure Careful risk management

Stakeholders	Stakeholder Participation Channels	Expectations/Needs of Stakeholders	The Company's responds
Customer	<ul style="list-style-type: none"> Meeting and visiting customers Organize customer relation/marketing activities Annual Customer Satisfaction Survey Complaints, suggestions and opinions through various complaint systems 	<ul style="list-style-type: none"> Acknowledge the needs of customers Present and sell products and service charges reasonably Recommend products and services that will help increase the potential to effectively prevent potential threats to customers. Treat customers equally Secure customers' data and their privacy 	<ul style="list-style-type: none"> Constantly develop and respond to customers' needs Gain the reputation and trustworthy for the Company Supervise the business with transparency, fairness, and auditable Have an anti-corruption policy in place Quality management with international standards Possess the code of ethics in maintaining the confidentiality of customer information
Vendors	<ul style="list-style-type: none"> Contact vendors for procurement Vendors selection and performance assessment process Vendors' satisfaction assessment 	<ul style="list-style-type: none"> Compliance with the rules and regulations regarding the Company's procurement Trade compliance Conduct business with transparency, fairness and equality Cooperation in business development and growth together Maintain confidentiality of vendors' information 	<ul style="list-style-type: none"> Increase the efficiency of work processes related to procurement Strict compliance with the terms and mutual trade agreements vendors assessment for sustainable business development Maintain confidentiality of vendors' information
Employee	<ul style="list-style-type: none"> Communicate relevant information through various communication channels Employees satisfaction assessment Annual performance assessment Listen to ideas and suggestions through the Company's various channels 	<ul style="list-style-type: none"> Receive reasonable compensation and benefit The environment and working space are suitable and safe for work Emphasize on the development of employees' knowledge and abilities by giving them equal opportunities Strict compliance with labor laws 	<ul style="list-style-type: none"> Competitive and fair compensation and benefit management Organizing a work environment that takes into account of work safety Encourage employees to develop skills and knowledge continuously Establish guidelines and practices for occupational safety and health, and promote employees' wellness Provide opportunities and career growth

Stakeholders	Stakeholder Participation Channels	Expectations/Needs of Stakeholders	The Company's responds
Society/ Community and Environment	<ul style="list-style-type: none"> Encourage environmental conservation and energy conservation efforts Listen to ideas and suggestions through the Company's various channels Whistleblowing, fraud or unlawful acts report 	<ul style="list-style-type: none"> Encourage and support community and social activities that benefits the society Focus on anti-corruption 	<ul style="list-style-type: none"> Encourage and support activities that benefit society, the community, and the environment Response and handle complaint Fair corruption investigation (if any)

3.3 Sustainability Management in Environmental Dimensions

The Company operates as a distributor of cyber security products, the Company's business does not directly affect the environment. However, the Company realizes the importance of environmental protection and energy conservation. In addition, the Company also campaigns for employees and executives to be aware of energy conservation in various areas, such as saving water, saving electricity, including the efficient use of resources, etc.

Electricity and water use: The Company focuses on using standardized and certified electrical equipment to save energy. It is also campaigning to save electricity and water by turning off the lights during the lunch break and not leaving the electricity and water supplies turned on, using stairs instead of elevators. The Company has the following units for electricity and water use throughout the year

	Year 2021
Electricity consumption (unit)	111,855
Water consumption (unit)	460

Remark : The Company started the first data collection in 2021

Efficient use of resources: The Company encourages data collection by scanning data in electronic form ("soft file") instead of storing it in documents. It is a cost-effective use of paper by printing a front-back or reusing both pages. E-mail communication is encouraged to replace the use of paper in sending documents within the organization. Change the use of water bottles in the office from plastic bottles to glass bottles to reduces the amount of waste that will occur and also promotes recycling by separating and collecting garbage in the office, such as desk calendars, staples, etc., and donating them to agencies that need further use, etc.

In addition, the Company also provides training to educate and communicate with employees about policies and practices on environmental protection through internal Company channels such as bulletin boards as well as placing stickers in various areas to remind all employees to be able to take part in protecting the environment both inside and outside the organization.

Reduce greenhouse gas problems Management: the Company understands the significance of management in reducing greenhouse gas emissions. The Company's activities may affect the amount of greenhouse gas emissions related to energy use, such as the use of electricity from air conditioners, including other electronic devices, etc. However, the Company has begun to study more details as well as the guidelines for calculating the carbon footprint of the organization. In addition, the Company has contacted consultants and auditors certified by the Center of expertise in environmentally friendly business strategy, the Faculty of Environment at Kasetsart University (Bangkheng Campus) or Vgreen, Thailand Institute of Scientific and Technological Research, the Faculty of Energy and Environment, University of Phayao, SGS (Thailand) Limited, and Bureau Veritas Thailand Company Limited as guidelines for formulating policies or measures to further reduce greenhouse gas problems which the Company will publish subsequently.

3.4 Sustainability Management in Social Dimension

The Company is committed to business development and economic, social, and environmental management by adhering to the principles of good corporate governance. The Board of Directors' Meeting No. 5/2020, held on 14 August 2020, approved a resolution of the Corporate Social Responsibilities Policy, which is summarized as follows:

1. Conducting business with fairness

The Company focuses on conducting business with honesty, fairness, and ethics and is determined to compete in trade in accordance to the ethical business practices, laws, and fair trade competition principles, including denying any behaviors that impedes fair competition, such as seeking competitors' confidential information, soliciting, receiving, and not providing any benefits which leads to unfair trades. In addition, the Company has organized a campaign to promote and cultivate the subconscious minds of the Company's personnel at every level to create social responsibility as well.

2. Anti-corruption

The Company manages its business based on transparency and ethics, adheres to the principles of corporate governance, and complies with the laws related to anti-corruption and anti-graft, giving or accepting bribes to government officials or the private sector. The work process and the chain of command in each unit should be clear in order to have a balance of power and strictness in the audit between each other. The Company has also set guidelines for its directors, executives, and employees and its subsidiaries as follows:

- 2.1 Directors, executives, and employees of the Company are prohibited from committing or accepting any form of corruption, directly or indirectly, covering all relevant departments and having their compliance with the anti-corruption policy reviewed regularly.
- 2.2 Directors, executives, and employees of the Company are required to report to the Company any corrupt acts related to the Company by notifying their supervisors or responsible persons and cooperating in fact-checking.

- 2.3 The Company will provide fairness and protection to whistleblowers, including those who cooperate in reporting and during the corruption investigation process.
- 2.4 The Board of Directors, executive committee, and management must act as role models in anti-corruption and have a duty to promote and support anti-corruption policies. Changes in business conditions, regulations, and legal requirements must be accommodated to communicate with employees and all related parties, including reviewing the appropriateness of policies and measures.
- 2.5 Those who commit corruption will be subject to disciplinary action following the regulations set by the Company and may be punishable by law if the action is illegal.
- 2.6 Communicate the anti-corruption policy to departments at all levels in the Company through various channels such as employee training, the Company's internal communication system for the relevant parties to know and implement the policy, etc.
- 2.7 The Company has set up whistleblowing channels by promoting communication through various channels so that employees and stakeholders can report suspicious clues and provide protective measures to the whistleblower to avoid being punished or being transferred unfairly, the identity of whistleblowers is strictly protected. This includes the appointment of a person to monitor and follow up on every clue that has been reported. The Company encourages contract parties, vendors, or other people who have to perform duties related to the Company to report violations of the anti-corruption policy to the Company.
- 2.8 The Company has a policy for recruiting or selecting personnel, promotion, training, performance assessment, and determination of the remuneration of the Company's employee and staff that are fair and sufficient to prevent corruption within the organization and create collateral for staffs and employees of the Company.
- 2.9 The Company provides disbursement and procurement regulations by setting a limit power of approval table. The objectives of the transaction and the recipient, which must be accompanied by clear documentary evidence and the approval authority at each level, are appropriately set for clarity in the implementation of the high risk corruption matters in the following areas: the Company's directors, executives, and employees. This personnel must be treated with caution and their integrity must be ensured.
 1. The giving or receiving gifts and business entertainment must be transparent, lawful, in accordance to the customary or traditions at a reasonable value.
 2. Giving or receiving donations or financial support must be transparent and legal by ensuring that giving or receiving donations or such subsidies are not bribery.
 3. In conducting business, contacting, negotiating, bidding, and other operations with government or private segment must be transparent and legally. In addition, directors, executives, employees, and employees of the Company must not be given or receive bribes at any stage of the business operation.

3. Respect for human rights

The Company has the policy to support and respect the protection of human rights by treating all stakeholders, such as employees, communities, and the surrounding society, with respect for human values, equality and equal freedom, do not violate fundamental rights and does not discriminate in matters of race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status, including ensuring that the Company's business is not involved in human rights violations such as child labor, sexual harassment, etc. In addition, the Company has promoted the surveillance for compliance with human rights requirements by providing participation in expressing opinions and channels for complaints about those who have suffered damage from rights violations arising from the Company business operations and taking appropriate remedies.

4. Fair labor treatment

The Company recognizes the importance of human resource development and treats workers fairly. This is a factor that will increase the value of the business and enhance the competitiveness and sustainable growth of the Company in the future. The Company has established policies and guidelines based on the Labor Protection Act B.E. 1998, this includes Social Security, the Compensation Fund, and the provision of various levels of employee benefits, covering health insurance, protection, insurance, etc.

The Company realizes that personnel are an important resource that drive the organization's success and create sustainable growth. Therefore, it is determined to look at employees in various fields, namely (1) knowledge and skill development and (2) compensation and benefits. (3) Workplace safety and health, etc.

1. Knowledge and skill development of employees

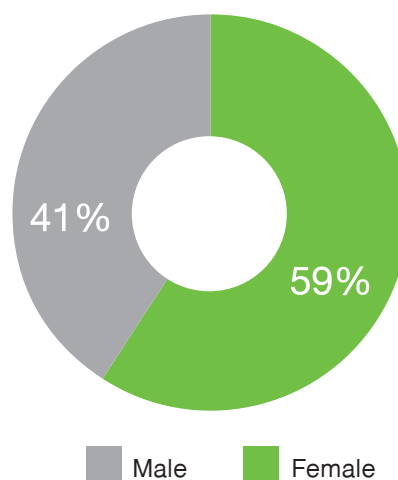
The Company has a policy to continually promote the development of personnel abilities at all levels by combining both skill development knowledge and competence, as well as instilling corporate culture and ethics together, to be in line with the Company's strategy and business guidelines. The total training hours are approximately 147 hours. The training courses for employees in 2021 are as follows:

- General Safety Training for Subcontractor AIS
- Wireshark: Packet Analysis and Ethical Hacking: Core Skills
- The Complete Ethical Hacking Course 2.0: Python & Kali Linux
- CompTIA Cybersecurity Analyst Certification (CT-CySA+)
- Cashflow
- Accounting standards related to property, plant, and equipment
- Closing accounts and ending tax issues
- Issues in recording assets, liabilities and owners' equity with adjustments in accordance with financial reporting standards.
- Succession Planning Preparing

In addition, the Company also encourages sales and technical personnel to offer products and services to customers by undergoing training and testing to receive qualification certificate from the vendor, to build confidence for customers who have been guaranteed knowledge and understanding of the products offered for sale. A total of 30 sales and technical staff members received certificates from 24 vendors, with examples of certificate details as follows:

- Palo Alto Networks: Palo Alto Networks Certified Network Security Consultant (PCNSC) This course demonstrates the skills in-depth knowledge as well as the high operational standards associated with Palo Alto Networks firewalls.
- Gigamon : Gigamon Certified Professional and GigaPRO Professional Certification Tests demonstrate knowledge and in-depth understanding of Gigamon products, installation, and troubleshooting at the Gigamon technical level.
- BeyondTrust: Remote Support for Administrators and Privilege Management Administration V21 is a course for sales engineers and covers the installation and general management of Beyondtrust products.
- Trend Micro: Endpoint Encryption for Administrator is a course that demonstrates the ability to install and understand how Endpoint Encryption by Trend Micro works.
- ForgeRock: ForgeRock Identity Management Product Knowledge is a course that demonstrates a high level of knowledge of core functionality and an understanding of its advantages, including the main functionality of Forgerock products.
- Cloudflare: Cloudflare Accredited Configuration Engineer is an installation course that provides management advice on Cloudflare products.

As of 31 December 2021, the Company has a total of 75 employees, comprising of 44 males and 31 females.



2. Employee Remuneration and Benefits

The Company has established a Performance Assessment Guide that is designed to assess the performance of employees, consistent with the Company's performance and is used as a tool for evaluation to consider the employee's compensation, wage adjustment, bonuses, etc., by considering the obligations and responsibilities and the success of the work as assigned, the assessment of skills and characteristics in various fields. The Company has criteria for considering wage, salary, and annual bonus increases that are clear and equitable.

In addition to the Company realizes the importance of the employees' families as well, therefore providing welfare and various activities to make employees have a good life and happiness, which will affect their work. The Company has announced the annual welfare to employees which is an announcement of the Company's internal communication channels, such as

- Health and life insurance: annual employee health check, group health insurance and group accident insurance
- Fund : Social Security Compensation Fund, Provident Fund
- Welfare subsidy : subsidy for travel expenses to work abroad with allowance, child tuition allowance, funeral allowance, maternity allowance
- Others: budget for hosting a monthly welcome party for new employees, welfare support for sports within a specified budget, including football fields and badminton courts rental, etc.

3. Occupational safety and health

The Company realizes the importance of a safe working environment and occupational health. This will affect the quality of work-life as well as the health of the employees in the Company by encouraging employees and executives to attend Occupational Health and Safety Training and working environments to enhance knowledge, and understanding of the management and operation of occupational safety, health, and the work environment, as well as the implementation to enhance the safety of employees in the organization. The content of the training course consists of knowledge of occupational safety, occupational safety, health and work environment laws and regulations on safety, occupational health and working environment, etc.

Due to the Corona Virus 2019 (COVID-19) epidemic, the Company is aware of the safety of all employees through preventive measures, guidelines, and public relations for employees to follow social distancing measures and wear masks throughout the working period, washing hands with alcohol gel, promote for online meetings or the use of applications, etc.

5. Consumer responsibility

The Company are determined to develop its products and services for the highest satisfaction and benefit of customers and adhere customer treatment with responsibility and honesty and taking care of customers as follows:

- 5.1 The Company takes into account the quality and standards of products and production efficiency. The Company focuses on selecting products that are safe and meet international standards as well as developing a service management system for customers to use products, receive quality services, and receive the highest satisfaction.
- 5.2 The Company has a project to continuously procure new products to meet the needs of customers so that they can use a variety of products of high quality and standard to meet their needs. The Company adheres to fair marketing and has a policy of providing customers with accurate information about the Company's products and services without distorting, ambiguous, or exaggerating advertisements to provide customers with accurate and sufficient information to make decisions.
- 5.3 The Company also takes into account the safety of customers and is committed to providing customers with quality products and services with international safety regulations, to provide customers with confidence in the quality, standards, and safety of the Company's products and services.
- 5.4 The Company provides a customer communication system to communicate with its customers, including receiving complaints about the quality of goods and services, effectively through various channels of the Company to be able to respond to the needs of customers quickly.
- 5.5 The Company will keep the customer's information confidential and will not be subjected to misuse.

In addition, the Company has a process for surveying customer satisfaction regularly by analyzing the survey results, in order to develop and improve products as well as continually improve service assessed in 4 main areas:

1. Regarding service personnel, such as personality, verbs, manners, and appropriate dress code. The knowledge and ability of the staff to provide installation services or set up the products, providing guidance on how to use the product is critical to providing information on ongoing technological developments as well as a technical explanation that is simple to understand and to the point.
2. Facilities and communication include a variety of service channels and procedures for reporting problems that are convenient and fast, as well as responding within a reasonable time.
3. Operations and service procedures include the ability to perform tasks and deliver the tasks on time. The tasks accomplishment is orderly, correct, and complete at each step, as well as the ability to solve problems that have been notified within a reasonable time.
4. The overall service aspect of the Company includes products that customers receive and services that meet their needs and are received on time as agreed as well as the quality and satisfactory of work and services.

In 2021, the Company summarizes the results of the customer satisfaction survey as follows:

Results summary (Full score 5)	Engineering	Sales
Overall satisfaction score	4.53	4.30
1. Service personnel	4.55	4.35
2. Facilities and communication	4.47	4.25
3. Operations and service procedures	4.51	4.26
4. The overall services of the Company	4.62	4.35

6. Environmental Conservation

The Company places importance on social responsibility and environmental conservation. The Company operates and controls the production of its products and services to strictly comply with the laws related to environmental protection. This is considered one of the main missions of the Company by giving directors, executives, and employees the responsibility to conserve natural resources and protect the environment.

7. Community or Society Development Contributions

The Company realizes its responsibility to the community and society in order to strengthen the community and give back to society through promoting social assistance activities, improving the quality of life of people in the community, continuously promoting volunteer activities related to community and social development, and instilling a sense of responsibility towards communities, society, and the environment for employees at all levels.

In this respect, Mr. Nakrop Niamnamtham, Chief Executive Officer of the Company, was also a guest speaker at several universities, including Naresuan University, King Mongkut's University of Technology North Bangkok, and others, to discuss and teach students about cybersecurity. Moreover, Mr. Nakrop Niamnamtham also published a column in the Krungthep Turakij newspaper to give knowledge, awareness, and news about dangers, including cyber security, to the general public or those interested in learning about different useful information.

Activities Aimed to Improve Society and the Environment

The Company has continually emphasized and promoted activities for the benefit of the community and society. In 2021, the Company participated in blood donation activities for the Thai Red Cross Society. The Company's employees united to donate their blood at the National Blood Center, Thai Red Cross Society on 1 October 2021.



Furthermore, in 2021, the Company made a donation to the "Bed for Life" initiative for the Faculty of Medicine, Vajira Hospital, which is an emergency project with a proactive approach. The objective is to save as many COVID-19 patients as possible by working together to build a negative pressure room that can accommodate more than 50 critically ill COVID-19 patients. The negative pressure room is an air circulation controlled room designed to prevent germs from escaping and endangering hospital employees, as well as to filter germs before they are discharged into the environment.

8. Innovation and dissemination of inventions resulting from operations with social and environmental responsibilities, as well as stakeholders

The Company will encourage innovation at both internal and external business processes level, which means creating new working procedures as well as transforming the way people think and produce in order to bring more value. The goal of innovation is to make positive improvements to the operation in order to maximize societal benefits.



Management Discussion and Analysis

nForce Secure Public Company Limited

Management Discussion and Analysis

For the Year Ended 31 December 2021

Business overview

nForce Secure Public Company Limited (the Company) is a distributor of cyber products and solutions as well as network management products and solutions. Wherein the revenue ended 31 December 2021 consisted of (1) revenue from sales of all products related to information technology systems, accounting for 97.11%; (2) revenue from services, it is the revenue generated from providing information technology services related to due to the products that the Company being a full-service distributor, accounting for 2.53% (3) other revenue, accounting for 0.36%, respectively.

Performance summary for the year ended 31 December 2021

For the year ended 31 December 2021, the Company had total revenue of Baht 826.34 million, an increase of Baht 187.20 million from the previous year or an increase of 29.29 percent with a total comprehensive income of Baht 63.44 million, an increase Baht 39.71 million from the year 2020 which amounted to Baht 23.73 million or an increase of percentage 167.37 in line with growing revenue from investments in security systems; which correspond with the increased cybersecurity of government and private organizations.

Mainly because consumer behavior has changed rapidly due to the impact of the COVID-19 epidemic, causing all businesses to be challenged by digital technology changes or digital disruption; resulting in many organizations having the need to business reform through the process of digital transformation by accelerating investments in various technology systems to have the potential to compete in the market

Items	For the Year Ended					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Revenue						
Revenue from sales	623.00	96.63	611.94	95.74	802.44	97.11
Revenue from services	19.92	3.09	21.99	3.44	20.94	2.53
Other income	1.83	0.28	5.22	0.82	2.96	0.36
Total revenue	644.75	100.00	639.15	100.00	826.34	100.00

Items	For the Year Ended					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Expenses						
Cost of sales and services	(492.53)	(76.39)	(508.47)	(79.55)	(667.53)	(80.78)
Selling expenses	(42.26)	(6.55)	(39.40)	(6.16)	(37.59)	(4.55)
Administrative expenses	(39.23)	(6.08)	(50.34)	(7.88)	(44.28)	(5.36)
Loss on exchange rate, net	6.04	0.94	(5.24)	(0.82)	(0.91)	(0.11)
Fair value gain (loss) on derivatives	0.00	0.00	(1.76)	(0.28)	0.22	0.03
Net impairment losses on financial assets	0.00	0.00	0.00	0.00	(0.04)	0.00
Share of loss from joint ventures	0.00	0.00	0.00	0.00	(1.35)	0.16
Total expenses	(567.98)	(88.09)	(605.21)	(94.69)	(751.48)	(90.94)
Profit before finance costs and income tax expenses	76.77	11.91	33.94	5.31	74.86	9.06
Financial Cost	(2.15)	(0.33)	(3.39)	(0.53)	(1.41)	(0.17)
Profit before income tax	74.62	11.57	30.55	4.78	73.45	8.89
Income tax expenses	(15.17)	(2.35)	(7.00)	(1.1)	(12.34)	(1.49)
Profit for the year	59.45	9.22	23.55	3.68	61.11	7.40

Revenue, cost, and gross profit

Sales revenues when considering the sources of products classified by type can be divided into 4 groups as follows:

1. Revenues from sales of network security system solutions, comprising of comprehensive Cybersecurity products and solutions to prevent cyber threats, including hacking attacks and malware attacks, for example, Firewall and proxy servers.
2. Revenues from sales of endpoint security systems, comprising of endpoint protection hardware and software, for example, antivirus software and anti-malware software.
3. Revenues from sales of network performance & monitoring systems, comprising of hardware and software that contribute to efficiency and effectiveness of computer networks and equipment in order to enhance organization management, including programs that monitor systems and notify system administrators of the issues in the systems so the administrators can plan ahead as a precaution against system failure or disruption.
4. Revenues from sales of other products, comprising of management products, data management systems and user identification products.

Source of Revenue	Year 2019		Year 2020		Year 2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
1. Network security	348.93	56.01	359.97	58.82	619.83	77.24
2. Endpoint security	148.38	23.82	146.36	23.92	105.97	13.21
3. Network performance & monitoring	100.15	16.08	64.55	10.55	73.90	9.21
4. Others	25.54	4.10	41.06	6.71	2.74	0.34
Revenue from sales	623.00	100.00	611.94	100.00	802.44	100.00

For the fiscal year ended 31 December 2021, the Company's revenue from sales amounted to Baht 802.44 million, an increase of Baht 190.50 million or 31.13 percent from 2020. The main source of income is revenue from the sale of network security products, which has increased by Baht 259.87million, representing a percentage 72.19; compared to the year 2020, as a result of various organizations continuously allocating investments in high-priority products first. It focuses on network security, which is a product that is necessary for network security. Continuing from the year2020, the product owner (Vendor) accelerates the development of more modern network security products as a result of the impact of the COVID-19 epidemic situation combined with rapidly changing technology. which has a protection system that protects both servers and endpoints, causing more organizations to invest in network security. Furthermore, many companies have a work-from-home policy that requires employees to connect to devices and networks via the cloud in order to access more corporate databases. This increases the risk of cybersecurity threats. As a result, both public and private organizations invest more in network security to protect against various threats that may affect the organization. As a result, revenue from sales of network security products increased, as well as revenue from sales of network performance and monitoring products increased by Baht 9.35 million or percentage 14.48 Meanwhile, revenue from sales of Endpoint Security products and other groups decreased by Baht 40.39 million and Baht 38.32 million, respectively, representing 27.60 percent and 93.32 percent, respectively, compared to the same period last year.

In addition, if considering the sources of revenue from sales classified by type of users (End user), can be divided into 5 groups of users as follows:

1. Banking, Financial services and Insurance (BFSI) in the banking, securities and insurance industries
2. Industry group (Enterprise), which is in the manufacturing industry
3. Government & State enterprise
4. Telecom & Internet service provider (ISP) in the information and communication technology industry
5. Others, which are in the private sector business that focuses on providing services such as movie theaters, hotels, hospitals, schools, nursing homes, and trading, etc.

The Company will sell products to system integrator contractors (SI) to assemble a technology solution offered directly to the end user.

Unit : Million Baht	Year 2019		Year 2020		Year 2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
1. Banking, financial services and insurance (BFSI)	199.09	31.96	171.34	28.00	174.38	21.73
2. Industry (Enterprise)	153.87	24.70	190.34	31.10	219.12	27.31
3. Government and State Enterprises (Government)	107.58	17.27	119.67	19.56	211.35	26.34
4. Telecommunication (Telecom & ISP)	73.19	11.75	75.06	12.27	87.80	10.94
5. Others (Others)	89.25	14.33	55.52	9.07	109.79	13.68
Revenue from sales	623.00	100.00	611.94	100.00	802.44	100.00

The main end user group is the industry group, followed by the government and State Enterprises group, which between 2020 and 2021 the Company has revenue from selling products through system integrator contractors (SI) directly to the end user of both groups. Total in 40.66 percent and 63.65 percent, respectively

Revenue from sales in 2021 was a Baht 802.44 million, an increase of Baht 190.50 million from 2020, or 31.13 percent, mainly due to 1) revenue from sales to government and state enterprise customers, which increased by a Baht 91.67 million because government agencies have accelerated investment in the work from home system due to the impact of the COVID-19 epidemic. 2) Revenue from product sales to other customer groups. The Company's revenue increased by a Baht 54.27 million because it received a large project worth a Baht 20.65 million from a customer in the retail group, which has invested in many network security products from the internal restructuring of their companies' group. 3) Revenue from sales of products to industrial groups increased by a Baht 28.78 million due to the Company's receiving a large project worth Baht 22.58 million from a customer in a group of major car manufacturers and distributors in Thailand. From adding a cloud-based security system for working at home.

Revenue from services

Unit : Million Baht	Year 2019		Year 2020		Year 2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
1. System maintenance service	12.71	63.83	15.60	70.94	12.89	61.53
2. Installation service	6.46	32.44	6.11	27.77	7.09	33.87
3. Training service	0.74	3.74	0.28	1.29	0.96	4.60
Revenue from services	19.92	100.00	21.99	100.00	20.94	100.00

Service revenue is divided into 3 main categories: Maintenance Service, Installation Service, and Training Service

For the year ended 31 December 2021, the Company's revenue from services amounted to Baht 20.94 million, which is similar to the year 2020.

In addition, if considering the sources of revenue from sales and services, which are divided into 3 types as follows:

1. Revenue from software sales in the first year
2. Revenues from maintenance service agreement (MA) which were recurring income
3. Revenues from sales of other products and services

Unit : Million Baht	Year 2019		Year 2020		Year 2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
1. Revenue from sales of software	167.02	25.98	250.88	39.58	376.90	45.77
2. Maintenance agreement: MA	148.70	23.13	226.05	35.66	268.06	32.56
3. Revenue from others	327.19	50.89	157.00	24.77	178.42	21.67
Total revenue from sales and services	642.91	100.00	633.93	100.00	823.38	100.00

Other revenue

Other revenue consists of interest income, rental income, profit from disposal of assets, and operating expenses from activities etc. For the year ended 31 December 2021, had other income of Baht 2.96 million or 0.36 percent of total revenue. A decrease from Baht 2.26 million or 43.25 percent. The main reason is because in 2020, revenue from land and building sales amounted to Baht 3.43 million.

Cost of sales and services, and gross profit

Unit : Million Baht	For the year ending December 31					
	2019		2020		2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Revenue from sales and services	642.91	100.00	633.93	100.00	823.38	100.00
Cost of sales and services	492.53	76.61	(508.47)	(80.21)	(667.53)	(81.07)
Gross profit	150.38	23.39	125.45	19.79	155.85	18.93

For the year ended 31 December 2021, the Company's gross profit margin was at 18.93 percent, a decrease compared to the previous year. As various projects in 2021 are projects that require competitive bidding, this includes the increasing price competition in the cybersecurity business; the Company has adjusted the bids with lower margins to maintain the existing customer base and increase the competitiveness in various project bidding.

Selling expenses

Selling expenses	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Employee expense	22.49	53.23	24.90	63.20	24.03	63.93
Advertising and promotional costs	8.19	19.38	3.76	9.54	1.56	4.15
Commission	6.15	14.55	6.54	16.60	8.50	22.61
Other selling expenses	5.42	12.84	4.20	10.66	3.50	9.31
Total	42.26	100.00	39.40	100.00	37.59	100.00

For the year ended 31 December 2021, the Company had selling expenses in the amount of Baht 37.59 million, or 4.55 percentage of total revenue; whereas selling expenses for the year 2021 decreased compared to the year 2020 in the amount of Baht 1.81 million or 4.59 percent. This was mainly due to lower advertising and promotion costs. As a result of the COVID-19 virus epidemic, promotional activities cannot be organized, while the commission increases in line with the increase in sales in 2021.

Administrative expenses

Administrative expenses	For the year ending 31 December					
	2019		2020		2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Employee expense	21.94	55.91	24.53	48.73	22.46	50.72
Professional fee	7.26	18.49	12.08	23.99	8.25	18.63
Depreciation	4.12	10.51	7.03	13.97	5.65	12.76
Rental fee	2.97	7.57	0.01	0.01	-	-
Employee's benefit expense	2.18	5.56	1.92	3.81	2.23	5.03
Administrative expenses	0.77	1.96	4.78	9.50	5.69	12.86
Total	39.23	100.00	50.34	100.00	44.28	100.00

The main administrative expenses are employee expenses and professional fees. For the year ended 31 December 2021, the Company had administrative expenses in the amount of Baht 44.28 million, decreased compared to the previous year Baht 6.06 million or 12.04 percent. This was mainly due to a decrease in professional fees in the amount of Baht 3.83 million and a decrease in depreciation expenses of Baht 1.38 million due to the depreciation of assets that have reached their useful life.

Net profit and net profit margin

For the year ended 31 December 2021, the Company had a net profit of Baht 61.11 million, increasing from the year 2020 by the amount of Baht 37.57 million or 159.53 percent. This is in line with growing revenues from increased investment in cybersecurity of government and private organizations. The net profit margin for the year 2021 is at a 7.40 percent increase compared to the previous year because the Company has better control over expenses.

Statement of financial position

Total assets overview

As at 31 December 2020 and 31 December 2021, the Company had total assets of Baht 304.93 million and Baht 736.02 million, respectively. The details of each item can be described as follows:

Current assets

As at 31 December 2020 and 31 December 2021, the Company had current assets of Baht 234.26 million and Baht 656.26 million, representing 76.82 percent and 89.16 percent of total assets in each year, respectively. The main current assets were cash and cash equivalents, account receivables and other receivables, inventories, and receivables under lease agreements due within one year - net, each of which can be described as follows:

Cash and cash equivalents

As at 31 December 2020 and 31 December 2021, the Company had cash and cash equivalents amounting to Baht 40.50 million and Baht 402.98 million, respectively. The increased in cash and cash equivalents mainly from the Company received a capital increase from the issuance of ordinary shares.

Account receivables and other receivables

Items	For the year ending December 31					
	2019		2020		2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Account Receivable	169.65	98.65	129.05	96.74	170.14	97.37
Accounts receivable - related party	-	-	-	-	2.51	1.44
Accrued income	0.05	0.03	3.00	2.25	2.68	1.53
<u>Less Loss allowance</u>	-	-	(2.00)	(1.50)	(2.40)	(1.37)
Total accounts receivable - net	169.70	98.68	130.05	97.49	172.93	98.97
Prepaid expenses	1.64	0.95	3.14	2.36	1.61	0.92
Employee account receivable	0.64	0.37	0.13	0.10	0.20	0.11
Accrued interest - related party	-	-	0.07	0.05	0.00	0.00
Total other receivable	2.27	1.32	3.35	2.51	1.81	1.03
Total account and other receivables - net	171.97	100.00	133.39	100.00	174.74	100.00

As at 31 December 2020 and 31 December 2021, the Company had account and other receivables amounting to Baht 133.39 million and Baht 174.74 million, or accounted for 43.74 percent and 23.74 percent of total assets, respectively. As at 31 December 2021, the Company's account receivables and other receivables increased in the amount of Baht 41.35 million, in line with the increase in revenue in 2021.

The Company has accounts receivable classified by overdue period, counting from the date the payment is due as follows

Items	For the year ending December 31					
	2019		2020		2021	
	Million Baht	Percent (%)	Million Baht	Percent (%)	Million Baht	Percent (%)
Not yet due	143.88	84.78	117.56	89.03	15.95	9.10
Less than 3 months overdue	25.81	15.22	13.50	10.22	157.85	90.03
Overdue more than 3 months but not over 6 months	-	-	0.99	0.75	0.54	0.30
Overdue 6 months but not over 12 months	-	-	-	-	-	-
Over 12 months overdue	-	-	-	-	0.99	0.56
Total account receivables	169.70	100.00	132.05	100.00	175.33	100.00
Allowance for expected credit losses / doubtful accounts	-	-	(2.00)	(1.51)	(2.40)	(1.37)
Total account receivables - net	169.70	100.00	130.05	98.49	172.93	98.63

Financial assets measured at fair value through profit or loss.

As at 31 December 2020, and 31 December 2021, the Company has financial assets of Baht 34.96 million. The Company has started investing in marketable debt securities during the fourth quarter of 2021.

Current portion of lease receivables, net

As at 31 December 2021, the Company has receivables from current portion of lease receivables amounting to Baht 7.92 million, which are receivables arising from leasing of software equipment to unrelated parties; classified as a financial lease

Inventory

As at 31 December 2020 and 31 December 2021, the Company had net inventories of Baht 59.74 million and Baht 35.14 million, respectively. Most inventories included the ordered devices, equipment, and computer software, pending delivery as per customers' purchase orders for which the Company has no policy of storing inventory for sale. As at 31 December 2020, the Company marked the remaining inventories at a net of Baht 59.74 million because the Company had received a number of mega projects since end of the year 2020. Accordingly, the Company ordered the products, which would be delivered to the customers in the first quarter of 2021. The Company gained projects because of its extensive experience and growing reputation. However, as at 31 December 2021, the Company's inventory decreased from that of 31 December 2020 due to a semiconductor shortage that began to become severe in 2021 and caused product owners to slow down the delivery of hardware products to the Company.

Non-current assets

As at 31 December 2020 and 31 December 2021, the Company had non-current assets of Baht 70.68 million and Baht 79.76 million, accounting for 23.18 percent and 10.84 percent of total assets, respectively. The majority of non-current assets are: collateralize deposits, property, plant and equipment, and right-of-use assets, details as follow:

Restricted deposits at financial institutions

As at 31 December 2020 and 31 December 2021, the Company has Restricted deposits at financial institutions of Baht 31.70 million, representing 10.40 percent and 4.31 percent of total assets, respectively, an increase in year 2020. The Company has used its deposits as collateral for credit lines with financial institutions to replace the land and buildings that the Company has redeemed the collateral for in order to dispose of them in order to reduce the holding of fixed assets according to the Company's policy.

Property, land and equipment, and right-of-use assets

The Company's property, land and equipment, and right-of-use assets, which comprise the main items such as computers and equipment, and leasehold improvements, as at 31 December 2020 and 31 December 2021, amounted to Baht 30.85 million and Baht 23.22 million, respectively, a decrease of Baht 7.63 million or 24.73 percent compared to as at 31 December 2020, mainly due to assets that have fully accumulated depreciation. and amortization of leasehold assets. Formerly, it was the rent of the building that the Company recorded the office rental fee as a right-to-use asset according to the Thai Financial Reporting Standards No. 16 (TFRS16)

Liability overview

Liability structure

As at 31 December 2020 and 31 December 2021, the Company had total liabilities of Baht 191.27 million and Baht 162.54 million, respectively. Total liabilities as at 31 December 2021 decreased from as at 31 December 2020 amounting to Baht 28.73 million or 15.02 percent. The main reason is because the Company paid for goods to trade payable and short-term loans from financial institutions. The details of each item can be described as follows.

Current Liability

As at 31 December 2020 and 31 December 2021, the Company has current liabilities of Baht 165.35 million and Baht 138.67 million, accounting for 86.45 percent and 85.31 percent of total liabilities, respectively. The main items are short-term loans. from financial institutions, Trade and other payables and deferred revenue.

Short-term loans from financial institutions

Most of the company's short-term loans from financial institutions were the trust receipts, which enabled the Company to import products for sales and make scheduled reimbursement to the bank afterwards.

As at 31 December 2021, the Company has no short-term loans from financial institutions; because the Company has paid the full amount of short-term loans from financial institutions.

Trade and other payable

Most of the trade payable are the owners of the products, the developers of hardware and software systems that the Company purchases to sell to the customers. As at 31 December 2021, the Company has accounts and other payables amounting to Baht 121.26 million, decrease from the previous year Baht 4.73 million or 3.75 percent is a consequence of the product owners' being able to deliver the product to the Company slower because of the semiconductor shortage in the market. This caused the balance of the trade and other payables to decrease. In addition, the Company has paid debts to trade payable faster due to good liquidity.

Deferred – current revenue

Deferred revenue from customers mostly came from customers who purchased equipment maintenance services, for which the Company received money from such customers before the actual service. as at 31 December 2021, the Company had an increase in current and deferred revenue of Baht 2.35 million. Each year, the number of customers purchasing equipment maintenance services continues to increase in line with the Company's constant acquisition of service competency and expertise each year.

Non-current liability

As at 31 December 2020 and 31 December 2021, the Company has non-current liabilities of Baht 25.91 million and Baht 23.87 million, respectively. The main non-current liabilities are : deferred revenue, liabilities under finance lease agreements and employee benefit obligations

Lease liabilities

As at 31 December 2020 and 31 December 2021, the Company has financial lease liabilities of Baht 13.31 Baht and Baht 10.63 million, respectively. has recorded office rental items as financial lease liabilities in accordance with the Notification of Financial Reporting Standard No. 16 (TFRS16).

Overview of Shareholders' Equity

As at 31 December 2020 and 31 December 2021, the Company had shareholders' equity of Baht 113.66 million and Baht 573.47 million, respectively. The Company's shareholders' equity as at 31 December 2021 increased by Baht 459.81 million, as the Company's operating results during the year 2021 amounted to Baht 63.44 million and the initial public offering (IPO) amounted to Baht 432.23 million net, after deduction of expenses related to organizing shares, having been sold. However, the shareholders' equity decreased during 2021 due to the payment of interim dividends from the Company's retained earnings as at March 31, 2021, totaling Baht 36.42 million.

Analysis of key financial ratios

Liquidity Ratio

Items	As at/ For the year ended 31 December 2020		
	2019	2020	2021
Liquidity ratio (times)	1.33	1.42	4.74
Quick ratio (times)	1.05	1.01	4.06
Cash cycle			
Average collection period (days)	68.40	85.99	64.52
Average sale period (days)	25.29	40.14	25.94
Average payment period (days)	44.82	71.45	60.26
Cash cycle (days)	48.88	54.69	30.19

Liquidity and quick Ratio

As at 31 December 2021, the liquidity and quick ratio were 4.74 times and 4.06 times, respectively, increasing from as at 31 December 2020 due to the Company's operating profit. The Company has increased liquidity, including receiving money from the initial public offering (IPO), giving the Company a good liquidity ratio.

Cash cycle

As at 31 December 2021, the Company's cash cycle was at 30.19 days, decreased from the year 2020 by the amount of 24.50 days, mainly due to 1) the average debt collection period decreasing 21.47 days 2) The average selling period has shrunk to 14.21 days because the Company is able to sell and ship most product in period due to customer demand for products. As a result, inventories decreased from Baht 59.74 million as at 31 December 2020 to Baht 35.14 million as at 31 December 2021 and 3) the average repayment period was reduced by 11.18 days because the Company having good liquidity from the Company's operating results in 2021, the Company therefore repays debts to the product owners (Vendor) faster.

Financial Policy Ratio

Items	As at/ For the year ended 31 December 2020		
	2019	2020	2021
D/E ratio (times)	2.31	1.68	0.28
Interest coverage (times)	4.68	29.37	36.36
Debt service coverage ratio (times)	(0.13)	0.64	0.11

As at 31 December 2020, Debt to Equity ratio (D/E ratio) was 1.68 times. As at 31 December 2021, the debt to equity ratio was 0.28 times; The decreased from as at 31 December 2020 was on the back of higher operating profit and from increasing in its capital, including the completion of short-term loans with financial institutions in Q3-2021

Interest coverage as at 31 December 2020 is 29.37 times. as at 31 December 2021, interest coverage ratio is 36.36 times as the Company has cash flow from operating activities of Baht 37.88 million Baht, including cash flow from financing activities of Baht 369.46 million Baht, including the Company. The liquidity ratio continued to increase from the end of 2019 to 31 December 2021, indicating that the Company still has sufficient liquidity for interest payments. In addition, as at 31 December 2021, the Company has no short-term loan liabilities from financial institutions.

As at 31 December 2021, the cash basis was 0.11 times, a decrease compared to as at 31 December 2020, which had a cash basis of 0.64 times as previously stated. Furthermore, the Company's liquidity ratio continued to increase from the end of 2019 to 31 December 2021, indicating that the Company still has sufficient liquidity to pay off its obligations.



General information and Other important information

General Information

Company Name	NFORCE SECURE PUBLIC COMPANY LIMITED
Business Type	Distributor for the cybersecurity products and network management products
Company Registration No.	0107563000258
Registered Capital	THB 52,970,500.00 ^{1/}
Paid-up capital	THB 51,370,500.00
Par value	Baht 0.50 per share
Head Office Location	9/2 The Synchronized, Soi Ratchadapisek 18, Ratchadapisek Road, Huai Khwang, Huai Khwang, Bangkok 10310
Telephone	02-274-0984
Web Site	www.nforcesecure.com
Investor Relations	ir@nforcesecure.com

Remark: ^{1/} Total registered capital to support the use of warrants of executives and employees (ESOP) 1.60 million baht

References

Securities Registrar

Securities Registrar	Thailand Securities Depository Co., Ltd.
Head Office Location	93 Ratchadapisek Road, Dindaeng, Dindaeng, Bangkok Mahanakhon 10400
telephone	02-229-2800
fax	02-359-1259

Auditor

auditor	Price Waterhouse Coopers ABAS Co., Ltd.
Head Office Location	179/74-80 Bangkok City Tower, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120
telephone	02-844-1000
fax	02-286-5050

Internal Auditor

Internal Auditor	P&L Corporation Co., Ltd.
Head Office Location	281/157 Bangkok-Nonthaburi2 Road, Bangkhen, Mueang, Nonthaburi 11000
telephone	02-526-6100

Legal Advisor

Legal Advisor	Kudan & Partners Co., Ltd.
Head Office Location	127 Gaysorn Tower, 23 rd Floor, Ratchadamri Road, Lumpini, Pathumwan, Bangkok, 10330
telephone	02-838-1750
fax	02-838-1795

Financial Advisor

Financial Advisor	Yuanta Securities (Thailand) Co., Ltd.
Head Office Location	127 Gaysorn Tower, 14 th Floor Ratchadamri Road, Lumpini, Pathumwan, Bangkok, 10330
telephone	02-009-8888
fax	02-009-8889

Other Important Information

- No -

Legal disputes

- No -

Secondary Market

SECURE does not have securities listed on the stock exchange of other countries.

Part 2

Corporate Governance



Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

The Board of Directors aims to develop the organization to be an organization with transparency and good governance, to be responsible and maintain the interests of stakeholders and society by focusing on personnel development to have virtues and promoting training for personnel to develop their own potential in order to increase the efficiency of the organization's and society's sustainable growth.

Good corporate governance principle consists of 8 Code of practice as follows:

Principle 1 : Recognize the roles and responsibilities of the Board of Directors as a leading organization that promotes sustainable value for the business.

The Company is aware of the roles, duties, and responsibilities of the Board of Directors as the leaders who need to ensure the Company's good management. Therefore, the structure of the Board of Directors has been determined to consist of nine directors, namely: One Chairman of the Board of Directors (Independent Director), five Non-Executive Directors (One female Independent Director, four male Independent Directors), three Executive Directors.

List of Directors (Each has 3-year term of office) as follows:

Name	Type of Director	Year of Appointment	Latest Selected Year by the AGM Meeting	Number of Years in a Director's Position
1. General Lertrat Ratanavanich	Independent Director	2019	2021	2
2. Mr. Karoon Phungsoondara	Independent Director	2019	2019	2
3. Asst.Prof.Dr.Pattananant Petchchedchoo	Independent Director	2019	2020	2
4. Dr. Smitti Darakorn Na Ayuthaya	Independent Director	2020	2020	1
5. Mr. Piyasak Chotipruk	Independent Director	2020	2020	1
6. Dr. Supachai Sukhanindr	Independent Director	2020	2021	1
7. Mr. Nakrop Niamnamtham	Executive Director	2014	2021	7
8. Mr. Anotai Adulbhan	Executive Director	2019	2019	2
9. Ms. Sukanya Luanchamroen	Executive Director	2014	2020	7

Approval Authorization of the Board of Directors

The Board of Directors, as a shareholder representative, has authorities, duties, and responsibilities according to the scope of duties that are defined by the law, the Company's articles of association, and resolutions of the shareholders' meeting. In 2021, the Board of Directors performed its duties and prioritized the Board of Directors' duties and responsibilities in accordance with the good corporate governance policy as follows:

1. the Board of Directors perform duties and supervise the Company's business in accordance with the law, objectives, regulations, and resolutions of the Board of Directors' meeting, as well as the resolutions of the shareholders' meeting, with responsibility, carefulness, and honesty in order to maintain the rights and benefits of the Company and to be fair to all shareholders. (Accountability to shareholders)
2. the Board of Directors determine the vision, strategies, business directions, policies, goals, business plans, budgets, management structures, and the approval authority of the company and its subsidiaries as presented by the management section, as well as supervise the management and performance of the management section or any person who is assigned to perform such duties and encourage the usage of information technology to expand business opportunities and increase business performance in order to effectively and efficiently comply with the established policies under good corporate governance to maximize economic value and shareholders' wealth. (Maximize Economic Value and Shareholders' Wealth)
3. the Board of Directors control and supervise the Executive to serve all stakeholders with ethics and equality
4. the Board of Directors continuously and regularly monitor and evaluate the performance of the management's section and be aware of compliance with the law and the terms in the Company's related contracts by requiring the management section to report the performance as well as other important duties of the Company to the Board of Directors for acknowledgment in the Board of Directors' meeting every quarter in order to operate the Company's business effectively and achieve the determined strategies in accordance with the plan and budget.
5. the Board of Directors consider and determine the Company's annual remuneration structure and criteria for appropriate remuneration of directors, executives and employees by considering appropriate factors such as results of job evaluation, position, scope of duties and responsibilities, qualifications, knowledge, competence and remuneration rates in similar industries.
6. the Board of Directors review processes, operations and risk management policy.
7. the Board of Directors prevent any conflicts of interest between the stakeholders of the Company and its subsidiaries. If any increase or decrease in the interest or shareholding in the Company and/or its subsidiaries take place, the case shall be notified to the Company immediately.
8. the Board of Directors determine the good corporate governance policy and social responsibility including anti-corruption and provide the effective implementation of such policies.

On November 12, 2021, a meeting of the Board of Directors considered and discussed with the Company's management to consider and approve work plan and budget in 2022 in order to be consistent with the Company's objectives and goals to ensure that the Company will be able to operate profitably in accordance with the Company's business plan.

Principle 2 : Define Objectives that Promote Sustainable Value Creation

The Board of Directors place high value on leading the organization towards sustainable growth. The 5th Board of Directors meeting on August 14, 2020 has resolved the approval of the preparation of the code of conduct on business and Company's business ethics.

- 2.1 Vision** To be the leader in cybersecurity solutions, to protect the organization and business with advanced safety innovations, and to become the leader in the region.
- 2.2 Mission:** To be a distributor of cybersecurity solutions with high-quality service and advanced cyber technology, to take care of stakeholders and enhancing the quality of life of employees and to attract business partners to expand business opportunities.

The Company will adhere to the vision and mission of the Company to drive the organization with transparency under the framework of good corporate governance uphold the principles of good governance and business ethics by taking responsibility for society, environment and all stakeholders as well as giving importance to the care of personnel within the organization.

2.3 Corporate Values

- **Focus** Be cautious and focused on the assigned tasks to ensure they are of high quality and meet the needs of the customer and/or those who assigned the work.
- **Autonomous** (Self-reliance): self-learning, research, study, and completing the assigned tasks on one's own.
- **Committed** (Hold on to commitment) : completely perform in accordance with the contracts made with clients and supervisors in order to build more confidence with both oneself and the organization.
- **Team Player** (Teamwork): collaborate with colleagues, listen, and exchange ideas for effective results.
- **Sincere:** show sincerity, friendliness and support good atmosphere and happiness within the organization.

Principle 3 : Strengthen Board Effectiveness

The Board of Directors is aware of the responsibility to determine and review the Board of Directors' structure in terms of the size of each sector, including independent directors, as appropriate and necessary to lead the organization to the objectives and main goals. Therefore, the criteria and processes of the structure and qualifications of the Board of Directors have been determined as follows:

- 3.1 The Board of Directors will supervise for directors with a wide range of qualifications in terms of skills, experience, abilities, specific characteristics, gender and age which are necessary to achieve the objectives and main goals of the organization. A skill matrix has been prepared to ensure that the Board of Directors as a whole are qualified and able to understand and respond to the needs of stakeholders. In addition, there must be at least one non-executive director who has experience in the main business or industry in which the Company operates.
- 3.2 The Board of Directors will consider the appropriate number of directors which are able to perform duties effectively by having at least five directors, depending on the size, type and complexity of the business.
- 3.3 The Board of Directors shall establish a ratio between executive directors and non-executive directors, which reflects the appropriate balance of power by
 - a. Most of them are non-executive directors who can freely express opinions on the performance of the management sector.
 - b. Independent directors have the quantity and qualifications in accordance with the rules of the Securities and Exchange Commission (“SEC”) as well as the Stock Exchange of Thailand (“Stock Exchange”) including ensuring that independent directors work with the entire Board of Directors efficiently and express their opinions independently.
- 3.4 Appointed General Lertrat Ratanavanichto be the Chairman of the Company and Mr. Nakrop Niamnamtham to be the Chief Executive Officer which has different duties and responsibilities from the Chairman of the Board of Directors. The Company determined the duties of the Chairman of the Board of Directors to be the leader of the Board of Directors supervising the management sector to achieve the objectives. In order to clearly separate the segregation of powers and duties in formulating policies and the Company's administration, the Chairman of the Board of Directors is responsible for organizing the Board of Directors' meeting and encouraging directors to attend the Board of Directors' meetings by setting the meeting agenda, discussing with the Chief Executive Officer and having measures to ensure that important issues are included in the meeting agenda. For effective meeting, Chairman of the Board of Directors facilitates the meeting in accordance with the meeting agenda, articles of association, and laws and time allocation for Executive or related parties to present supporting information, ask questions, express their opinions freely, control the issue of discussion and summarize the meeting resolutions.
- 3.5 The Board of Directors considered appointing four sub-committees, namely the Audit Committee, Executive Committee, Nomination and Remuneration Committee, and Corporate Governance Committee,

to consider specific issues, scrutinize information, and propose guidelines for consideration before proposing them to the Board of Directors for approval. The management structure section disclosed the roles, responsibilities, and number of meetings attended.

3.6 The Board of Directors has designated the criteria for nomination and remuneration for each committee as follows:

3.6.1 Guidelines for qualified directors Nomination

Directors/Independent Directors Nomination

In 2021, the Company gave minority shareholders the opportunity to nominate qualified individuals to the Nomination and Remuneration Committee meeting and the Board of Directors meeting, who would then be presented to the shareholders' meeting to consider and approve the appointment in accordance with the Company's rules and regulations, as follows:

- (1) A shareholder has a vote equal to one (1) share per one (1) vote.
- (2) Each shareholder can use all his/her votes (follow item (1) to elect one person or more to be the directors but cannot divide the number votes to elect persons differently.
- (3) Persons with the highest vote in descending order shall be elected as directors equal to the designated number of directors at that time. In the event that the persons who are selected in descending order have equal votes and the number of directors exceed the number of directors required to have, the chairman of the meeting shall have a casting vote.

3.6.2 Guidelines for considering the remuneration of the Board of Director and Sub-Committees by defining policies, formats, criteria, or methods for considering remuneration and benefits (whether in the form of cash, securities, or others), including offering remuneration for directors, sub-committees, and executives to the Board of Directors' meeting for approval and/or proposing to the shareholders' meeting for further approval (as the case may be). The rules shall be transparent, appropriate, and fair with good practice. The relevant laws are considered by comparison with the same industry and same level based on experience and scope of duties and responsibilities.

3.7 The Board of Directors has set the investment policy with the same or similar business objectives as the Company's core business or synergy businesses supporting so that the Company has more operating results, profits and increment of competitiveness. However, the Board of Directors may consider investing in the difference of the Company's core business if the businesses have potential and the investment is beneficial to the Company and shareholders. The investment must be consistent with the conditions of the business, policies, goals, direction of business growth, and the strategic plan. The Company considered profit, potential risks and the financial status with proper investment analysis procedures before deciding the investment in various projects. The investment decisions shall be approved by the Board of Directors' meeting or the shareholders' meeting. (depending on the case) and comply with the Notification of the Capital Market Supervisory Board, Securities and Exchange Commission and the Stock Exchange of Thailand. The Board of Directors has established measures and mechanisms, both directly and indirectly, to enable the Company, supervise and manage the subsidiary and associated companies.

Subsidiaries and Associates

The Board of Directors will consider and appoint directors or executives with suitable qualifications and experience for business representatives in the management of the subsidiary's business and the associated Company in order to formulate important policies and control the business operations of that subsidiary and/or associated companies. In this regard, directors or executives representing the Company are required to supervise the subsidiaries and/or associated companies to manage and perform various tasks according to the Company's policy. The Representative considers the resolution of the Board of Directors meeting and/or the shareholders' meeting to bring the maximum benefit to the Company and for the sustainable growth of the Company by considering the suitability of each company and laws related to those subsidiaries and/or associated companies as well.

In addition, directors or executives who are representatives of the Company shall supervise the subsidiary. There is a disclosure of transaction information between the subsidiary and the related persons of the subsidiary. Acquisition and disposal of assets or any other important transactions of the subsidiary shall be accurate and complete by using the above-mentioned disclosure and transaction rules in the same manner as the Company's guidelines including the subsidiary supervision to conduct verifiable financial statements completely, accurately, and punctually. The Company will closely monitor the operations results of such subsidiaries and/or associated companies and present the results of analysis, opinions, and recommendations to the Board of Directors for consideration, determination, or improvement to promote the business of subsidiaries and/or associated companies in order to continuous development and growth.

- 3.8 To be in accordance with the principles of good corporate governance, the Board of Directors has assigned the Corporate Governance Committee to be the one who determines the criteria and assesses the performance of the entire committee each year. The Company secretary shall submit the assessment form to the Board of Directors every year-end at least once a year and summarize the results of the assessment, including reporting the results to the Board of Directors' meeting by evaluating the committee's work Company each year. The aim is to improve the efficiency of the Board of Directors and find a way to improve the assessment criteria for next year. the Board of Directors and committee member assess their performance in 2021. The assessment ids conducted as a whole as well as on as individual basis.

The Company has prepared a self-assessment form into 3 types as follows:

- Self-Assessment form for The Board of Directors as a whole: assess the overall performance of the Board of Directors.
 - Self-Assessment form for committees as a whole: assess the overall performance of sub-committees assigned by the Board of Directors
 - Assessment form for the Board of Directors and committee member on individual basis
- Assessment of criteria performance for the Board of Directors /sub-committees a whole

Assessment topics include:

- Structure and Qualifications of the Board of Directors
- Roles, duties and responsibilities of the Board of Directors
- The Board meeting
- Responsibilities of Directors
- Relationship with management sector
- Directors self-improvement and management training

The assessment criteria will be evaluated as a percentage of the full score for each item as follows:

- Average score of 85% or more = very good
- Average score in the range of 75-84 percent = good
- Average scores in the range of 65-74 percent = pretty good.
- Average score in the range of 50-64 percent = fair
- Average score less than 50 percent = improvement required

Summary performance of assessment of the Board of Directors based on 6 criteria, 61 items and a full score of 244 points. The assessment results were an average score of 95 percent, which is in a “very good” rate.

3.9 Regular development and improvement of skills and knowledge for director duties

3.9.1 Orientation for New Directors

The Company has arranged an orientation for new directors who are appointed to the Board of Directors so that the directors to understand the Company's history, business characteristics, capital structure, shareholders, results of performance, director's remuneration, articles of association, policies, charters, laws, rules, and regulations. None of new director appointed in 2021.

3.9.2 Director Development by Training/Seminars

Board of Directors and high-level executives prioritizes training and seminar courses for the knowledge development and ability to perform regularly the duties of directors.

In 2021, the Directors and the Executives attended training/seminar which increase knowledge and activities of the Company. The details are as follows:

Name of Board of Directors	Position	Training Courses/Seminars
Mr. Nakrop Niamnamtham	- The Chairman of Executive Committee - Director	- Thailand National Defence College Course (Wor Por.64)
Ms. Sukanya Luanchamroen	- Director	- Advanced Master of Management course, class 19
Dr. Supachai Sukhanindr	- Nomination and Remuneration Committee - Independent Director	- Advanced Audit Committee Program (AACP), Class 42/2021
Ms. Ark Chumphonphan	- Chief Financial Officer	- CFO Refresher, Class 2/2021
Mr. Wanlop Jaturapatsiri	- Accounting Manager	- Cash Flow Statement Course - Accounting standards related to land, building and equipment course

Each Director/Executive's records of basic training are described in in attachment 1: details of Directors, Executive and Authorized person.

3.10 Scope of duties of the Company secretary

The Board of Directors has considered appointing a Company Secretary to be responsible for supporting various activities of the Board of Directors and assisting the Board of Directors to perform its duties in accordance with the law and the principles of good corporate governance set by the Stock Exchange of Thailand. The Company secretary shall perform duties with responsibilities, caution, and honesty according to the Securities and Exchange Act.

The roles, duties, and responsibilities for the Company secretary are specifically defined as follows:

- (1) Prepare and keep the director's registration, notices of meeting of the Board of Directors , minutes of the Board of Directors meeting including sub-committees, Company annual reports, notices of the shareholders' meeting, and the minutes of the shareholders' meeting.
- (2) Perform the duties following any other tasks specified in the Capital Market Supervisory Board's notification and send a copy of the conflict of interests report under section 89/14 prepared by the directors and executives to the Chairman and Chairman of the Audit Committee within 7 working days of receiving the report.
- (3) Provide basic advice on legal issues and report the change of significant regal related to laws, rule, and regulation that the Board of Directors shall be aware.
- (4) Organize shareholder and Board of Directors meetings in accordance with the law, article of association, and related practices.

- (5) Record the minutes of the shareholders' and Board of Directors' meetings as well as follow up to ensure compliance with the resolutions of the shareholders and the Board of Directors' meetings.
- (6) Supervise the disclosure of information and reports relevant agencies according to the regulations and requirements.
- (7) Supervise the Board of Directors' activities and any other operations to be in compliance with the law and/or as announced by the Capital Market Supervisory Board and/or as assigned by the Board of Directors.
- (8) Prepare and maintain the following documents
 - a) Directors Registration
 - b) Notice of Board of Directors Meeting and Minutes of Board of Directors Meeting including sub-committees
 - c) Notice of the Shareholders' Meeting and Minutes of the Shareholders' Meeting
 - d) Company Annual Report
 - e) the conflict of Interests Report of Directors and Executives

Ms.Nattawan Tiproongroj has been appointed as Company secretary by the Company. Ms.Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms.Sasipim Chayakul as the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.

Principle 4 : Ensure Effective CEO and People Management

The Company will operate to ensure that the chief executive officer and other high-ranking executives have the necessary knowledge, skills, experience, and qualification to drive the organization toward its goals. The Board of Directors delegate to the Nomination Committee the following criteria and methods for nominating suitable candidates for the position of Chief Executive Officer:

- 4.1 Consider the regulations and procedures for nomination, appointing persons and approving the persons proposed by the Chief Executive Officer and/or the president proposed to be Executive.
- 4.2 Supervise the succession plan for the Chief Executive Officer, and Executive. The Chief Executive Officer shall report the results of the succession plan to the Board of Directors to acknowledge at least once a year.

- 4.3 The Board of Directors determine the remuneration structure as an incentive for the Chief Executive Officer, Executive, and employees at all levels to perform their duties comply with the salary, bonuses and benefit in long-term and setting up remuneration policy comparing with the same industry level, regarding to the operating performance.
- 4.4 The Board of Directors considers the criteria and factors for the performance appraisal as well as approves the remuneration structure of the top executives and follow up with the Chief Executive Officer and Executive and follow up the assessment to comply with the principles.

Principle 5 : Nurture innovation and responsible business

The Company prioritizes and supports the innovations that create value to the business customers or stakeholders. The Company shall be responsible to the society and the environment, and ensure that management reviews strategy planning, operation's improvement, and performance monitoring.

- 5.1 The Board of Directors monitors the management to operate business with in a social and environmental responsibility following the operation plan the objectives, main goals and business strategies.
- 5.2 The Board of Directors supervises the management to allocate and manage resources effectively by considering the impact, resource development and the value chain in order to achieve sustainable objectives and goals.
- 5.3 The Board of Directors established a framework for information technology and management supporting business's needs, increment of business opportunities, operational development, risk management so that the business can achieve its objectives and main goals.

Principle 6 : Strengthen Effective Risk Management and Internal Control

The Board of Directors ensure that The Company has a risk management and internal control system in order to achieve the objectives effectively abide by related law and standards by indicating risk management policy, anti-corruption policy and clear practices and communicate at all levels of the organization and to outside for actual implementation.

- 6.1 The Board of Directors considers and approves the risk management policy consistent with the objectives, key goals, strategies, and acceptable risks as a framework of risk management process for everyone in the organization to perform in the same direction. The main risks that the Board of Directors will focus on are divided into Strategic Risk, Operational Risk, Financial Risk and Compliance Risk. The Company prioritize and ensure the risk management policy reviewed regularly at least once a year.
- 6.2 The Board of Directors sets the audit committee that can perform duties efficiently and independently. the audit committee consists of at least 3 directors, all of whom must be independent directors and have qualifications and duties in accordance with the rules of the SEC and the Stock Exchange of Thailand in order to review financial reporting, the internal control system and the internal audit system effectively. The Audit Committee reports the Board of Directors and discloses the report in the annual report.

- 6.3 The Board of Directors monitors and manages conflicts of interest between the Company and the management or shareholders including the prevention of unreasonable use of assets, information and opportunities and connected transactions unreasonable.
- Manage the conflicts of interest transactions and determine guidelines and practices for transactions according to the procedures and disclosure such information as required by law and for the benefit of the Company and shareholders. The stakeholders shall not be involved in decision-making.
 - Require the Directors reporting their stakes at least before their involved agenda in the Board of Director meeting and record them in the minutes of meeting, their participation shall not be permitted in such agenda.
- 6.4 The Board of Directors provides an anti-corruption policy or guidelines for anti-corruption including supporting activities that encourage all employees to comply with the law and related regulations.
- 6.5 The Board of Directors determines a mechanism for receiving complaints and taking action in case of clues by providing multiple convenient channels for receiving complaints as well as disclose the channels for receiving complaints on the website or annual report

Principle 7 : Ensure Disclosure and Financial Integrity

The Board of Directors manage a system for preparation of the financial statement and the disclosure of important information with accuracy and punctuality according to relevant rules, standards, and guidelines. The Board of Directors monitors the adequacy of financial liquidity and the ability to pay the debt. In a situation, the business faces or intends to face financial problems, the Board of Directors has a plan to solve the problem or other mechanisms which can solve financial problems regarding to stakeholders' rights.

- 7.1 The Board of Directors governs the administration monitoring and assessing financial statements, Annual Report Form 56-1 which can reflect the financial status and company performance as well as to provide an explanation and Management Discussion and Analysis (MD&A) to disclose with the quarterly financial statements so that investors understand the information clearly to about the changes of the financial statement and the Company's performance in each quarter r apart from the numbers in the financial statements.
- 7.2 The Board of Directors ensures that the Executives monitor and assess the financial status and reports to the Board of Directors regularly. The Board of Directors and the Executives work promptly to find a solution if there are signs of problems of financial liquidity and the ability to pay debt.
- 7.3 The Board of Directors supervises the business to formulate a plan to resolve financial problems for stakeholders and creditors. The Executives report the resolving problems status to The Board of Directors regularly.
- 7.4 The Board of Directors will supervise the Executives to set up a unit or a person responsible for investor relations that communicates appropriately and unpunctually with shareholders and other stakeholders, such as investors, analysts, etc.

Principle 8 : Ensure Engagement and Communication with Shareholders

The Board of Directors ensures that shareholders are involved in decisions-making on important issues on the shareholders' meeting which is complete smoothly with transparency, efficiency and convenience for shareholders to exercise their rights by disclosing the resolution and preparation minutes of the meeting with accuracy and completeness.

Rights of Shareholders

1. Opportunity was given to the minority shareholders to be able to propose additional agendas in advance of the meeting date. The Board of Directors will consider including the matters proposed by the shareholders on the meeting agendas. In the event that the Board of Directors rejects the matter proposed by the shareholders to be included in the agenda, the Board of Directors will inform the reason for the rejection to the shareholders' meeting for acknowledgement.

2. Opportunity was given to the minority shareholders to propose candidates for the position of director. The Board of Directors discloses the criteria to shareholders in advance.

3. Shareholders' meeting invitation letters and related documents will be sent and published on the Company's website at least 28 days before the meeting date.

4. Shareholders were given an opportunity to submit questions in advance of the meeting date by prescribing criteria for submitting such questions and publishing such criteria on the Company's website as well.

5. The invitation to the shareholders' meeting and related documents will be prepared and published in Thai and English version with accuracy, completeness, and sufficiency for shareholders to exercise their rights.

6. The Board of Directors ensures that shareholders meeting is clear transparent, effective and convenient for shareholders to exercise their rights.

7. Before the meeting begins, shareholders will be informed of the number and proportion of shareholders in attendance, as well as their appointed proxies, meeting method, voting method, and vote counting.

8. The Board of Directors encourages to use the ballots for important agenda items. The Company shall have the independent individuals to count or check the votes in the meeting and disclose all voting results: approving, disapproving, and abstaining in each agenda item to the meeting for acknowledgement and recording in the meeting minutes.

9. The Board of Directors ensures that the Company discloses the resolutions of the shareholders' meeting, including voting results, within the next business day via the Stock Exchange of Thailand's news system and on the Company's website.

10. The Board of Directors ensures that the Company submits the shareholders minutes of meeting to the Stock Exchange of Thailand within 14 days after the meeting's date.

11. The Board of Directors ensures that the shareholders minutes of meeting shall record the details as follow;

- (1) Name list of Directors and Executive attending in the meeting and the proportion of the absent directors
- (2) Other meeting information includes voting procedures, the method of counting and notifying the results of votes
- (3) Questionnaires and answers including name list of questioner and answer

Compliance with the principles of good corporate governance in other issues

Governance on Use of Inside Information

The Company sets the Governance on Use of Inside Information policy to supervise Directors, Executives and employees for using of inside information of the Company which has not yet been disclosed to the public for their own benefits. In addition, there are measures and Code of Conduct for all directors, executives and employees to adhere and prevent important information. In 2021, none of secret and important information was disclosed without the permission. The Company has the policy as follows:

- 1.1 Directors, executives, their spouses, underage children and the juristic person which hold more than 30 percent of the total voting rights of such juristic person and such shareholding is the largest proportion in that juristic person, to prepare and disclose the shareholding list and report to the securities and Exchange Commission about the change of any securities held by the Directors and Executives according to section 59 of the Securities and Exchange Act. B.E. 2535.
- 1.2 Directors, Executives and Employees including person known the internal information along with the Securities and Exchange Act. are prohibited from exploiting inside information effected to the stock price or investor's decision. They also shall not trade, transfer or receive a transfer of the Company's securities for their own benefits or other benefits in either direct or indirect way.

In addition, Directors, Executives, related operational person, their spouses, underage children and the juristic person are prohibited from exploiting inside information effected to the stock price or investor's decision. They also shall not trade, transfer or receive a transfer of the Company's securities in a period prior to public disclosure of the Company and its related companies' financial statement (from July 12th to August 14th for the second quarter financial statement/ from October 11th to November 13th for the third quarter financial statement/and from January 27th, 2022 to March 1st for annual financial statement).

Guidelines for setting ethical standards for executives and employees to uphold and follow along with the regulations and rules of the Company aim to ensure that management and operations are transparent, clear, fair, and efficient, upholding honor and dignity and can be trusted by partners, customers, and ordinary people. Employees at all levels will study and understand the Company's code of conduct related to duties and responsibilities and will communicate with those involved in the operation to understand this code of conduct. If the employees behave in a manner that causes a conflict of interest with the Company, the punishment will be determined according to the organizational structure of the Company and rules and regulations. Each department will consider the case initially and summarize it before forwarding it to high-level supervisors and related departments later in order to determine the offense and specify the appropriate punishment. The witnesses can report any evidence of an offense through the channels specified by the Company.

- 1.3 The Company prohibits Directors, Executives and employees or directors, executives and employees who have resigned from the Company disclosing insider information or company's confidential information as well as confidential information of the Company's partners that they received from performing their duties to outsiders for acknowledgment even if such disclosure will not cause damage to the Company or its partners.
- 1.4 Directors, Executives, and employees or directors, executives, and employees who have resigned from the Company are obliged to maintain confidentiality and/or internal information for the benefit of the Company's business only along with the Securities and Stock Exchange Act. Directors, executives, and employees of the Company are prohibited from using confidential information and/or Company insider information for the benefits of other companies in which they are shareholders, directors, executives, and employees or to seek benefits in the wrong way or disclose to outsiders for their own benefit or other person's benefit directly or indirectly.

6.2 Code of Conduct

The guidelines of ethical standards for executives and employees adhere to comply with the regulations and rules of the Company. The aim is to ensure that management and operations are transparent, clear, fair, and efficient, upholding honor and dignity and can be trusted by partners, customers, and people. Employees at all levels understand the company's code of conduct related to duties and responsibilities and communicate with those involved in the operation to understand this code of conduct.

If the employees have a conflict of interest with the Company, the punishment will be determined according to the organizational structure and rules and regulations. Head of each department will consider the case before sending to high-level supervisors and related departments later in order to determine the offense and specify the appropriate punishment. The witnesses can report any evidences of an offense through the channels specified by the Company.

6.3 Monitoring the implement of Corporate Governance policy and guidelines

1. Supporting and promoting the internal control system and internal audit

The Company recognizes the importance of having a good internal control system. Therefore, the Company has set up an internal control system and appropriate and adequate risk control to supervise operations along with goals, objectives, laws, and related requirements that are able to protect assets from fraud or damage, including accurate and reliable accounting and financial reports with full disclosure of information in a timely manner. In order for the Company's internal control system to be efficient, the Company has appointed P & L Corporation Company Limited ("Internal Auditor") to perform duties as the company's internal auditor.

2. Anti-Corruption

The Company recognizes the importance of anti-corruption and is committed to operating business with integrity under the framework of good corporate governance by adhering to the principles of good governance, code of conduct, and business ethics. The Company is responsible to society, the environment, and all stakeholders for operating a business with transparency, fairness, and accountability. The Board of Directors assigned the Audit Committee to be responsible for the guidelines for monitoring and evaluating performance according to the anti-corruption policy. The Company encourages executives and employees to acknowledge and realize the importance of anti-corruption. The notice of the anti-corruption policy has been posted in clear place where anyone in the organization can acknowledge it, as well as published through the Company's communication channels such as the Company website, e-mail, annual reports, etc., In addition, the Company will provide training on anti-corruption policy to all new employees.

3. Whistleblowing

The Company has a policy to protect and provide fairness to employees who give the information or evidence about corruption or other actions that are in non-compliance with the law, rules and regulations, business practices, or business ethics. Whistleblowers can report the information at

- Email : auditcommittee@nforcesecure.com
- Postage: Specify the front of the envelope to the Chairman of the Audit Committee and send it to the Company's head office location: nForce Secure Public Company Limited (Head Office)
No. 9/2 The Synchronize Project, Soi Ratchadaphisek 18, Ratchadaphisek Road,
Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310
- Website : <https://www.nforcesecure.com>

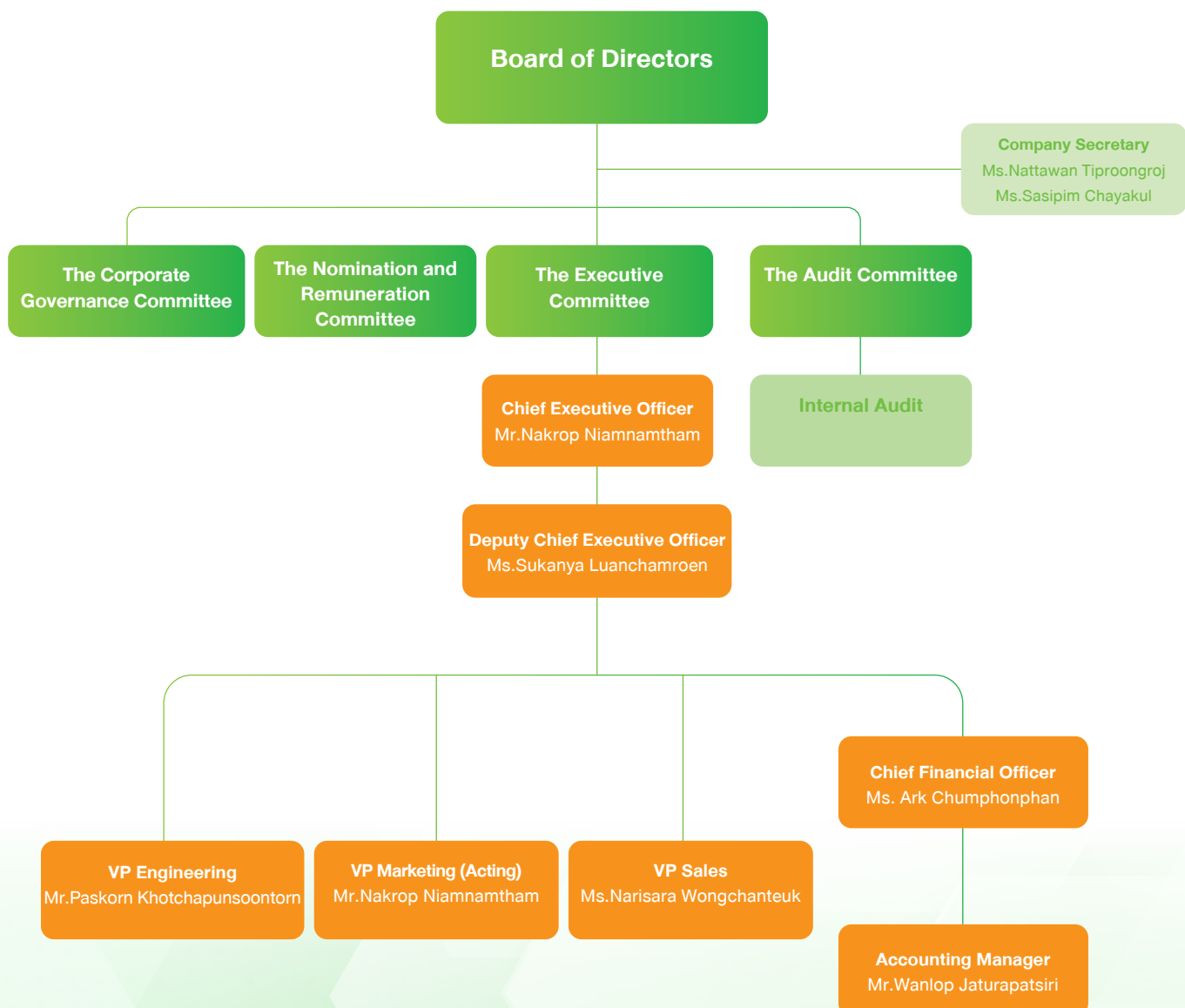
In this regard, the whistleblowers can provide clues to corruption in more than one channel without disclosing their identity. The Company keeps the information confidential, unless disclosing their identity allows the Company to notify the results of operations or provide additional details on the complaint.



Corporate Governance Structure and Important Information about the Board of Directors and Sub-committees, Executives, Employees and Others

7.1 The Structure of the Corporate Governance

SECURE's corporate governance structure as at December 31, 2021 consists of the Board of Directors and 4 sub-committees that help screen important tasks for the Board of Directors, namely the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee and the Executive Committee



Note: - The Company's internal audit department consists of internal auditors from an external organization (outsourcing) which is P&L International Audit Company Limited, hired to perform the annual audit 2021 (annual contract)

- The Board of Directors Meeting No.1/2022 held on February 28, 2022 has a resolution to appoint the Risk Management Committee which considers the risk management policy and the framework of risk management for the Company's group.

The Company's management structure consists of 5 main committees, namely the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee and the Executive Committee. The Board of Directors of the Company consists of qualified persons who have all the qualifications under Section 68 of the Public Limited Companies Act B.E. 2535 and according to the announcement of the Capital Market Supervisory Board. On December 31, 2021, the Company's Board of Directors consists of 9 directors, of which 9 directors reside in the Kingdom of Thailand and 6 independent directors, representing 66.66% of the total number of directors, and 6 non-executive directors, representing 66.6% of the total number of directors.

7.2 Information of the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors consists of individuals who are gender diversity, have knowledge and responsibilities of making operational decisions that will benefit the Company, shareholders and all stakeholders, including being a key player in determining the objectives and the goals of the Company by working with top Executives in formulating strategies and operating policies for both short-term and long-term

Name	Position
1. General Lertrat Ratanavanich	Chairman of the Board / Independent Director
2. Asst. Prof. Dr. Pattanant Petchchedchoo	Chairman of the Audit Committee / Member of the Corporate Governance Committee / Independent Director
3. Karoon Phungsoondara	Chairman of the Corporate Governance Committee / Independent Director
4. Dr. Smitti Darakorn Na Ayuthaya	Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee/Independent Director
5. Mr. Piyasak Chotipruk	Member of the Audit Committee / Member of the Corporate Governance Committee / Independent Director
6. Dr. Supachai Sukhanindr	Member of the Nomination and Remuneration Committee / Independent Director
7. Mr. Nakrop Niamnamtham	Chairman of the Executive Committee / Director
8. Ms. Sukanya Luanchamroen	Member of the Executive Committee / Director
9. Mr. Anotai Adulbhan	Member of the Executive Committee Nomination and Remuneration Committee / Executive Director / Director

Note:

- Asst. Prof. Dr. Pattanant Petchchedchoo is a director demonstrating knowledge in accounting and finance. Currently, she is holding the position of Chairman of the Audit Committee, Corporate Governance Committee and Independent Director
- Dr. Smitti Darakorn Na Ayuthaya is a director demonstrating knowledge, understanding and working experience related to the Company's business. Currently, he is the chairman of the Nomination and Remuneration Committee, Audit Committee and independent director
- Ms.Nattawan Tiproongroj has been appointed as Company secretary by the Company. Ms.Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms.Sasipim Chayakul as the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.
- In this regard, the Board of the Directors Meeting No.1/2022, held on February 28, 2022, General Lertrat Ratanavanich informed his intention to discontinue in holding his position as the Company's director, independent director and Chairman of the Board of Directors due to his unavailability. As such, The Board of Directors resolved to approve the appointment of Asst. Prof. Dr. Pattanant Petchchedchoo to be Chairman of the Board of Directors replacing General Lertrat Ratanavanich.

7.2.2 Directors Authorized to Sign on Behalf of the Company

The authorized directors to sign on behalf of the Company are Mr. Nakrop Niamnamtham and Ms. Sukanya Luanchamroen, co-sign with the Company's seal.

7.2.3 Roles and Duties of the Board of Directors

- Scope of authority of the Board of Directors

The Board of Directors is authorized by the Board of Directors charter and the Public Limited Companies Act B.E. 2535 (as amended), the Securities and Exchange Act B.E. 2535 (as amended), regulations of the the Stock Exchange of Thailand and company's regulations.

- Authority of the Board of Directors

1. Perform duties and supervise the Company's business in accordance with the law, objectives, regulations, resolutions of the Board of Directors' meeting as well as the resolutions of the shareholders' meeting with responsibility, caution and honesty to preserve the rights and interests of the Company and fairness to all shareholders.
2. Determine vision, strategy, business direction, policies, goals, business plans, budgets, management structures and the approval authority of the Company and its subsidiaries as presented by the executive division, as well as to supervise the management and performance of the Executives or any person who is assigned to perform such duties. The Board of Directors encourage the Company to use the information technology for increasing business opportunities and performance and following effective policies.
3. Control and supervise the management department to treat all stakeholders with ethics and equality
4. Continuously and regularly monitor and evaluate the performance of the Management division's duties and be aware of the compliance with the law and the terms in the Company's related contracts
5. Consider and approve the appointment and assignment of the roles and duties of the sub-committees as appropriate and necessary to support the Board of Directors for determining the criteria and procedures and selecting directors, sub-committees and Chief Executive Officer with transparency and clarity as well as determine the remuneration and evaluate the annual performance.
6. Consider and determine the Company's annual remuneration structure and criteria for the appropriate remuneration of the directors, executives and employees with taking the various appropriate factors.
7. Set and improve the appropriate organization chart of the Company

8. Establish a framework and mechanism for supervising subsidiary or associate companies. The Board of Directors shall consider the suitable person to represent the Company as a director of the subsidiary or associate companies to control and supervise the operations of the subsidiary or associate companies in accordance with the Company's policy and various transactions under the law including the disclosure of financial statement, performance, connected transaction and acquiring or disposing of significant assets.
9. Acknowledge the audit report of Audit Committee and the Company's sub-committees and supervise the business procedure for receiving complaints and whistleblowing.
10. Consider and approve the acquisition or disposition of assets (in case of the size of the transaction does not need to be considered by the shareholders' meeting), investment in new business and any operations must be in accordance with applicable laws, announcements and regulations
11. Consider and approve the connected transaction (in case of the size of the transaction does not need to be considered by the shareholders' meeting) to be in accordance with relevant laws, announcements and regulations
12. Consider and approve the interim dividend payment to the Company's shareholders.
13. Review the processes and policies for risk management and review the operations
14. Ensure that there is no conflict of interest between the stakeholders of the Company and its subsidiaries. In case of any directors have an interest with any financial transactions with the Company or have an increase or decrease proportion of shares of the Company and/or its subsidiaries, the director shall notify the Company without delay
15. Determine good corporate governance policy, social responsibility policy and anti-corruption policy and provide for effective implementation of such policies
16. Appoint a company secretary to assist the Board of Directors to perform various tasks ensuring that the Company's business operations are in accordance with relevant laws, announcements and regulations
17. Seek professional opinion from a third party if necessary to make an appropriate decision
18. Prepare annual report and be responsible for the preparation and the disclosure of the financial statements to reflect the financial status and operating results of the Company in the previous year and present to the shareholders' meeting.
19. Arrange a shareholders' meeting as an Annual General Meeting within 4 months from the end of the Company's fiscal year.
20. Consider and approve various matters by taking the interests of shareholders and all groups of stakeholders of the Company with fairness.
21. Ensure that the company will have an effective and reliable accounting system, financial reporting and internal control (internal audit).
22. Assign one or more directors or any other persons to perform any act on behalf of the Board of Directors.

Authorities, Duties and Responsibilities of the Chairman of the Board

1. The Chairman of the Board or the person(s) assigned by the Chairman are responsible for calling a meeting of the Board of Directors and encouraging directors to attend the Board of Directors' meetings.
2. Discuss the agenda's meeting with the Chief Executive Officer and taking measures to ensure that important matters are included in the meeting agenda.

If the person serving as the Chairman is not an independent director, the Board of Directors will appoint an independent director to participate in determining the agenda for the Board of Directors' meeting in order to comply with good corporate governance principles.

3. Serve as the Chairman of the Board of Directors' meeting and conduct the meeting following the meeting agenda, articles of association and laws, including effective meeting control, allocating sufficient time for management or related parties to present supporting information, providing an opportunity for the directors to ask questions and express their opinions freely, controlling the issue of discussion, and summarizing the meeting resolutions.
4. Act as the Chairman of the Shareholders' meeting to conduct the meeting in accordance with the meeting agenda, articles of association and laws, including effective meeting control, allocating time appropriately, providing opportunities for shareholders to inquire and express their opinions equally, and supervising to ensure that the shareholders' inquiries are answered.
5. Encourage the directors to perform their duties in accordance with the scope of authorities, duties and responsibilities of the Board of Directors and related laws, including complying with good corporate governance principles such as abstaining from voting and leaving the meeting when considering the agenda in which the directors have conflicts of interest.
6. Communicate important information to the Board of Directors.
7. Supervise and monitor the Board of Directors to perform duties in accordance with the scope of authorities, duties, and responsibilities of the Board of Directors effectively and achieve the objectives and main goals of the organization in accordance to the law and the Company's good corporate governance policy.
8. Strengthen good relationship between executive and non-executive directors, including the Board and Management.
9. Supervise and monitor the management of the Board of Directors and sub-committees to achieve the stated objectives.

7.3 Committees Information

As at December 31, 2021, the Company has 4 sub-committees which are the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee and the Executive Committee

The Audit Committee

As at 31 December 2021, the Audit Committee consists of 3 members, all 3 committees are independent directors who have full qualifications in accordance with the criteria of the Capital Market Supervisory Board,

Name	Position
1. Asst. Prof. Dr. Pattanant Petchchedchoo	Chairman of the Audit Committee / Independent Director
2. Dr. Smitti Darakorn Na Ayuthaya	Member of the Audit Committee / Independent Director
3. Mr. Piyasak Chotipruk	Member of the Audit Committee / Independent Director

Asst. Prof. Dr. Pattanant Petchchedchoo has sufficient knowledge and experience in financial statements audit and experience in accounting and finance to review the reliability of the Company's financial statements. Asst. Prof. Dr. Pattanant Petchchedchoo has the experience in reviewing financial statements while holding the position of Chairman of the Audit Committee and Audit Committee for the companies listed on the Stock Exchange; Selic Corp Public Company Limited and AEC Securities Public Company Limited respectively. Ms.Nattawan Tiproongroj has been appointed as the secretary of the Audit Committee. Ms.Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms.Sasipim Chayakul as the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.

Scope of authority of the Audit Committee

1. Review the Company's financial statement (quarterly and annually) to have the accuracy, completeness, adequate, reliability and timeliness by coordinating with the auditors and the executives, preparing financial statement and disclosing the Company's related information to the Board of Directors.
2. Review the appropriate, sufficient, and effective internal control system and internal audit system and consider the results of the audit and recommendations of auditors. Audit committee review the internal audit plan, the activities and the structure of the Internal Audit, approve the charter of the Internal Audit and consider the independence of the Internal Audit for approving the appointment, transfer and dismissal of the head of the Office of Internal Audit or any other agency responsible for internal audits. Review the internal audit plan.
3. Attend meeting with the Management and Internal Audit to review that the Company has sufficient risk management and control system.

4. Review the internal processes of the Company regarding the whistleblowers and complaints
5. Review the Company's compliance with the Securities and Exchange Act, Stock Exchange requirements, and laws related to the Company's business.
6. Nominate to appoint an independent person and determine the Company's auditor's remuneration considering the sufficient resource, the workload of the auditor, the experience of auditor in last year performance, as well as the consideration of the removal of the auditor. The Audit Committee shall propose such opinion to the Board of Directors for further approval and coordinate with auditors regarding audit objectives, scope, guidelines, plans, and problems encountered during the audit and issues that the auditor deems to be important including attending a meeting with the auditor without the management meeting at least once a year.
7. Consider the adequacy and the efficiency of coordination between the auditors and internal auditors
8. Consider the connected transactions that may have conflicts of interest to be accurate and complete with compliance to the Securities and Exchange Act as well as disclose any information on the transaction accurately and completely. This is to ensure that such transactions are reasonable and for the best benefit of the Company.
9. The Audit Committee shall report the performance to the Board of Directors' meeting for acknowledgment and consideration at least once a quarter.
10. Prepare the corporate governance report of the Audit Committee, which will be disclosed in the Company's annual report. The report shall be signed by the Chairman of the Audit Committee and contains the following information as follows,
 - Opinion on the accuracy, completeness and reliability of the Company's financial reports.
 - Opinion on the adequacy of the Company's internal control system.
 - Opinion on the compliance with the Securities and Exchange Act, policy by the Stock Exchange or any laws related to the Company's business
 - Opinion on the suitability of the auditor
 - Opinion on the possible transactions that may have conflict of Interest
 - Number of Audit Committee Meetings and the attendance of each audit committee
 - Overall opinion or observation of the Audit Committee by the duties performed under the Charter.
 - Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.
11. Perform any other acts as assigned by the Board of Directors with the approval of the Audit Committee.

12. The Board of Directors has the power to amend, change the definition, qualifications, scope, powers, duties and responsibilities of the Audit Committee to comply with the rules of the SEC, the Stock Exchange of Thailand, Capital Market Supervisory Board and/or other relevant legal provisions
13. Review the Audit Committee Charter to be up to date, appropriate to the Company's environment once a year
14. Perform duties as announced or amended by the Stock Exchange
15. When performing the duties of the Audit Committee, if any of the following actions are found or suspected of, which may have a significant impact on the Company's financial position and performance, the Audit Committee shall immediately report to the Board of Directors to make improvements within the time that the Audit Committee deems appropriate
 - (1) Conflict of interest transactions
 - (2) Suspicion or assumption that there may be fraud or irregularity or a material defect in the internal control system
 - (3) Suspicion that there may be a violation of the rules of the SEC, the Stock Exchange of Public Company Act, Securities and Exchange Act or other criteria related to the Company and/or the Company's business
16. In case that the auditor finds suspicious circumstances that the Company's directors, executives or persons responsible for the Company's operations has committed an offense as specified by the law and has informed the facts about such circumstance to the Audit Committee, the Audit Committee shall report the results of the preliminary investigation to the SEC Office for acknowledgment within 30 days from the notification's date. The circumstances shall be in accordance with the rules of the SEC or other rules related
17. Review to ensure that the Company has a process to develop good corporate governance continuously including providing guidelines and suggestions necessary for development, as well as encourage the Company to set good corporate governance as a regular agenda of the Board of Directors' meeting and the Company's Annual General Meeting of shareholders. The chairman of the audit committee shall receive a copy of the report on stake-holding under Section 89/14 of the Act from the Company secretary within 7 working days from the date the Company receives that report.

Nomination and Remuneration Committee

On December 31, 2021, The Nomination and Remuneration Committee consists of 3 directors and at least 1 member must be an independent director. The Chairman of the Nomination and Remuneration Committee is the independent director.

Name	Position
1. Dr. Smitti Darakorn Na Ayuthaya	Chairman of the Nomination and Remuneration Committee / Independent Director
2. Dr. Supachai Sukhanindr	Member of the Nomination and Remuneration Committee / Independent Director
3. Mr. Anotai Adulbhan	Member of the Nomination and Remuneration Committee / Director

Ms.Nattawan Tiproongroj was the position of the secretary of the Nomination and Remuneration Committee. Ms.Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms.Sasipim Chayakul as the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.

Authority, duties and responsibilities of the Nomination and Remuneration Committee

Nomination

1. Determine policies, qualifications, rules and procedures for the nomination of directors. (including members of the Company's sub-committees) and the Company's executives. In this regard, "executives" mean Vice-President or higher.
2. Consider the selection and nomination of persons who are suitable in terms of knowledge, experience and expertise in accordance to the policies, qualifications, criteria and methods of nominating and related laws for the appointment of the Company's director, sub-committees and executives for the Board of Directors to consider appointing and/or to propose to the shareholders' meeting for consideration and appointment. (depending on the case)

Regarding the nomination of the Company's directors, the Nomination and Remuneration Committee shall consider at least one area of experience relating to the position (e.g. finance, business administration, marketing, HR, law, management, etc.) as well as the abilities to assist the Board of Directors in operating the business, the ability to make rational business decisions including the ability to think strategically and demonstrates leadership as well as a high level of professional expertise and integrity along with other suitable personal qualities.

3. Ensure that the board and sub-committees are appropriately sized. The Board of Directors and sub-committees shall consist of persons with knowledge, competency, skills and experience in various fields necessary for business

4. Consider the model and development's process for the Chief Executive Officer and executives. In accordance with the Company's business.
5. Review annually and summarize the succession plan and the continuity of the appropriate management for the executive positions and report to the Board of Directors for acknowledgment.

Remuneration

1. Determine policies, formats, criteria or methods for considering remuneration and benefits (whether in the form of cash, securities or else), including the remuneration for the director, sub-committees and executives to the Board of Directors' meeting for approval and/or to present to the shareholders' meeting for further approval. (as the case may be) The process shall be clear, transparent, appropriate and fair according to the good practice, the relevant laws and comparison with the same industry which based on experience, scope of duties and responsibilities.
2. Ensure that the Company's Directors, sub-committees and executives receive the appropriate remuneration to their duties and responsibilities.

Others

1. Review and propose to the Board of Directors to consider amending the scope of powers duties and responsibilities of the Nomination Committee in accordance with the circumstances
2. Evaluate and report on the performance of the Nomination Committee and propose to the Board of Directors for consideration, including preparing a report of the Nomination Committee and disclosed in the Company's annual report.
3. Perform any other actions as assigned by the Board of Directors or the policies set by the Board of Directors.

Corporate Governance Committee

On December 31, 2021, The Corporate Governance Committee consists of 3 members and at least 1 member must be an independent director. The Chairman of the Corporate Governance Committee is the independent director.

Name	Position
1. Mr. Karoon Phungsoondara	Chairman of the Corporate Governance Committee / Independent Director
2. Asst. Prof. Dr. Pattanant Petchchedchoo	Member of the Corporate Governance Committee / Independent Director
3. Mr. Piyasak Chotipruk	Member of the Corporate Governance Committee / Independent Director

Ms. Nattawan Tiproongroj was the position of the secretary of the Corporate Governance Committee. Ms. Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms. Sasipim Chayakul as

the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.

Authority of the Corporate Governance Committee

1. Consider and determine the Corporate Governance policies, Anti-Corruption Policy and code of conduct under the framework laws, rules and regulations such as the Stock Exchange of Thailand. Securities and Exchange Commission and related agencies. the Corporate Governance Committee presents it to the Board of Directors for consideration, approval and announcement as a guideline for good practice for directors, management and employees at all levels.
2. Supervise policies and guidelines for supporting the Company's Directors, executives and employees to perform their duties and responsibilities following the Corporate Governance Policy, Anti-Corruption Policy as well as encourage good practice and code of conduct.
3. Consult, review and improve the Corporate Governance Policy and Anti-Corruption Policies regularly, at least once (1) a year to ensure that the Corporate Governance Policy and Anti-Corruption Policies of the Company is up-to-date and in accordance with the laws, rules, regulations and shareholder's advices
4. monitor and evaluate the performance of the Directors and the Executives of the Company in accordance with the best practice guidelines set by the Corporate Governance Policy and Anti-Corruption Policy. The Corporate Governance Committee process the annual corporate governance assessment report with the opinions and suggestions as necessary for submission to the Board of Directors.
5. Review the Corporate Governance Committee charter at least once (1) a year in order to be up-to-date the laws, guidelines, rules and regulations
6. consult with a consultant or a corporate governance expert for necessary reasons. The company will be responsible for expenses incurred.
7. Hold the performance evaluation of the Corporate Governance Committee and report the assessment results to the Board of Directors at the end of each year.
8. Perform other related tasks as assigned by the Board of Directors

The Executive Committee

As of December 31, 2021 the Company has a total of A Executive Committees Consistin of

Name	Position
1. Mr. Nakrop Niamnamtham	The Chairman of Executive Committee
2. Ms. Sukanya Luanchamroen	Member of the Executive Committee
3. Mr. Anotai Adulbhan	Member of the Executive Committee
4. Ms. Ark Chumphonphan	Member of the Executive Committee / Chief Financial Officer

Ms. Nattawan Tiproongroj was the position as the secretary of the Executive Committee. Ms.Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms.Sasipim Chayakul as the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.

Authority of the Executive Committee

1. Prepare and determine the vision, policy, direction, strategy, business plan, budget, management structure and management powers in order to propose to the Board of Directors for approval and follow up on the performance.
2. Determine the Company's investment and financial policy and set the direction of the investment policy in accordance with the objectives and policy. The Executive Committee shall approve the investment criteria including investment proposals according to company regulations
3. Supervise the business operations related to the general management of the Company
4. Approve the contracts and/or any transactions relating to the normal business operations (such as trading, investing or joint ventures with other parties for the purpose of normal business transactions within the financial amount specified in the authorization power (Authority Limits) or as specified by the Board of Directors.
5. Approve the expenditure of funds for investment, procurement, loan and any request for credit from financial institutions, lending, as well as pledge, mortgage, or being a guarantor of the Company and its subsidiaries, and various operations in accordance with the objectives and benefits of the Company within the financial amount specified in the authorization power or as specified by the Board of Directors.
6. Have an authority to invite the Executives or any person related to the Company to attend the meeting

or provide a comment and relevant information as necessary.

7. Set framework and policies for salary determination, salary increment, bonuses, compensation and gratuities for the employees and executives (who hold positions lower than Chief Executive Officer)
8. Regularly report the performance of the Executive Committee to the Board of Directors.
9. Evaluate the overall annual performance of the Executive Committee along with self-assessment and submit to the Board of Directors for consideration.
10. Review and propose to the Board of Directors to amend the scope of powers, duties and responsibilities of the Executive Committee in accordance with the Company's business conditions.
11. Perform any other tasks as assigned by the Board of Directors.
12. Supervise the risk management in accordance with the specified risk management policy and examine and monitor the performance of the Risk Management Working Group.
13. Determine the overall risk management policy covering the Company's major types of risks to propose to the Board of Directors for consideration.
14. Oversee the strategic planning in accordance with the risk management policy and monitor the Company's risks to be within the appropriate level.
15. Review the risk management policy including the effectiveness of the process.
16. Report the performance to the Board of Directors with comments on the practice guidelines and suggestions for appropriate improvements.

7.4 Executives Information

7.4.1 List of Executives

On December 31, 2021, the Company has 7 executives as follows:

Name	Position
1. Mr. Nakrop Niamnamtham	Chief Executive Officer
2. Ms. Sukanya Luanchamroen	Deputy Chief Executive Officer
3. Ms. Ark Chumphonphan	Chief Financial Officer
4. Mr. Paskorn Khotchapunsoontorn	VP Engineering
5. Ms. Narisara Wongchanteuk	VP Sales
6. Mr. Nakrop Niamnamtham	Acting VP Marketing
7. Mr. Wanlop Jaturapatsiri	Accounting Manager

Note : Ms. Ark Chumphonphan is the Chief Executive in the Accounting and Finance Department.

Mr. Wanlop Jaturapatsiri performs the duty of the Accountant preparing financial statements in accordance with financial reporting standards for the Publicly Accountable Entities.

Authority of the Chief Executive Officer

1. Manage, normal business for the benefit of the Company in accordance with the vision, business direction, policy, business strategy, goals, action plans and an annual budget plan approved by the Executive Committee and/or as assigned by the Executive Committee and/or the Board of Directors
2. Prepare and present the business policies, business plans, goals, action plans, business strategy, the Company's annual business budget, annual budget report as well as determine the power of administration for presenting to the Executive Committee and the Board of Directors.
3. Acquire the policy from the Board of Directors to set the direction, approach strategy, business goals and mission for the Management Division.
4. Control and follow up on the management performance. CEO suggests the solutions for the Executives and Management Division to implement the strategy and the business.
5. Approve the contract and/or transaction relating to the normal business operations (such as trading, investing or joint ventures with other parties for the business transactions within the financial limit specified in the authorization power and/or as prescribed by the Executive Committee and/or the Board of Directors and/or relevant laws and regulations and/or the Company's Articles of Association.
6. Approve loan and any requests for credit from financial institutions, lending, as well as pledge, mortgage, or being a guarantor of the Company and its subsidiaries within the financial limit as specified in the authorization power or as specified by the Board of Directors
7. Approve the connected transactions which are the general commercial conditions, expenses such as purchasing assets, expenses, significant investments and other transactions for the benefit of the Company which authorization power shall be in accordance with the authorization power.
8. Supervise the business operations in finance, marketing, human resources and other operational aspects as a whole in order to comply with the policy, business strategy, goals, action plans and the Company's annual budget plan approved by the Executive Committee and/or the Board of Directors.
9. Appoint the consultants in various fields for the operation of the Company and to comply with the requirements of the SEC and SET within the power and financial limit as specified in the authorization power.
10. Determine the rules, regulations, guidelines, requirements for the organizational structure with the positions lower than the Chief Executive Officer as well as hiring, appointing, transferring, dismissing and laying off the Company's employees in positions below the Chief Executive Officer.
11. Determine the salary rates, compensation, gratuity, bonuses and salary increment for the Executives and employees of the Company with the position lower than the Chief Executive Officer within the framework and policies set by the Executive Committee and/or the Board of Directors.
12. Monitor and evaluate the performance of the Management Division and report the management performance, the progress of operations to the Executive Committee, Audit Committee and the Board of Directors regularly.
13. Perform other duties as assigned by the Executive Committee and/or the Board of Directors as well as holding the power to take any necessary action.

Person who are assigned to the highest responsibility in Accounting and Finance and those who take direct responsibility for accounting supervision

Ms. Ark Chumphonphan, Chief Financial Officer, is the person assigned the highest responsibility in Accounting and Finance and Mr. Wanlop Jaturapatsiri, the Accountant, prepares financial statements following the financial reporting standards for Publicly Accountable Entities, which is directly responsible for the accounting supervision with details as shown in Attachment 1; details of the Directors, Executives, controlling persons, person assigned the highest responsibility in accounting and finance, person who are assigned to the highest responsibility for accounting supervision

7.4.2 Remuneration

The Nomination and Remuneration Committee shall consider the structure and remuneration rates of the Directors and Executives to be appropriate with their responsibilities and motivate the Board of Directors and Executives to lead the organization to achieve both short-term and long-term goals, by presenting to the Board of Directors for consideration and approval. The remuneration of the Directors and Executives must be consistent with the Company's long-term strategy and goals, experiences, obligations, scope of roles and responsibilities as well as the expected benefits from each Director and Executive. The remuneration shall be comparable with that of leading businesses in the same industry.

1. Director

Criteria, Structure and the Remuneration Method of the Board of Directors and Sub-Committees

- Nomination and Remuneration Committee shall consider the duties and responsibilities of the Board of Directors and the performance of the Directors with the approval from the shareholders' meeting.
- Nomination and Remuneration Committee shall consider the type of the remuneration, payment method, and the amount of remuneration for the Directors as well as propose to the Board of Directors for approval and propose to the shareholders' meeting for further approval.
- The Company has set the remuneration clearly and transparently based on the duties and responsibilities of each director to motivate and retain the qualified Directors and Executives.

Financial Remuneration (Remuneration for Director)

The 2021 Annual General Meeting of Shareholders held on April 29, 2021 has a resolution to determine the Board of Directors' remuneration as meeting allowance with the details are as follows.

Position	Meeting Allowance (Baht/Meeting)
The Chairman of the Board	20,000
Director	10,000
Chairman of the Audit Committee	15,000
Audit Committee Member	10,000
Chairman of the Nomination and Remuneration Committee	10,000
Nomination and Remuneration Committee Member	5,000
Chairman of the Corporate Governance Committee	10,000
Corporate Governance Committee Member	5,000

In 2021, the Company paid remuneration in the form of meeting allowances with the details as follows;

(Unit : Baht)

Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee
1. General Lertrat Ratanavanich	100,000	-	-	-
2. Asst. Prof. Dr. Pattanant Petchchedchoo	50,000	75,000	-	5,000
3. Mr. Karoon Phungsoondara	50,000	-	-	10,000
4. Dr. Smitti Darakorn Na Ayuthaya	50,000	50,000	10,000	-
5. Mr. Piyasak Chotipruk	50,000	40,000	-	5,000
6. Dr. Supachai Sukhanindr	50,000	-	5,000	-
7. Mr. Nakrop Niamnamtham	50,000	-	-	-
8. Ms. Sukanya Luanchamroen	50,000	-	-	-
9. Mr. Anotai Adulbhan	50,000	-	5,000	-

Note: The Company does not pay the remuneration to the Executive Committee which consisted of Mr. Nakrop Niamnamtham, Ms. Sukanya Luanchamroen, Mr. Anotai Adulbhan and Ms. Ark Chumphonphan.

Other Remuneration

In 2021, the Company has allocated the new ordinary shares to the Initial Public Offering (IPO) to the Company's Directors at the same price offered to the ordinary shares to the public

2. Executives Remuneration

Financial Remuneration

In 2021, the Company has paid remuneration to the Executive including salary, position fees, bonuses, the provident fund contributions, commissions, travel allowance, telephone expenses, medical expenses, total million 16.59 baht.

Other Remuneration

The Extraordinary General Meeting of Shareholders No. 3/2020, held on September 9, 2020, resolved to approve the allocation of warrants with the amount of not exceeding 3,200,000 units to offer to the Executives and employees (ESOP) to motivate the Executives or employees working together for the Company more efficiently. For the Initial Public Offering (IPO), the exercise price will be the same as the price offered to the public, by authorized the powers to the Board of Directors or Chief Executive Officer in determining other details related to the allocation of warrants under the rules, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and conditions and procedures specified by the Board of Directors meeting. On April 30, 2021, some Executives have waived their rights to the partially allocated warrants. The Chief Executive Officer, authorized by the Company's shareholders, has reallocated warrants for new ordinary shares.

In addition, the Company allocates the new ordinary shares to the the Initial Public Offering to the Directors and Executives totaling but not exceeding 1,331,000 units at the same price of the new ordinary shares offered to the public. None of Executives was allocated more than five percent of the total number of new ordinary shares offered.

No.	List of Directors, Executives	Position	Company	Maximum Number of Allocated Shares, Not Exceeding (Shares)	% of the Number of Newly Issued Shares Offered for Sale
1.	General Lertrat Ratanavanich	The Chairman of the Board	nForce Secure PCL	250,000	0.90
2.	Asst. Prof. Dr. Pattanant Petchchedchoo	Chairman of the Audit Committee	nForce Secure PCL	200,000	0.72
3.	Dr. Smitti Darakorn Na Ayuthaya	Chairman of the Nomination and Remuneration Committee	nForce Secure PCL	150,000	0.54
4.	Mr. Piyasak Chotipruk	Audit Committee Member	nForce Secure PCL	150,000	0.54
5.	Dr. Supachai Sukhanindr	Nomination and Remuneration Committee Member	nForce Secure PCL	150,000	0.54
6.	Mr. Karoon Phungsoondara	Chairman of the Corporate Governance Committee	nForce Secure PCL	150,000	0.54
7.	Mr. Anotai Abdulbhan	Nomination and Remuneration Committee Member	nForce Secure PCL	150,000	0.54
8.	Executives			131,000	0.47
Total				1,331,000	4.80

7.5 Employees Company

Number of Employees

The total number of employees of the Company as at December 31, 2021 is 75 people, as follows:

Department	Number of Employee (Person) As at December 31, 2020
1 Executives	5
2 Technical Department	34
3 Marketing	8
4 Sales and Customer Service	13
5 Human Resources	5
6 Procurement	3
7 Finance / Accounting	6
8 Information Technology	1
Total	75

Employee Remuneration

In 2021, the Company has paid employee remuneration (excluding executive remuneration) in the form of salary, bonus, overtime pay, social security contributions and the provident fund contributions, in total million 45.47 baht, with details as follows:

Remuneration (Unit : Million Baht)	2021
Salary / Overtime	31.98
Bonus	2.01
Commission / Incentive	6.33
Position Allowance and Allowance	0.25
Social Security Contributions	0.33
Provident Fund Contributions	1.01
Other remuneration ^{1/}	3.56
Total	45.47

Note: ^{1/}Other remunerations consist of travel expenses, diligence allowance, telephone expenses, etc.

Other remuneration / Non-Financial Remuneration

The Company allocated new ordinary shares to the Initial Public Offering (IPO) to the employees totaling not more than 659,000 shares at the same price of the new ordinary shares offered to Initial Public Offering (IPO) and none of the employees has been allocated more than five percent of the total number of ordinary shares.

Provident Fund

Since 2014, The Company has established a provident fund according to the Provident Fund Act, B.E. 1987 (as amended) managed by TISCO Asset Management Company Limited with the main objectives; to create morale and motivate employees to work with the Company long term. The Company will pay the contributions of 3 % to 5 % (depending on the tenure) of the employee's base salary and the employees will contribute 3% but not exceeding 5% of their base salary.

Labor Dispute

During the past 3 years, the Company has not had any significant labor disputes.

Human Resource Development Policy

The Company has a guideline to encourage Executives and employees to develop their knowledge, competence, and skills for their current and future performance because the Company realizes that the employees are an important resource supported with training and seminars both internal and external institutions or agencies. The Company has established policies and guidelines as follows:

1. The Company encourages employees to develop their knowledge and abilities, practical expertise by providing supervisor for each part.
2. The Company continuously promotes and conducts seminars and training from both internal and external institutions or agencies from the Executive level to the operational level. The employees develop their knowledge, abilities and work performance along with using the training knowledge to develop their work and provide better customer service.
3. The Company has assessed the needs and necessities of all employees, from the Executive level to the operational level and set as a guideline for human resource development of the Company. It is also to prepare the Company's employees to increase their responsibilities, career advancement and the ability to take on a higher position.
4. The Company realizes that good communication will affect the efficiency and good working relationship. So, the Company holds activities to create good relationships between the Executives and employees, provide employees with relevant information on appropriate occasions and understand the organization's action plan.

In addition, the Company is also aware of the retention of the employees to be with the organization by creating the career path and succession planning, providing opportunities for development such as reasonable remuneration and welfare. The Company has the retention's guidelines for employees as follows:

1. Remuneration of employee shall be reasonable, fair and provide competitive benefits.
2. Promote the career path, such as promotion and encourage the employee's development.
3. Encourage employee to develop their knowledge, abilities and expertise and continuously provide training to increase the knowledge and competence from internal and external institution or agencies.

7.6 Other Important Information

7.6.1 Company Secretary

The company had Ms. Nattawan Tiproongroj holding the position of company secretary. Ms.Nattawan Tiproongroj, on the other hand, had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective August 19th, 2021. On August 13th, 2021, the Board of Directors Meeting No. 3/2021 resolved to appoint Ms.Sasipim Chayakul as the Company's secretary, effective August 20th, 2021. However, Ms.Sasipim Chayakul had submitted a letter of resignation from the position of Company secretary and secretary of all Company sub-committees, effective February 15th, 2022. On February 28th, 2022, the Board of Directors Meeting No. 1/2022 resolved to appoint Ms.Sukanya Luanchamroen as the acting Company's secretary and the acting secretary of all sub-committees during nomination of new company secretary.

Scope of Powers, Duties and Responsibilities of Company Secretary

The company secretary shall perform dutie, caution and honesty. According to the Securities and Exchange Act, the roles, duties and responsibilities for the Company secretary are specifically defined as follows:

1. Prepare and keep the directors registration, notices of meeting of the Board of Directors, minutes of the board of directors meeting including sub-committees, company annual reports, notices of the shareholders' meeting and the minutes of the shareholders' meeting.
2. Perform the duties following to any other acts as specified in the notification of the Capital Market Supervisory Board and send a copy of the conflict of interests report under section 89/14 which prepared by the Directors and Executives to the Chairman of the Board and the Chairman of Audit Committee within 7 working days from the date the company receives such report.
3. Provide basic advice on legal issues and report the change of significant regal related to laws, rule, and regulation that the Board of Directors shall be aware.
4. Organize shareholders' meetings and the Board of Directors meetings in accordance with the law, Articles of Association and related practices.
5. Record the minutes of the shareholders' meeting and the meeting of the Board of Directors as well as follow up to ensure compliance with the resolutions of the shareholders' meeting and the Board of Directors' meeting.
6. Ensure the disclosure of information and report to the relevant agencies according to the regulations and requirement.

7. Oversee the Board of Directors activities and any other operations to be in compliance with the law and/or as announced by the Capital Market Supervisory Board and/or as assigned by the Board of Directors.
8. Create and keep the following documents
 - a) Directors Registration
 - b) Notice of Board of Directors Meeting and Minutes of Board of Directors Meeting including sub-committees
 - c) Notice of the Shareholders' Meeting and Minutes of the Shareholders' Meeting
 - d) Company Annual Report
 - e) the conflict of Interests Report of Directors and Executives

7.6.2 Head of Investor Relations and Contact Information

Name - Surname Ms. Ark Chumphonphan

Address nForce Secure Public Company Limited
 No. 9/2 The Synchronize, Soi Ratchadaphisek 18
 Ratchadaphisek Road, Huai Khwang Subdistrict,
 Huai Khwang District, Bangkok 10310

Tel. 02-274-0984

Email ir@nforcesecure.com

7.6.3 Head of Internal Audit

On February 22, 2021, the Board of Directors Meeting No. 1/2021 approved the appointment of P&L Corporation Company Limited and P&L IT Audit Company Limited to be the Company's internal auditors with Ms. Wanvimol Jongsureeyapat as the Head of the Internal Audit Office. The fee is 600,000 baht per year. The Company's internal audit plan is as follows:

Quarter	Audit Period	Topics to be Considered for the 2021 Annual Audit Plan	Fee Rate/Time (Baht)		Audit Committee's Report
			2020	2021	
1	April 2021	Payroll and Remuneration Employees	150,000	150,000	May 2021
2	June 2021	Expenditure Cycle System	150,000	150,000	August 2021
3	August 2021	Income Cycle System	150,000	150,000	November 2021
4	November 2021	After-Sales Service and Support System	150,000	150,000	February 2022
Total Fee 4 Times/Year			600,000	600,000	Without any increase from 2020

7.6.4 Auditor's Remuneration

On April 29, 2021, the Annual General Meeting of Shareholders in 2021 approved the appointment of the PricewaterhouseCoopers ABAS Ltd, a Certified Public Accountant approved by the Securities and Exchange Commission, as the Company's auditor for the fiscal year ended on December 31, 2021 with the list of auditors is as follows:

1. Ms. Nopanuch Apichatsathien Certified Public Accountant No. 5266
2. Mr. Boonrueng Lerdwiseswit Certified Public Accountant No. 6552
3. Mr. Paiboon Tunkoon Certified Public Accountant No. 4298

Moreover, the meeting also approved the audit fee for the year 2021 with the amount of 4,100,000 baht per year with details as follows:

	2563 Proposal Fee (THB)	2563 Proposal Fee (THB)
Quarter	870,000.00	900,000.00
Year end	2,296,000.00	2,280,000.00
Consolidate for new subsidiary	-	250,000.00
New subsidiary (YE)	-	570,000.00
Total	3,166,000.00	4,100,000.00

However, audit fee does not include non-audit fee and other necessary expenses as actually paid. Nonetheless, the auditors have notified the reduction of the audit fee for the year 2021 from 4,100,000 baht (excluding non-audit service fees and expenses charged as actually paid) to 3,180,000 baht per year due to the reduction in the scope of the consolidated for new subsidiary in financial statements.



Significant Corporate Governance Reports

8.1 Performance of the Board of Directors in the previous year

8.1.1 Nominating, developing, and assessing the performance of the Board of Directors

1. Independent Director

Qualifications of Independent Directors (Equivalent to the requirements of the Securities and Exchange Commission and The Stock Exchange of Thailand)

1. Hold no more than 1% of the number of shares with voting rights.
2. Independent Director shall not take part in the management of an employee, worker, or advisor who receives a regular salary. A person with control power in the previous 2 years is relieved in the case of being a government officer or advisor of a government agency that is a major shareholder or controlling person for less than 2 years.
3. Independent Director shall not have a person related to directors or executives who is involved by blood relationship or legal registration.
4. Independent Director shall not engage in transactions or be significant shareholders or a controlling person of a legal entity who transacts with the Company with a transaction value of less than or equal to 20 million baht or 3% of NTA, whichever is lower than in the previous two years.
5. Independent Director shall not be an auditor of the company, parent company, subsidiary company, associated company, or major shareholder controlling authority during the previous 2 years.
6. In the previous two years, Independent Director could not have been a professional service provider or a significant shareholder or controller partner of a legal entity that provided services worth more than 2 million baht.

** In the case that a person, who does not have qualifications as per Clause 4 and Clause 6, will be able to hold an independent director position only if the Board of Directors can show that, considered following Section 89/7, it does not affect the performance of duties and independent opinions and must disclose the information specified in the notice of Shareholders' meeting*

7. Independent Director shall not represent the company's directors, major shareholder or a person related to a major shareholder.
8. Independent Director shall not operate businesses of the same nature and in competition with the Company and its subsidiaries; holding more than 1% of the company's stock or being a director who participates in management, employees, officer, or advisors who receive a regular salary but have no control over the company.
9. Independent Director shall not have any other characteristics that prevent independent opinions.
10. Independent directors can be independent directors of companies group. However, the Audit Committee shall not be a director of the parent company, subsidiary, or subsidiary of the same level (sister company) that is a listed company.
11. After being appointed as an independent director, independent directors, may be assigned by the Board of Directors to make decisions on the operation of the Company's business, a parent company, a subsidiary company, an associated company, a sister company, a major shareholder, or a controlling person. The decision is made in the form of a collective decision, but the Audit Committee is prohibited from participating in the decision-making process in the operation.

2. Directors and Executives

Appointment and Removal of the Board of Directors

- Appointment

1. The Company's secretary informs shareholders of the regulation that permit them to nominate qualified candidates to hold the position of directors through the Stock Exchange of Thailand and the Company's website www.nforcesecure.com and present the list of qualified candidates through the Nomination and Remuneration Committee meeting for the Board of Directors and the shareholders' meeting for consideration.
2. The Company's directors are not less than five, but not more than nine, and not less than half of the total directors must reside in the Kingdom of Thailand. The Board of Directors consists of independent directors, at least one-third of the total number of directors, but must not be fewer than three members at least one director must have knowledge and experience in accounting or finance.
3. The shareholders' meeting shall elect directors by using a majority vote. The Nomination and Remuneration Committee shall select and nominate qualified persons and propose them to the Board of Directors and the shareholders' meeting for approval based on the following criteria:
 - (1) Shareholders typically have one vote per share.
 - (2) Each shareholder may use all his/her votes under (1) to elect one person or more to be directors but cannot divide his/her votes to any number of people.
 - (3) The person who received the highest votes in descending order shall be elected as a director in an equal number to the number of directors to have or be elected at that time. If the people who are elected in descending order have equal votes, and the number of directors is greater than the number of directors required to have, the Chairman shall cast the final vote.

As at December 31, 2021, the structure of the Board of Directors consists of 9 directors (all 9 directors reside in the Kingdom of Thailand). There are 6 independent directors, representing 66.66% of the total number of directors, and 6 non-executive directors, representing 66.6% of the total number of directors. There is one director who knows accounting and finance, namely Asst. Prof. Dr. Pattanant Petchchedchoo, currently serves as the Chairman of the Audit Committee and Independent Director. The director who has knowledge and experiences in the Company's business is Dr. Smitti Darakorn Na Ayuthaya, currently serving as the Chairman of the Nomination and Remuneration Committee, Independent Directors, and the Audit Committee.

- **Removal**

1. At Annual General Meeting, the directors shall retire one-third of the number of directors at that time. If the number of directors cannot be divided exactly into three parts, it is issued by the number closest to one-third of the directors. The directors who shall retire from the office in the first and second year after the company registration, will be selected through drawing lotteries. In the later year, the director who has been in office the longest will retire. The directors who retire by rotation may be re-elected to hold the office for another term.
2. Apart from vacating by rotation, directors will vacate his/her office upon death, resignation, disqualification, or having prohibited characteristics under the law on public limited companies and/or Securities and Exchange Act. The shareholders' meeting passed a resolution to leave. or the court has issued an order.
3. To resign from the position, a director shall submit a resignation letter to the Company and it shall be effective on the date the Company receives the letter.
4. The Shareholder meeting may resolve to remove any director from the position before the end of the term of duty with not less than three-fourth (3/4) of vote of shareholders who attend in the meeting and is eligible for voting, with not less than half (1/2) of the total shares of shareholders who attend in the meeting and is eligible for voting.
5. In case of vacancy in the Board of Directors for any reason other than term termination, the board of directors shall appoint a new director with qualities and no prohibited characteristics as defined in the Public Limited Companies Act and the Securities and Exchange Act in the next Board of Directors meeting, unless the former director has less than two (2) months left on their term, in which case the new director will serve for the remainder of the term. The resolution of the Board of Directors under the first paragraph must consist of votes from no less than three-fourths (3/4) of the remaining directors.

8.1.2 The Board of Directors Meeting

The Company's Articles of Association prescribes regulations of the meeting as follows:

1. The Board of Directors shall elect one (1) director to be the chairman of the board. If the Board deems appropriate one or more directors may be elected as Vice-Chairman. The Vice-Chairman has duties following the regulations in the business assigned by the Chairman.
2. At the board meeting, at least half (1/2) of the total number of directors must be present to form a quorum. The Chairman of the Board will preside over the board meeting. If the is unable to perform the duties, and if the Vice- Chairman is present, the Vice- Chairman n shall preside over the meeting. However, if Vice- Chairman, is unable to perform his or her duties, the meeting will be adjourned. The members present at the meeting shall elect one (1) to be the chairman of

the meeting. A majority of votes is required for the Board of Directors meeting to make a decision. One (1) director has one (1) vote, unless a director has an interest in any matter, he or she has no right to vote on that matter. If the votes are equal, the chairman of the meeting shall have an additional vote of one (1) as a casting vote.

3. The chairman of the board or a person entrusted shall send the notice meeting to the committee members at least seven (7) days prior to the date of the meeting. The Company will notify the meeting by other methods and set a meeting date no earlier than that, except in the case of an urgent need to preserve the rights and benefits of the Company.
4. The directors shall perform their duties under the law, the objectives, and articles of association of the Company, as well as the resolutions of the shareholders' meeting with honesty and carefully protect the interests of the company and the best interests of shareholders.
5. Directors shall notify the company without delay. If a director has an interest, whether directly or indirectly, in any contract related to the company, or in the case, the number of shares or debentures of the company or affiliates held by the directors' increases or decreases.
6. The Board of Directors shall meet at least once every three (3) months in the province where the Company's head office is located or nearby provinces or at any other place in the Kingdom of Thailand by specifying the date, time, and place as the Board deems appropriate.
7. The Company may require that the Board of Directors' meeting or the shareholders' meeting be held via electronic media. Meetings held via electronic media must adhere to the rules and procedures established by law, as well as the information security standards established by law.

In 2021, the Board of Directors held 5 meetings, with details of each meeting attendance as follows:

Name	1/2021	2/2021	3/2021	4/2021	5/2021	Meeting Attendance (%)
1. General Lertrat Ratanavanich	✓	✓	✓	✓	✓	100
2. Mr. Karoon Phungsoondara	✓	✓	✓	✓	✓	100
3. Asst. Prof. Dr. Pattanant Petchchedchoo	✓	✓	✓	✓	✓	100
4. Dr. Smiti Darakorn Na Ayuthaya	✓	✓	✓	✓	✓	100
5. Mr. Piyasak Chotipruk	✓	✓	✓	✓	✓	100
6. Dr. Supachai Sukhanindr	✓	✓	✓	✓	✓	100
7. Mr. Nakrop Niamnamtham	✓	✓	✓	✓	✓	100
8. Mr. Anotai Adulbhan	✓	✓	✓	✓	✓	100
9. Ms. Sukanya Luanchamroen	✓	✓	✓	✓	✓	100
Total number of directors attending the meeting each time	9/9	9/9	9/9	9/9	9/9	

8.2 The performance of the Audit Committee in the previous year

In 2021, the Audit Committee held a total of 7 meetings, including 2 risk management meetings and meetings with auditors and internal auditors without the Company's Management once. the Audit Committee reported to the Board of Directors every quarter. The details are as follows:

Name	1/ 2021	2/ 2021	3/ 2021	4/ 2021	5/ 2021	6/ 2021	7/ 2021	Meeting Attendance (%)
1. Asst. Prof. Dr. Pattanant Petchchedchoo Chairman of the Audit Committee/ Independent Director	✓	✓	✓	✓	✓	✓	✓	100
2. Dr. Smitti Darakorn Na Ayuthaya Audit Committee/Independent Director	✓	✓	✓	✓	✓	✓	✓	100
3. Mr. Piyasak Chotipruk Audit Committee/Independent Director	✓	✓	✓	✓	✓	✓	✓	86
Total number of directors attending the meeting each time	3/3	3/3	3/3	3/3	3/3	3/3	2/3	

Note: Mr. Piyasak Chotipruek, Independent Director, was unable to attend the Audit Committee Meeting No. 7/21 due to his prior engagements. Other directors have been notified in advance.

Performance of the Audit Committee

1. Review the Company's financial reports (quarterly and annually) for accuracy, completeness, adequacy, reliability, and timeliness by coordinating with the auditors and executives responsible for preparing financial reports and disclosing the Company's related information to the Board of Directors.
2. Review the Company's internal control and internal audit systems to ensure that are appropriate, sufficient, and effective and consider the results of the audit and the recommendations of the auditors and the Internal Audit for the internal control systems and propose to the management to improve as suggested. the Audit Committee follows up on the implementation of the recommendations with reviewing activities and the structure of the internal audit section and approving the charter of the Internal Audit. The Audit Committee considers the independence of the internal audit unit, as well as the appointment, transfer, and dismissal of the head of the internal audit unit or any other agency responsible for internal audits. the Audit Committee reviews the internal audit plan with the internal auditors, especially concerning internal control systems and financial management processes and giving an opinion and note the budget and the power rating of the internal audit section.
3. Attend meetings with the management and internal audit departments to review the Company's adequate risk management and control system.
4. Review the internal processes of the company regarding the whistleblowers and receive complaints as specified by the Audit Committee.

5. Review the Company's compliance with the Securities and Exchange Act, stock exchange requirements, and laws related to the Company's business.
6. Consider and nominate to appoint an independent person and determine the auditor's remuneration of the Company based on an account reliability, resource sufficiency, audit workload, the experience of auditor, the performance in the past year and the removal of the auditor. The Audit Committee will propose such an opinion to the Board of Directors for further approval by coordinating with auditors regarding audit objectives, scope, guidelines, work plans, and problems encountered during the audit and issues that the auditor deems priority, including meeting attendance with the auditor without the Management attending the meeting.
7. Consider related transactions or items that may have conflicts of interest to be accurate and comply with Securities and Exchange Act as well as disclose information on the transaction accurately and completely. This is to ensure that such transactions are reasonable and for the best benefit of the Company.
8. Prepare a report on the corporate governance results of the Audit Committee, which will be disclosed in the Company's annual report.
9. Review and update this Audit Committee Charter to be up-to-date and appropriate for the Company's business.
10. If it is found or suspected that some transactions or actions may have a material impact on the financial position and operating results of the Company, the Audit Committee shall immediately report to the Board of Directors within the time the Audit Committee deems appropriate.
11. In the event that the auditor finds suspicious circumstances that the Company's directors, executives, or persons responsible for the Company's operations have committed an offense as specified by the law and has informed the Audit Committee, the Audit Committee shall report the results of the preliminary investigation to the SEC Office for acknowledgment within thirty days from the notification date. The circumstances shall be in accordance with the rules of the SEC or other rules related thereto.
12. Review to ensure that the company has a process to develop good corporate governance continuously. including providing guidelines and suggestions necessary for development, giving importance to encourage the company to set good corporate governance as a regular agenda of the Board of Directors' meeting and the Company's Annual General Meeting of shareholders. The Company secretary shall send a copy of the report on stake-holding under Section 89/14 of the Act to the chairman of the audit committee within 7 working days from the date which the company receives that report.

8.3 Summary of the performance of other sub-committees

Nomination and Remuneration Committee

In 2021, the Nomination and Remuneration Committee held a total of 1 meeting with details as follows:

Name	1/2021	Meeting Attendance (%)
1. Dr. Smitti Darakorn Na Ayuthaya Chairman of the Nomination and Remuneration Committee/ Independent Director	✓	100
2. Dr. Supachai Sukhanindr Member of the Nomination and Remuneration Committee/ Independent Director	✓	100
3. Mr. Anotai Adulbhan Member of the Nomination and Remuneration Committee/ Independent Director	✓	100
Total number of directors attending the meeting each time	3/3	

Performance of the Nomination and Remuneration Committee

- Determine policies, qualifications, rules, and procedures for nomination and remuneration of directors (including members of the company's sub-committees) and company executives, with "executives" referring to levels from Chief Executive Officer upwards.
- Consider the selection and nomination of people who are suitable in terms of knowledge, experience, and expertise which following the policies, qualifications, criteria, and methods of recruiting and related laws stipulating for the positions of the Company's director, sub-committees and executives for the Board of Directors to consider appointing and/or to propose to the shareholders' meeting for consideration and appointment (depending on the case).
- The Nomination and Remuneration Committee should consider the nomination director at least one of critical experience to a position (for example, finance, business administration, marketing, HR, law, management, etc.) and the competence that will facilitate the performance. The candidates shall be able to make decisions and think strategically and demonstrate leadership experience, as well as a high level of professional expertise and integrity, which having other suitable personal qualities.
- Consider the model and process for developing the Chief Executive Officer and executive team to be consistent with the company's business and the circumstances.
- Review and summarize annually the results of the development of an appropriate succession plan, management continuity plan and report it to the Board of Directors for acknowledgment.
- Remuneration consideration
- Review scope of duties of the Nomination Committee to be up-to-date and propose to the Board of Directors for consideration.
- Evaluate and report on the performance of the Nomination Committee and propose it to the Board of Directors for consideration, including preparing a report of the Nomination Committee and disclosing it in the Company's annual report.

Corporate Governance Committee

In 2021, the Corporate Governance Committee held one meeting with details as follows:

Name	1/2021	Meeting Attendance (%)
1. Mr. Karoon Phungsoondara Chairman of the Corporate Governance Committee/ Independent Director	✓	100
2. Asst. Prof. Dr. Pattanant Petchchedchoo Member of the Corporate Governance Committee/ Independent Director	✓	100
3. Mr. Piyasak Chotipruk Member of the Corporate Governance Committee/ Independent Director	✓	100
Total number of directors attending the meeting each time	3/3	

Performance of the Corporate Governance Committee

1. Monitor the corporate governance policy and anti-corruption policy, ethical and business and code of conduct inder laws, rules and regulations.
2. Consult, review, and improve corporate governance policies and anti-corruption policies regularly.
3. Follow up and evaluate the performance of the Directors and the Executive of the company under best practice guideline of corporate governance policy, the anti-corruption policy and the annual corporate governance assessment, and prepares the annual corporate governance assessment report for submission to the Board of Directors along with the necessary comments and suggestions.
4. Review the Corporate Governance Committee Charter to be up-to-date and per the laws, rules, and regulations.
5. Evaluate the performance of the Corporate Governance Committee and report the assessment results to the Board of Directors at the end of each year.

The Executive Committee

In 2021, the Executive Committee held a total of 12 meetings, details of which are as follows:

Name	1/ 2021	2/ 2021	3/ 2021	4/ 2021	5/ 2021	6/ 2021	7/ 2021	8/ 2021	9/ 2021	10/ 2021	11/ 2021	12/ 2021	Meeting Attendance (%)
1. Mr. Nakrop Niamnamtham The Chairman of Executive Committee	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
2. Mr. Anotai Adulbhan Member of the Executive Committee	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
3. Ms. Sukanya Luanchamroen Member of the Executive Committee	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
4. Ms. Ark Chumphonphan Chief Financial Officer	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	88
Total number of directors attending the meeting each time	4/4	4/4	3/4	4/4	4/4	4/4	4/4	4/4	4/4	4/4	4/4	4/4	

Note: Ms. Ark Chumphonphan, Chief Financial Officer, was unable to attend the Executive Committee Meeting No. 3/21 due to prior engagements. The directors have been notify in advance.

Performance of the Executive Committee

1. Prepare and set a vision, policy, direction, strategy, business plan, budget, management structure, and administrative powers to propose to the Board of Directors for approval.
2. Determine the company's investment finance policy, set the investment policy direction and approve investment rules, investment proposals, according to company regulations.
3. Approve for entering into contracts and/or any transactions relating to the normal business operations of the Company (such as trading, investing, or joint ventures with other parties for normal business transactions of the Company and the benefit of the Company's objectives) within the authority limits or as specified by the Board of Directors.
4. Approve the expenditure of funds for investment, procurement, and loan; as well as any request for credit from financial institutions or lending; and pledge, mortgage, or become a guarantor of the company and the subsidiaries and other operations for Company's benefit according to the Company's objectives within the authority limits or as specified by the Board of Directors.
5. Create a framework and policies for salary, bonuses, compensation, and gratuities for employees and executives (other than the Chief Executive Officer).
6. Regularly report the performance of the Executive Committee to the Board of Directors.
7. Evaluate annually the overall performance and self-assessment of the Executive Committee and submit it to the Board of Directors for consideration.
8. Review the scope of powers, duties, and responsibilities of the Executive Committee following the Company's business conditions and propose to the Board of Directors for consideration.



Internal Control and Connected Transactions

9.1 Internal Control

The Board of Directors recognizes the importance of having a good internal control system. As a result, the Company has established an appropriate and sufficient internal control and risk control system to supervise the operation in accordance with the objectives, relevant laws, and regulations that can protect assets from corruption, including by providing accurate and reliable accounting and financial reports with complete, adequate, and timely disclosure of information.

The Board of Directors has assessed the adequacy of the Company's internal control system and approved the Company's internal control sufficiency assessment form. At the Company's Board of Directors' meeting No. 6/2020, held on September 14, 2020, with 3 Audit Committee members attending the meeting, the Board of Directors assessed the internal control system by asking for information from the management, related department, and independent internal auditor, P&L Corporation Company Limited, including reviewing the internal control system assessment report prepared by independent internal auditors. From the assessment of the Company's internal control system in various aspects, 5 elements were devised according to the concept of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") consisting of:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Audit Committee and the Board of Directors ensure that the Company has an adequate and effective internal control system. The Company provided sufficient personnel to operate the system efficiently, as well as having the internal control system of monitoring and supervising the operations that can protect the Company's assets arising from the wrongful use of directors or executives or without sufficient authority, including adequate transactions with persons who may have conflicts of interest and connected persons.

For the process of appointing the internal auditors of the company, the meeting of the Audit Committee No.2/2564 on 19 February 2021 has appointed P&L Corporation Company Limited to act as the Company's internal auditor from 19 February 2021 onwards. In order for the Company's internal control system to be efficient, P & L Corporation Company Limited has assigned Ms. Wanwimol Jongsuriyapas to primarily responsible for the Company's internal audit. Served as Head of Internal Auditing of the Company

The Audit Committee has considered the qualifications of P&L Corporation Co., Ltd. and Ms. Wanwimol Jongsuriyapas, and considers that they are appropriate and sufficient to perform the said duties due to being independent and have experience in internal audit work. Wherein the qualifications of the person holding the position of Chief of Internal Audit as shown in Attachment 4.

In this regard, consideration approving the appointment, removal and transferring of the Company's internal auditors must be approved by the Audit Committee

Opinions of the independent internal auditor regarding the Company's internal control system

From the results of the audit and assessment of the sufficiency of the Company's internal control system. The Board of directors and the Audit Committee found no significant flaws that affected the reliability of the financial reporting information. The Board of Directors, the Audit Committee, and the Company's auditors have the same opinion on the internal control system attached to the Annual Disclosure Form/Annual Report (Form 56-1, One Report).



Connected Transactions

Connected transactions that occur between the Company and a person or juristic person that may have a conflict of interest during the year ended December 31, 2021. In summary, the details are as follows:

The names and nature of relationship in related parties are summarised as follows

Person/Juristic person who have conflicts of interest and have transactions with the Company and/or its subsidiaries	Nature of business operation	Nature of relationship
1. Mr. Nakrop Niamnamtham	-	<ul style="list-style-type: none"> - Mr. Nakrop Niamnamtham is a major shareholder of the Company. - Mr. Nakrop Niamnamtham holds 16.63 percent directly and holds 10.96 percent of the shares indirectly through Moz Seguro, and the Niamnamtham Group holds a combination of shares of 27.59 percent.^{1/} - In this regard, Moz Seguro Company Limited ("Moz Seguro") is owned by the Niamnamtham group and Luanchamroen group owned in the proportion of 45.00 percent and 55.00 percent, respectively.
2. Ms. Sukanya Luanchamroen	-	<ul style="list-style-type: none"> - Ms. Sukanya Luanchamroen's group directly owns 20.30 percent of the Company and indirectly owns 13.40 percent through Moz Seguro. The Luanchamroen Group owns the portion of 33.7 percent.^{1/}
3. Altair Management Company Limited ("Altair Management") ^{2/}	Rental and asset management	<ul style="list-style-type: none"> - There are common major shareholders with the Company as follows: <ol style="list-style-type: none"> 1. Niamnamtham Group holds 45.00 percent of shares in Altair Management 2. Luanchamroen Group holds 45.00 percent of shares in Altair Management. - There are common directors with the Company as follows: <ol style="list-style-type: none"> 1. Mr. Nakrop Niamnamtham 2. Ms. Sukanya Luanchamroen

Person/Juristic person who have conflicts of interest and have transactions with the Company and/or its subsidiaries	Nature of business operation	Nature of relationship																																				
4. Bay Computing Company Limited (“Bay Computing”)	Provide networking and technology connection services for organizations. (System Integrator: SI)	<p>Ms. Weerana Buristrakul is one of the shareholders of Luanjamroen Group, which has a connected person, Mr. Supachai Buritrakul, who is her elder brother, holding major shares in Bay Computing Company Limited, as shown in the list of shareholders as of July 31, 2020, as follows:</p> <table><tr><th>No.</th><th>List of Shareholders</th><th>Number of Shares</th><th>Percentage</th></tr><tr><td>1.</td><td>Mr. Supachai Buristrakul</td><td>7,150</td><td>35.75</td></tr><tr><td>2.</td><td>Keymaker Venture Capital Company Limited</td><td>7,000</td><td>35.00</td></tr><tr><td>3.</td><td>Ms. Nida Tangwongsiri</td><td>5,200</td><td>26.00</td></tr><tr><td>4.</td><td>Mr. Avirut Liangsiri</td><td>650</td><td>3.25</td></tr></table> <p>Keymaker Venture Capital Company Limited presents a list of shareholders as of November, 30 2019 as follows:</p> <table><tr><th>No.</th><th>List of Shareholders</th><th>Number of Shares</th><th>Percentage</th></tr><tr><td>1.</td><td>Mr. Supachai Buristrakul</td><td>550</td><td>55.00</td></tr><tr><td>2.</td><td>Ms. Nida Tangwongsiri</td><td>400</td><td>40.00</td></tr><tr><td>3.</td><td>Mr. Avirut Liangsiri</td><td>50</td><td>5.00</td></tr></table> <p>Source : https://corpus.bol.co.th/</p>	No.	List of Shareholders	Number of Shares	Percentage	1.	Mr. Supachai Buristrakul	7,150	35.75	2.	Keymaker Venture Capital Company Limited	7,000	35.00	3.	Ms. Nida Tangwongsiri	5,200	26.00	4.	Mr. Avirut Liangsiri	650	3.25	No.	List of Shareholders	Number of Shares	Percentage	1.	Mr. Supachai Buristrakul	550	55.00	2.	Ms. Nida Tangwongsiri	400	40.00	3.	Mr. Avirut Liangsiri	50	5.00
No.	List of Shareholders	Number of Shares	Percentage																																			
1.	Mr. Supachai Buristrakul	7,150	35.75																																			
2.	Keymaker Venture Capital Company Limited	7,000	35.00																																			
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2.	Ms. Nida Tangwongsiri	400	40.00																																			
3.	Mr. Avirut Liangsiri	50	5.00																																			
5. Moz Seguro Company Limited (“Moz Seguro”)	Holding company	<ul style="list-style-type: none">- There are common major shareholders with the Company as follows:<ul style="list-style-type: none">1. Niamnamtham Group owns 45.00 percent in Moz Seguro.2. Luanchamroen Group owns 55.00 percent in Moz Seguro- There are common directors with the Company as follows:<ul style="list-style-type: none">1. Mr. Nakrop Niamnamtham2. Ms. Sukanya Luanchamroen																																				

Person/Juristic person who have conflicts of interest and have transactions with the Company and/or its subsidiaries	Nature of business operation	Nature of relationship
6. Dherakupt International Law Office Limited ^{3/}	Legal services, consultation, and legal advice	<ul style="list-style-type: none"> - There are common directors with the Company as follows: <ol style="list-style-type: none"> 1. Mr. Piyasak Chotipruk
7. nDataThoth Company Limited	Develop and distribute software	<ul style="list-style-type: none"> - nForce Secure PCL. owns 55% of the stock. - There are common directors with the Company as follows: <ol style="list-style-type: none"> 1. Mr. Nakrop Niamnamtham 2. Ms. Sukanya Luanchamroen

Remark: ^{1/} shareholding proportion as of June 30, 2021, after the IPO before the exercise of warrants

^{2/} Altair Management Company Limited, formerly known as nForce Security Systems AP Company Limited, registered its name change on May 28, 2020.

^{3/} Mr. Piyasak Chotipruk resigned from the position of director of the Company, Dherakupt International Law Office Limited since August 1, 2021

2. Connected transactions of the Company and connected persons in the fiscal years ended December 31, 2021 and 2020

2.1 Ordinary business transactions or supporting normal business with general trading conditions

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year Ends on 31 December 2020	For the year ended 31 December 2021	
1. Altair Management	1.1 Rental and service fees for office buildings	2.89 ^{1/}	3.03	For the year 2019, the Company rents a commercial building located at No. 9/2, The Synchronize Project, Ratchadapisek 18, Ratchadapisek Road, Huai Khwang Sub-district, Huai Khwang District for use as an office from Altair Management according to the lease agreement dated 16 January 2019, for a period of 1 year, from 16 January 2019 to 15 January 2020, at a rental rate of Baht 0.07 million per month. The contract specifies that the company, as a lessee, bears the responsibility of paying the non-life insurance premiums. The Company has paid non-life insurance premiums by Altair Management as the beneficiary under the insurance contract, amounting to Baht 0.03 million. The insurance period is 1 year from 24 November 2018 to 24 November 2019. The Company signed several service contracts for the rental location, including providing services inside the building, toilet and water service, electrical services in the building, fire extinguishers in the building. The contract is for a year, similar to the building lease contract and has a monthly service fee of Baht 0.18 million per month.
	<u>Building rental fee</u>	-		
	<u>Building service fee</u>			
	<u>Outstanding balance of payable at the end of the period</u>	0.24	0.24	
	1.2 Insurance Expenses			
	Insurance Expenses	0.03	-	

Remark: ^{1/} According to the notes to the financial statements for the years 2021 and 2020, the lease liability of related company have an outstanding balance of 13.03 million baht and 10.63 million baht, respectively.

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year Ends on 31 December 2020	For the year ended 31 December 2021	
				<p>For the year 2020, the Company rents a commercial building, 6 floors high, at No. 9/2, The Synchronize Project, Ratchadapisek 18, Ratchadapisek Road, Huai Khwang Sub-district, Huai Khwang District for use as an office with an area of approximately 747.75 square meters for a 3-year lease period beginning 16 January 2020, and ending 15 January 2023, at a monthly rental rate of 0.24 million baht, which can be renewed for one more time, for a period of three years starting from the expiration date of the rental period. The contract states that the Company, as a lessee, bears the responsibility of paying the insurance premium. Whereby, the Company has paid insurance premiums of Baht 0.03 million for a period of one year from 24 November 2019 to 24 November 2020, in the year 2021. Altair Management Company Limited pays the insurance premium.</p> <p>Comments of Audit Committee</p> <p>Such transactions are necessary and reasonable in order to be used as an office for the Company's business operations. The rental area is in a suitable location, and the rental price is close to the rent appraised by independent appraisers, namely K.T. Appraisal Company Limited and True Value Company Limited, at Baht 0.23 million per month and Baht 0.25 million per month, respectively. Such transaction is an ordinary business transaction that will continue to occur in the future.</p>

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year Ends on 31 December 2020	For the year ended 31 December 2021	
2. Altair Management	Disposals of land and building			<p>In March 2020, the Company sold land and buildings, title deed no. 4836, located in Samsen Nok Sub-district, Huai Khwang District, Bangkok, for Baht 19.75 million to Altair Management. The Company has already received payment for the land and buildings.</p> <p>Comments of Audit Committee</p> <p>Such transactions are necessary and reasonable where the sale of such land and buildings is to restructure the Company's business following the current operation, and where the selling price of the land disposed of is the average price of land and buildings appraised by independent appraisers, namely K.T. Appraisal Company Limited and True Value Company Limited, at rates of Baht 19.50 million and Baht 20.00 million, respectively. Such transaction is not a ordinary business transaction of the Company and there is no policy to do such transactions in the future.</p>
	<u>Proceeds from disposals of land and building</u>	19.75	-	
	<u>Gain on disposals of land and building</u>	3.42	-	

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year Ends on 31 December 2020	For the year ended 31 December 2021	
3. Bay Computing	3.1 Revenue from sales of goods and services			<p>The Company operates a distributing business (Distributor) for a kind of information technology security products both in terms of IT security and Cyber Security, in which the Company's customers, such as system integrators (SI), Bay Computing, which is a leading system and technology integrator (SI) Company in the country and is a customer of the Company.</p> <p>In this regard, the Company's prices are calculated using the Cost Plus method, depending on the suitability of each product type, the quantity and value of purchase orders, and end user groups taken into account. In 2021 and 2020, the Company sells products to Bay Computing Company Limited by plus gross margin average about 13 - 30 percent of revenue.</p> <p>From the second quarter of 2020 onwards, the Company will use pricing and trade agreement criteria in the same way that they have been applied to ordinary customers. The price will be determined by using the Cost Plus method for selling goods and services, whereby the gross margin of sales of goods and services for each project must not be less than 15 percent of the revenue.</p> <p>Comments of Audit Committee</p> <p>The sale of such goods and services is appropriately in accordance with the characteristic of each type of product, quantity and value of orders, and end user groups. Such transaction will occur continuously in the future.</p> <p>From the second quarter of 2020 onwards, the Company will use pricing and trade agreement criteria in the same way that they have been applied to ordinary customers. In this regard, the Company will determine the cost of selling goods and services in accordance with the Cost Plus method by the gross margin of sales of goods and services for each project not being less than 15 percent of the revenue.</p>
	Revenue from sales of goods and services	24.75	4.54	
	<u>Outstanding receivables</u>	0.20	2.51	

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year Ends on 31 December 2020	For the year ended 31 December 2021	
3.2 Exhibition fee	<u>Exhibition expenses</u>	0.10	-	<p>The Company participates in an expo to promote the Company's products to the target customer group which the expense of such participation is in accordance with the prescription of the expo's organizer, which refers to various related factors such as the venue of the expo, the size of the area, etc.</p> <p>Comments of Audit Committee</p> <p>Such a transaction is necessary because it is a public relations transaction for the Company's products to target customer groups related to the Company's ordinary business operation; is reasonable because the exhibition fee is the same as what Bay Computing Company Limited charges general customers. In this regard, this transaction is an ordinary business transaction that will occur continuously in the future.</p>
	<u>Outstanding balance of payable at the end of the period</u>	-	-	
3.3 Promotional fee	<u>New year support fee</u>	0.02	-	<p>In 2020, the Company paid Bay Computing to support Bay Computing's New Year's event.</p> <p>Comments of Audit Committee</p> <p>Such transaction is a necessary transaction based on occasions, customs, and traditions that are in accordance with the regulations prescribed by the Company.</p>
	<u>Outstanding balance of payable at the end of the period</u>	0.02	-	

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year Ends on 31 December 2020	For the year ended 31 December 2021	
4. Dherakupt International Law Office	4.1 Advance Payment	-	-	In 2021, the Company formed a joint venture with Data Wow Company Limited by establishing nDataThoth Company Limited to operate the personal data management business (Personal Data Protection Act). The Company has also appointed the Dherakupt International Law Office Limited to handle the Company registration, VAT registration, and application for investment promotion (BOI) for Baht 739,500 (excluding VAT). The terms of payment have stated that they will pay 50 percent in advance as deposition and pay the remaining 50 percent when the process is completed. As at 31 December 2021, Dherakupt International Law Office Limited has already completed the process.
	<u>Outstanding balance of payable at the end of the period</u>	-	-	
				Comments of Audit Committee The above transaction is a necessary transaction, and such expenses are appropriate for work to be performed.
5. nDataThoth	5.1 Other fees	-	-	On April 1, 2021, nDataThoth Company Limited was established to operate businesses related to Personal Data Protection Act. The expenses mentioned are the Company registration fee and the VAT registration fee, for which nForce Secure PCL. has paid in advance and issued an invoice to claim the fee on June 16, 2021. And as at 31 December 2021, nDataThoth already paid all expenses to the Company
	Outstanding receivables	-	-	
				Comments of Audit Committee Such transaction is necessary and appropriate.

2.2 List of Financial Assistance

The Company does not have a financial assistant transaction to related persons/juristic persons for the year ended December 31, 2021 and 2020.

2.3 Credit limit/Collateral/Guarantee

The Company has credit limit with financial institutions that has been supported in terms of credit facilities, collateral, and guarantee by person/juristic persons. Details are as follows:

Person/Juristic person Related to	Characteristic of Connected Transactions	Transaction value (THB million)		Reasonableness and Necessity
		For the year ended December 31, 2020	For the year ended December 31, 2021	
1. Mr. Nakrop Niamnamtham 2. Ms. Sukanya Luanchamroen	The Company has been guaranteed credit lines with financial institutions as follows: <ul style="list-style-type: none"> Guarantee limit 11.00 million baht 	No Remuneration	No Remuneration	No guarantee fee is charged until the end of the loan term in order to support the Company's business operations
3. Moz Seguro	The Company has been guaranteed credit lines with financial institutions as follows: <ul style="list-style-type: none"> Guarantee limit 57.00 million baht 	No Remuneration	No Remuneration	No guarantee fee is charged until the end of the loan term in order to support the Company's business operations

Measures of procedures for Connected transaction approval

The Company has established procedures for approving related party transactions following the Securities and Exchange Act and regulations, notifications, orders, or requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand by directors, shareholders, or persons who have or may have a conflict of interest with the Company or such transactions, have an interest or may have an interest, will not have the right to vote in considering and approving such related party transactions.

If the connected transactions are required by law to be approved by the Board of Directors, the Company will arrange for the Audit Committee to attend the meeting to consider and provide opinions on the necessity of the transaction and its reasonableness by following the guidelines below:

- Transactions with general trading conditions: The Board of Directors will approve the principle allowing the management section to conduct related party transactions with general trading conditions. If such transactions have commercial agreements in the same way as would be done with general counterparties under the same circumstances by having independent commercial bargaining power of being a director, executive, or related person (depending on the case). Every quarter, the company will prepare and present a summary report of such transactions to the Audit Committee and Board of Directors. If there is a change in the principle from the previous request, the management will bring the new principle to the Board of Directors for consideration and approval before any connected transaction.

- Normal business transactions, business support transactions that do not include general commercial terms, and other related transactions. These include items such as building leases and items receiving financial assistance such as loans and guarantees. The Company has a policy of proposing to the Audit Committee to consider and provide opinions on the necessity and reasonableness of the transaction before presenting it to the Board of Directors for approval. The Audit Committee attended the meeting because the Company must comply with the Securities and Exchange Act as well as the Stock Exchange of Thailand's regulations, notifications, orders, or requirements, including compliance with the disclosure requirements of connected transactions and the acquisition or disposition of important assets by the Company or its subsidiaries (if any). Compliance with accounting standards regarding disclosure of information about related persons or activities, as determined by the Federation of Accounting Professions under His Majesty the King's Royal Patronage, connected transactions will be disclosed in the notes to the Company's financial statements, including Form 56-1 and the annual report.

In addition, if the Audit Committee has to give an opinion on the appropriateness of a transaction and the Audit Committee does not have expertise in considering related transactions, the Company will assign a person with special expertise, such as an independent auditor or asset appraiser, to give opinions on related transactions. The Audit Committee's or experts' opinions will be considered by the Board of Directors or shareholders, as the case may be. To ensure that entering into such a transaction will not transfer or transfer benefits between the Company or persons who may have conflicts with the Company, the Company will take into account the best interests of the Company and its shareholders.

Policy and trend of connected transaction

Any future related transactions must be approved by the Audit Committee and the Board of Directors. The Audit Committee attended the meeting to consider and comment on the transaction's necessity and reasonableness, as well as to check the price and terms of the transaction in a way that could be compared with a third party.

Directors are subject to a number of rules and regulations, and they will be unable to vote on any item on which they or anyone else who may have a conflict of interest is transacting with the Company.

For the future trend of related transactions in the Company's normal business operations, such as sales of goods and services, building rentals, including financial operations such as guarantees by directors of financial institutions, etc.

However, the Company will proceed with the above transactions transparently, per the Company's related party transaction policy, and in strict compliance with the requirements of the SEC, the Stock Exchange of Thailand, and other related agencies.

The Company has no financial assistance policy for directors, executives, and other related persons.

PART 3

FINANCIAL STATEMENTS





FINANCIAL STATEMENTS

Independent Auditor's Report

To the shareholders and the Board of Directors of nForce Secure Public Company Limited

My opinion

In my opinion, the financial statements of nForce Secure Public Company Limited (the Company) present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matter

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. I determine one key audit matter: Revenue recognition from contract. The matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Key audit matter	How my audit addressed the key audit matter
<p>Revenue recognition from contract</p> <p>Refer to Note 5.18 'Revenue recognition' and Note 27 'Revenue from sales and services' to the financial statements.</p> <p>Recognising the Company's revenue is complex because the Company has many contracts with customers. There are also some contracts with multiple performance obligations, including the sale of goods together with services. This also impacts to allocation of transaction prices to the contract's performance obligations and the timing of revenue recognition.</p> <p>Where the contracts include multiple performance obligations, the transaction price will be allocated to each obligation based on the standalone selling price ratio. Where the standalone selling prices are not directly observable, they are estimated based on cost plus margin method such as the sale of hardware and software, including the system maintenance. The Company separates each performance obligation and allocates a transaction price to each performance obligation in the contract based on cost plus margin method. Also, the Company recognises revenue of each performance obligation separately once that obligation is performed.</p> <p>As the Company provides various types of goods and services for individual contract to customers and the market price of goods and services tends to fluctuate due to high competition, the standalone selling price can't be found directly. Changes in the standalone selling price estimates significantly affect the consolidated transaction price allocation to each performance obligation. Therefore, the allocation has an impact on revenue recognition, accrued revenue and deferred revenue.</p>	<p>My key audit procedures included:</p> <ul style="list-style-type: none">• understanding and evaluating the internal control design and its implementation for recognising the revenue of contracts with multiple performance obligations. This included management's reviews of contracts with multiple performance obligations, the standalone selling price consideration, allocation calculation and the timing of revenue recognition.• discussing the Company's accounting policy with management, including the transactions related to judgment and estimates.• testing samples of internal controls related to revenue recognition of contracts with multiple performance obligations and sampling tested reasonableness of the standalone selling price used as allocation criteria against relevant documents and the timing of revenue recognition.• reading and understanding samples of contracts to assess whether the revenue recognition method appropriately complied with TFRS 15 and had been applied consistently. I focused on the allocation of revenue and cost to individual performance obligations and the timing of revenue recognition upon transfer of control of goods or services. Where a contract contained multiple performance obligations, I considered the appropriateness of management's judgment to assess the revenue recognition of each performance obligation in each contract.• examining samples of revenue to consider whether management's judgement applied to each performance obligation in each contract against supporting documentation such as original contracts, invoices, delivery notes and handover documentation was appropriate.

Key audit matter	How my audit addressed the key audit matter
<p>I focused on this area as the revenue recognition for each contract involves significant judgment and estimates made by management including:</p> <ul style="list-style-type: none"> determining how many performance obligations in each contract must be considered separately for revenue recognition. allocating a transaction price to each performance obligation. choosing the most appropriate revenue recognition method for each performance obligation in the contract. determining whether revenue recognition point for each performance obligation is recognised at a specific point in time on the date that the obligation is completed. 	<ul style="list-style-type: none"> testing the service cost rate calculation for each employee level which would be basis for the allocation price of revenue from contracts. <p>From the above procedures performed, I found that the revenue recognition was consistent with the relevant accounting policy and appropriate based on supporting documentation.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as the directors determine 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, the directors are 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 the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities 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 TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism 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 the directors.
- Conclude on the appropriateness of the directors' 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 the audit committee 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 the audit committee 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 the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.



Nopanuch Apichatsatien

Certified Public Accountant (Thailand) No. 5266

Bangkok

28 February 2022

nForce Secure Public Company Limited

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Baht	2020 Baht
Assets			
Current assets			
Cash and cash equivalents	10	402,975,195	40,503,608
Financial assets measured at fair value through profit or loss	13	34,962,762	-
Trade and other receivables, net	11	174,740,564	133,393,956
Current portion of lease receivables, net	12	7,921,608	-
Inventories, net	14	35,135,776	59,737,122
Derivative assets	7, 13	223,076	-
Other current assets		296,097	620,965
Total current assets		656,255,078	234,255,651
Non-current assets			
Restricted deposits at financial institutions	15	31,700,000	31,700,000
Investment in joint venture	16	6,896,242	-
Lease receivables, net	12	8,695,263	-
Property plant and equipment, net	17	11,388,923	16,209,390
Right-of-use assets, net	18	11,826,790	14,635,557
Intangible asset, net	19	914,969	1,040,539
Deferred tax assets	20	2,112,351	2,876,101
Other non-current assets		6,226,944	4,215,913
Total non-current assets		79,761,482	70,677,500
Total assets		736,016,560	304,933,151

Director _____ Director _____

The accompanying notes form part of these financial statements.

Statement of Financial Position (Cont'd)

As at 31 December 2021

	Notes	2021 Baht	2020 Baht
Liabilities and equity			
Current liabilities			
Short-term borrowings			
from financial institutions	22	-	23,673,094
Trade and other payables	21	121,259,148	125,987,163
Deferred revenue - current	28	8,977,970	6,628,419
Current portion of lease liabilities	22	2,500,336	2,677,940
Derivative liabilities	7, 13	-	1,755,394
Other current liabilities	23	5,930,454	4,632,961
Total current liabilities		138,667,908	165,354,971
Non-current liabilities			
Deferred revenue	28	5,346,816	4,398,424
Lease liabilities	22	8,128,984	10,629,320
Employee benefit obligations	24	9,825,656	10,885,449
Other non-current liabilities		573,300	-
Total non-current liabilities		23,874,756	25,913,193
Total liabilities		162,542,664	191,268,164
Equity			
Share capital			
Authorised share capital			
Ordinary shares, 105,941,000 shares			
at par value of Baht 0.5 each	25	52,970,500	52,970,500
Issued and paid-up share capital			
Ordinary shares, 102,741,000 shares			
paid-up at Baht 0.5 each		51,370,500	
Ordinary shares, 75,000,000 shares			
paid-up at Baht 0.5 each			37,500,000
Premium paid-up capital		466,885,588	48,530,000
Retained earnings			
Appropriated - legal reserve	26	5,297,050	3,750,000
Unappropriated		35,937,107	10,462,061
Other reserves - Share-based payment		13,983,651	13,422,926
Total equity		573,473,896	113,664,987
Total liabilities and equity		736,016,560	304,933,151

The accompanying notes form part of these financial statements.

nForce Secure Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2021

		2021	2020
	Notes	Baht	Baht
Revenue from sales	27	802,440,579	611,938,741
Revenue from services	27	20,941,805	21,985,594
Cost of sales and services		(667,528,991)	(508,470,348)
Gross profit		155,853,393	125,453,987
Other income	29	2,962,461	5,220,644
Selling expenses		(37,588,092)	(39,399,710)
Administrative expenses		(44,276,835)	(50,343,805)
Loss on exchange rate, net		(914,076)	(5,239,532)
Fair value gain (loss) on derivatives		223,076	(1,755,394)
Net impairment losses on financial assets		(37,238)	-
Finance costs		(1,412,727)	(3,392,292)
Share of loss from joint venture		(1,353,758)	-
Profit before income tax expense		73,456,204	30,543,898
Income tax expense	31	(12,341,378)	(6,995,713)
Profit for the year		61,114,826	23,548,185
Other comprehensive income (expense)			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligations	24	2,909,088	224,611
Deferred income tax on remeasurements of employee benefit obligations	20, 31	(581,818)	(44,922)
Total items that will not be reclassified to profit or loss		2,327,270	179,689
Other comprehensive income for the year, net of tax		2,327,270	179,689
Total comprehensive income for the year		63,442,096	23,727,874
Earnings per share (Baht)	32		
Basic earnings per share		0.69	0.33
Diluted earnings per share		0.68	0.33

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2021

	Notes	Issued and paid-up share capital	Premium on paid-up share capital	Retained earnings				Total
				Other reserves - share-based payments	Appropriated - legal reserve	Unappropriated	Baht	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2020		30,000,000	-	13,363,756	3,000,000	45,847,557		92,211,313
Retrospective adjustments from changes in accounting policy		-	-	-	-	(966,370)		(966,370)
Opening balance at 1 January 2020 - Restated		30,000,000	-	13,363,756	3,000,000	44,881,187		91,244,943
Change in equity for the year								
Proceeds from ordinary shares issued		7,500,000	48,530,000	-	-	-		56,030,000
Dividend	33	-	-	-	-	(57,397,000)		(57,397,000)
Legal reserve		-	-	-	750,000	(750,000)		-
Total comprehensive income for the year		-	-	-	-	23,727,874		23,727,874
Share-based payments	35	-	-	59,170	-	-		59,170
Closing balance at 31 December 2020		37,500,000	48,530,000	13,422,926	3,750,000	10,462,061		113,664,987
Opening balance at 1 January 2021		37,500,000	48,530,000	13,422,926	3,750,000	10,462,061		113,664,987
Change in equity for the year								
Proceeds from ordinary shares issued	25	13,870,500	418,355,588	-	-	-		432,226,088
Dividend	33	-	-	-	-	(36,420,000)		(36,420,000)
Legal reserve		-	-	-	1,547,050	(1,547,050)		-
Total comprehensive income for the year		-	-	-	-	63,442,096		63,442,096
Share-based payments	35	-	-	560,725	-	-		560,725
Closing balance at 31 December 2021		51,370,500	466,885,588	13,983,651	5,297,050	35,937,107		573,473,896

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	2021 Baht	2020 Baht
Cash flows from operating activities			
Profit before income tax		73,456,204	30,543,898
Adjustments for:			
Depreciation	17, 18	11,044,709	11,820,494
Amortisation	19	125,570	125,580
Gain on disposals of land and building		-	(3,425,573)
Gain on disposals of equipment		(130,894)	(20,453)
Loss from write-off of equipment		1,104	18,858
Expected credit losses		399,711	1,036,485
Decrease in allowance for obsolete inventories		-	(2,885,270)
Employee benefit expenses	24	1,957,295	1,858,167
Losses from changes in fair value of financial assets at fair value through profit or loss	13	37,238	-
Interest income	29	(1,650,768)	(278,118)
Fair value (gain) loss on derivatives	7	(223,076)	1,755,394
Finance costs		1,412,727	3,392,292
Share of loss from joint venture	16	1,353,758	-
Unrealised gain on exchange rate		(776,236)	(1,434,583)
Share-based payments	35	560,725	59,170
Profit from operating activities before changes in operating assets and liabilities		87,568,067	42,566,341
Trade and other receivables		(41,786,365)	36,647,844
Inventories		24,601,346	(4,743,173)
Other current assets		60,672	(148,848)
Lease receivables		(16,616,871)	-
Trade and other payables		(4,492,770)	31,296,066
Deferred revenue		3,297,943	18,233
Employee benefits paid	24	(108,000)	-
Other current liabilities		724,193	(3,712,414)
Cash generated from operations		53,248,215	101,924,049
<u>Less</u> Interest paid		(1,464,379)	(3,470,075)
Income tax paid		(13,906,281)	(16,677,268)
Net cash generated from operating activities		37,877,555	81,776,706

The accompanying notes form part of these financial statements.

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2021

	Notes	2021 Baht	2020 Baht
Cash flows from investing activities			
Increase in restricted deposits at financial institutions	15	-	(31,700,000)
Payments for investment in joint venture	16	(8,250,000)	-
Purchases of building improvement and equipment		(3,628,336)	(8,542,977)
Purchases of intangible assets	19	-	(27,000)
Proceeds from disposals of land and building		-	19,750,000
Proceeds from disposals of equipment		326,500	40,000
Payments for purchase of financial assets measured at fair value through profit or loss	13	(35,000,000)	-
Interest income		1,690,814	204,885
Net cash used in investing activities		(44,861,022)	(20,275,092)
Cash flow from financing activities			
Payments in short-term borrowings from financial institutions	22	(299,763,401)	(378,475,662)
Proceeds from short-term borrowings from financial institutions	22	276,090,307	320,306,256
Payments on lease liabilities	22	(2,677,940)	(3,677,903)
Proceeds from issue of ordinary shares	25	432,226,088	56,030,000
Payment on dividend	33	(36,420,000)	(57,397,000)
Net cash generated from (used in) financing activities		369,455,054	(63,214,309)
Net increase (decrease) in cash and cash equivalents		362,471,587	(1,712,695)
Cash and cash equivalents at the beginning of the period		40,503,608	42,216,303
Cash and cash equivalents at the end of the period		<u>402,975,195</u>	<u>40,503,608</u>
Significant non-cash transactions			
Right-of-use assets during this period	18	-	1,903,880
Purchases of plant and equipment not yet paid		-	16,151
Share-based payments expense	35	560,725	59,170

The accompanying notes form part of these financial statements.

1 General information

nForce Secure Company Limited (“the Company”) is a limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

9/2 The Synchronized, Soi Ratchadapisek, Ratchadapisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310.

The principal business operations of the Company are selling computer hardware and software, and all related equipment, network communication equipment and software, development of enterprise software and project management and provide service for business consulting, risk assessment, planning and training.

These financial statements were authorised for issue by the Board of Directors on 28 February 2022.

2 Significant events during the current year

Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 (“COVID-19”) since 2020, the Company’s management evaluated that there is no negative impact on operating results of the Company for the year ended 31 December 2021.

3 Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except financial assets and liabilities (including derivative instrument).

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4 New and amended financial reporting standards

4.1 Amended financial reporting standard that is effective for accounting period beginning or after 1 January 2021 and has impact to the Company

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting. The amendment does not significant impact on the Company’s financial statements.

5 Accounting policies

5.1 Principles of equity accounting

a) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Company has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the financial statements, investments in joint ventures are accounted for using equity method.

b) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Company's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Company's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

5.2 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

5.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

Notes to the Financial Statements

For the year ended 31 December 2021

5.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 - 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.6.e.

5.5 Inventories

Inventories which are computer system equipment and software are stated at the lower of cost or net realisable value.

Cost is determined by specific method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories. The amount of any write down of inventories to net realisable value is recognised as cost of sales in the period the write down occurs.

5.6 Financial assets

a) Classification

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Notes to the Financial Statements

For the year ended 31 December 2021

c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

d) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Impairment

The Company applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, contract assets and lease receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables, contract assets and lease receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Company applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

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For the year ended 31 December 2021

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

5.7 Property, plant and equipment

An item of property, plant and equipment is stated at cost less accumulated depreciation and allowance for decrease in value (if any).

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable purchase taxes (after deducting trade discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the initial estimate of costs of dismantling and removing the item, and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period.

The cost of replacing part of property, plant and equipment is included in the carrying amount of the asset when it is probable that future economic benefits will flow to the Company and the carrying amount of those replaced parts is derecognised. Repairs and maintenance are charged to the statement of income during the financial period in which they are incurred.

Depreciation is calculated on the straight-line basis to write-off the cost of each asset, except for land, which is considered to have an indefinite life, to its residual value over the estimated useful life as follows:

Building	20 years
Building improvements	5 years
Office equipments	5 years
Computer and equipment	3 years
Furniture and fixtures	5 years
Vehicles	5 years

The assets' residual values, useful lives, and depreciation method are regularly reviewed.

Whenever there is any indication showing a permanent decrease in the amount of property, plant and equipment; such as an evidence of obsolescence or physical damage of an asset, significant changes in the manner in which an asset is used or is expected to be used, the Company shall recognise loss on decrease in value of property, plant and equipment in the statement of income where the carrying amount of asset is higher than the recoverable amount. The recoverable amount of asset is the higher of its fair value less costs to sell and its value in use.

Notes to the Financial Statements

For the year ended 31 December 2021

5.8 Intangible assets - Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using straight-line basis over their estimated useful life of 10 years. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

5.9 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

5.10 Leases

Leases - where the Company is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Notes to the Financial Statements

For the year ended 31 December 2021

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Leases - where the Company is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

5.11 Financial liabilities

a) Classification

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

5.12 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the Financial Statements

For the year ended 31 December 2021

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5.13 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Company pays contributions to a separate fund. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are charged or credited to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past service costs are recognised immediately in profit or loss.

5.14 Share-based payment

Employee options

The Company receives services from employees as compensation for the Company's equity instruments (options). The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The Company will begin to recognise the expenses from the date the ESOP is approved by the Extraordinary General Meeting of Shareholders and the date the Company announces the rights of the ESOP to the employees selected for acknowledgment. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

At the end of each reporting period, the Company reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

5.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The Company measures provisions at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5.16 Refund liabilities

A refund liability is recognised for the volume discounts payable to customers in relation to sales made when it is expected the Company will repay compensation to the customer. The liability is measured at the amount as if the Company has no ownership rights in the compensation (The amount is not included in the item price). The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

5.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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For the year ended 31 December 2021

5.18 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with rendering of services in the course of the Company's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

For contracts include multiple deliverables, such as the sale of hardware, software and maintenance services. The Company separates that multiple deliverable into distinct performance obligation and allocate transaction price to each performance obligation based on expected cost plus margin method. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Revenue from sale goods

Revenue from sale goods comprise of revenue from sale computer hardware and software. The Company recognised revenue when control over the products has transferred, being when the products are delivered. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from providing services

Revenue from providing maintenance services are recognised in the accounting period in which the services are rendered. For fixed-price contracts which providing services based on incidents that identify in contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual number of incident that the Company provides services to the total number of incidents that customers have maintenance service contract with the Company. Including provide maintenance service in standing ready services, the Company recognises revenue from providing service with a continuous provision as revenue on a straight-line basis over the contract term. In addition, revenue from installation and training, the Company recognises these revenues based on output method which progress toward completion determined service is control deliver to customer to the total remaining amount under contracts.

Some contracts include multiple deliverables, such as the sale of hardware and related installation services. If the installation is not complex and integration services or could be performed by another parties, the Company will classify that goods or services as a separate performance obligations.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin for contracts include the installation of hardware. Revenue for the hardware is recognised at a point in time when the hardware is delivered, customer accept goods and the legal title transfer to customer.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts which the customer pays the fixed amount based on a payment schedule, the Company recognised contract assets when service rendered by the Company exceed the payment. However, if the payments exceed the services rendered, a deferred revenue is recognised.

Other income

Interest income and other income is recognised on accrual basis, unless collectability is in doubt.

5.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders, and interim dividend are approved by the Board of Directors.

5.20 Derivatives and hedging activities

Embedded derivative and derivatives that do not qualify for hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in the fair value are included in other gains(losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

5.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

6 Financial risk management

6.1 Financial risk

The Company's activities expose it to a variety of financial risks: foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the management under policies approved by the Board of Directors. The management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Risk Management Committee provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and liquidity risk.

6.1.1 Market risk

a) Foreign exchange risk

The Company has the policy to enter into a forward contract if the currency exchange rate tends to become higher than the previously set exchange rate each time. It's up to management's discretion to consider entering into this contract, which needs to accord with the volume of purchase orders and reduce the exchange rate volatility risk.

Notes to the Financial Statements

For the year ended 31 December 2021

Exposure

The Company's exposures to foreign currency risk at the end of the reporting period, summarised in Baht are as follows:

	2021 US Dollar currency Baht	2020 US Dollar currency Baht
Foreign currency forwards - Purchase of foreign currency	81,794,608	90,270,541
Trade and other payables	106,665,796	111,361,514
Trust receipt	-	6,753,461

Sensitivity

As shown in the table above, the Company is primarily exposed to changes in Baht and US Dollar exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

	Impact to net profit	
	2021 Baht	2020 Baht
US Dollar to Baht exchange rate - increase 1%*	1,881,861	2,083,855
US Dollar to Baht exchange rate - decrease 1%*	(1,881,861)	(2,083,855)

* Holding all other variables constant

b) Interest rate risk

Interest rate risk is the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial instruments. The financial assets that potentially subject the Company to the interest rate risk is deposits with banks. The Company has bank overdrafts from a financial institution which bear fixed interest rates. The Company also has short-term loans to related parties which bears a fixed interest rates depending on money market rate and short-term borrowings from a financial institution which bears fixed interest rates. The Company does not hedge its exposure to interest rate risk since considered that this risk is immaterial.

6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

The Company does not have a significant concentration of credit risk. The Company' has policies in place to ensure that sales and services are only sold to customers with an appropriate credit history. The Company does not have any significant risk regarding financial institutions as it only places cash with reputable financial institutions. The Company has no other credit risks in addition to the allowance for doubtful accounts recorded in the financial statements which assesses from past payment experiences and other factors, as well as domestic economic conditions.

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For the year ended 31 December 2021

b) Impairment of financial assets

The Company's financial assets included trade and other receivables, which are subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Company applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 44 months before 31 December 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance was determined as follows for both trade receivables and contract assets:

	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As of 31 December 2021						
Gross carrying amount						
- Trade receivables - third party	-	155,340,903	544,614	-	987,828	156,873,345
- Trade receivables - related party	-	2,508,701	-	-	-	2,508,701
- Accrued income	2,653,700	-	-	-	-	2,653,700
Loss allowance	-	983,403	431,335	-	987,828	2,402,566
As of 31 December 2020						
Gross carrying amount						
- Trade receivables - third party	-	93,199,365	1,340,928	-	-	94,540,293
- Trade receivables - related party	-	198,571	-	-	-	198,571
- Accrued income	3,000,375	-	-	-	-	3,000,375
Loss allowance	-	991,333	1,011,522	-	-	2,002,855

The loss allowances for trade receivables and contract assets for the year ended 31 December are as follows:

	2021 Baht	2020 Baht
Opening loss allowance at 1 January	2,002,855	-
Loss allowance recognised in profit or loss during the year	399,711	2,002,855
Closing loss allowance at 31 December	2,402,566	2,002,855

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For the year ended 31 December 2021

The Company write-off trade receivables when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments or cannot be contacted for a period greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

a) Financing arrangements

The Company has access to the following undrawn credit facilities as at 31 December:

	2021 Baht	2020 Baht
Floating rate		
Expiring within one year		
- Trust receipt	100,000,000	76,326,906

b) Maturity of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their non-derivative financial liabilities and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity of financial liabilities	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amounts of financial liabilities Baht
As at 31 December 2021					
Short-term loans from financial institutions	-	-	-	-	-
Trade and other payables	121,259,148	-	-	121,259,148	121,259,148
Lease liabilities	2,880,000	8,640,000	-	11,520,000	10,629,320
Total financial liabilities that is not derivative	124,139,148	8,640,000	-	132,779,148	131,888,468

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For the year ended 31 December 2021

Maturity of financial liabilities	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amounts of financial liabilities Baht
As at 31 December 2020					
Short-term loans from financial institutions	23,673,094	-	-	23,673,094	23,673,094
Trade and other payables	125,987,163	-	-	125,987,163	125,987,163
Lease liabilities	3,161,950	11,520,000	-	14,681,950	13,307,260
Total financial liabilities that are not derivatives	152,822,207	11,520,000	-	164,342,207	162,967,517
Derivative financial Instruments					
Derivative liabilities	1,755,394	-	-	1,755,394	1,755,394
Total derivative liabilities	1,755,394	-	-	1,755,394	1,755,394
Total	154,577,601	11,520,000	-	166,097,601	164,722,911

6.2 Capital management

6.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital based on debt to equity ratio which is determined by dividing net debt with equity.

As at 31 December, the Company's debt to equity ratio is as follow:

	2021 Baht	2020 Baht
Net debt	162,542,664	191,268,164
Equity	573,473,896	113,664,987
Net debt to equity ratio	0.28	1.68

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For the year ended 31 December 2021

7 Fair value

The following table shows fair values of financial assets and liabilities:

	Fair value through profit or loss Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
As at 31 December 2021				
<i>Financial assets measured at fair value</i>				
Financial assets measured at fair value through profit or loss	34,962,762	-	34,962,762	34,962,762
Derivative assets	223,076	-	223,076	223,076
	35,185,838	-	35,185,838	35,185,838
	Fair value through profit or loss Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
As at 31 December 2020				
<i>Financial assets measured at fair value</i>				
Derivative liabilities	1,755,394	-	1,755,394	1,755,394

The Company has financial assets and financial liabilities that measured at fair value through profit or loss and measured fair value level as follows:

	Level 1		Level 2		Level 3		Total	
	31 December 2021 Baht	31 December 2020 Baht	31 December 2021 Baht	31 December 2020 Baht	31 December 2021 Baht	31 December 2020 Baht	31 December 2021 Baht	31 December 2020 Baht
Financial assets measured at fair value through profit or loss	34,962,762	-	-	-	-	-	34,962,762	-
Derivative assets (liabilities)	-	-	223,076	(1,755,394)	-	-	223,076	(1,755,394)
Total assets (liabilities)	34,962,762	-	223,076	(1,755,394)	-	-	35,185,838	(1,755,394)

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price closing price by reference to the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

The measurement in fair value of financial assets and financial liabilities are disclosed in Notes 5.6

Transfer between fair value hierarchy

There are no transfers between the fair value hierarchy during the year.

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Valuation techniques used to measure fair value level 2

Fair value of foreign exchange contracts is determined using forward exchange rates that are quoted in an active market. Fair value of foreign exchange contract is determined using forward foreign exchange contract extracted from commercial bank. The effects of discounting are generally insignificant for level 2 derivatives.

The Company has financial assets and liabilities which are not measured at fair value in the statement of financial position. For the majority of these transactions, the fair value is not materially different to their carrying amount, since there are short term receivable and short term payable.

The Company's primary functional currency is Thai Bath, while purchases products and services transactions are primarily denominated in US dollar.

The Company seeks to reduce risks from purchase products and services by entering into forward exchange contracts with financial institutions when it considers appropriate. The forward exchange contracts used in its programme mature in six months or less.

8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Transaction price allocation

In some cases, it is difficult to find a single selling price for each product or service. In which the Company offers customers various products and services in one contract. Because the market price is quite volatile due to the high competition. In many cases there is no single selling price offered in the market. The change in the sales price estimate individually will have a significant impact on the price allocation of the combined items to each obligation to be performed. Therefore, the allocation will impact revenue recognition, assets and liabilities arising from contracts.

b) Determination of lease terms

The Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended or terminated.

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Company.

c) Determination of discount rate applied to leases

The Company determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

Notes to the Financial Statements

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d) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 24.

e) Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 7.

f) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

g) Classification of a joint arrangement

The Company holds 55% of the voting right in nDataThoth Limited. However, the Company concluded that it has joint control over the joint arrangement under the contractual agreement which requires unanimous consent from all parties to the agreement. The Company and counterparties to the agreement also, has rights to the net assets of the joint arrangements.

9 Segment information

The Company operates and internally manages a single operating, which are selling computer equipment software on network communication and providing related services and total revenue from operation is from domestic customers only. Accordingly, the Company does not have separate reportable segments.

10 Cash and cash equivalents

	2021 Baht	2020 Baht
Cash on hand	13,800	15,000
Deposit at financial institutions	402,961,395	40,488,608
	402,975,195	40,503,608

The interest rate on bank deposits which were held at call with bank were 0.05% - 1.50% per annum (2020: 0.05% - 0.10% per annum).

Notes to the Financial Statements

For the year ended 31 December 2021

11 Trade and other receivables

	2021 Baht	2020 Baht
Trade receivables - third parties	156,873,345	94,540,293
- related party (Note 34.2)	2,508,701	198,571
Accrued income	2,653,700	3,000,375
Less Expected credit losses (Note 6.1.2)	(2,402,566)	(2,002,855)
Trade receivables, net	159,633,180	95,736,384
Post-dated cheques	13,267,406	34,310,110
Accrued interest income	33,187	73,233
Prepaid expenses	1,609,522	3,142,624
Receivables from employees	197,269	131,605
Total other receivables	15,107,384	37,657,572
Total trade and other receivables, net	174,740,564	133,393,956

12 Finance lease receivables, net

	2021 Baht
Current	7,921,608
Non-current	8,695,263
Total	16,616,871

During the year 2021, the Company entered into an agreement for leasing software to third parties. The agreement is classified as finance lease.

The movement of finance lease receivables for the period ended 31 December is as follows:

	2021 Baht
Opening book amount	-
Addition	24,316,528
Cash receipt from finance lease receivables	(7,699,657)
Closing book amount	16,616,871

Finance lease receivables - minimum lease payments:

	2021 Baht
Not later than 1 year	8,763,300
Later than 1 year but not later than 5 years	8,763,300
Total	17,526,600
Less Future finance changes on finance leases	(909,729)
Present value of finance lease receivables	16,616,871

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For the year ended 31 December 2021

The present value of finance lease receivables is as follows:

	2021 Baht
Not later than 1 year	7,921,608
Later than 1 year but not later than 5 years	8,695,263
Total	16,616,871

13 Financial assets and liabilities

As at 31 December 2021, the Company's financial assets and financial liabilities are classified as follows:

	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	402,975,195	402,975,195
Trade and other receivables	-	173,131,042	173,131,042
Finance lease receivables	-	16,616,871	16,616,871
Financial assets at FVPL	34,962,762	-	34,962,762
Derivative assets	223,076	-	223,076
Restricted deposits at financial institutions	-	31,700,000	31,700,000
Financial liabilities			
Trade and other payables	-	121,259,148	121,259,148
Lease liabilities	-	10,629,320	10,629,320

As at 31 December 2020, the Company's financial assets and financial liabilities are classified as follows:

	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	40,503,608	40,503,608
Trade and other receivables	-	130,251,332	130,251,332
Restricted deposits at financial institutions	-	31,700,000	31,700,000
Financial liabilities			
Short-term borrowings from financial institutions	-	23,673,094	23,673,094
Trade and other payables	-	125,987,163	125,987,163
Lease liabilities	-	13,307,260	13,307,260
Derivative liabilities	1,755,394	-	1,755,394

Notes to the Financial Statements

For the year ended 31 December 2021

13.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets at amortised cost other than trade receivables include other receivables as detailed below:

	31 December 2021	31 December 2021	31 December 2020	31 December 2020
	Current Baht	Non-current Baht	Current Baht	Non-current Baht
Other receivables	13,497,862	-	34,514,948	-
lease receivables	7,921,608	8,695,263	-	-
Less: Expected credit losses	-	-	-	-
Total	21,419,470	8,695,263	34,514,948	-

Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Company. Due to the short term nature of the current assets, their carrying amount is considered to be the same as their fair values.

Lease receivables

Lease receivables are transactions outside the normal business of the Company and interest is charged at the market rate without collateral.

The non-current portion will be due within 2 years from the end of the accounting period.

13.2 Financial assets at fair value through profit or loss

a) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI

Financial assets measured at FVPL include the following:

	2021 Baht	2020 Baht
Current assets		
Listed equity securities	34,962,762	-

Notes to the Financial Statements

For the year ended 31 December 2021

b) Amounts recognised in profit or loss

The following losses were recognised in profit or loss during the year as follows:

	2021 Baht	2020 Baht
Fair value losses on debt instruments at FVPL recognised in other gains/(losses)	(37,238)	-

Significant acquisitions during the year

During the year 2021, the Company acquired listed securities measured at FVPL in the amount of Baht 35 million.

For the information about the Company's exposure to price risk is provided in Note 6. Information about the methods and assumptions used in determining fair value refer to Note 7.

14 Inventories, net

	2021 Baht	2020 Baht
Finished goods	35,135,776	59,737,122

The cost of inventories recognised as expense and included in 'cost of goods sold' amounted to Baht 646.96 million (2020: Baht 492.81 million).

15 Restricted deposits at financial institutions

As at 31 December 2021, the Company's restricted deposits at financial institutions represent savings deposits and fixed deposits totalling Baht 31.7 million (2020: Baht 31.7 million) The interest rate is 0.05% - 0.20% per annum (2020: 0.05% - 0.60% per annum) which is used as collateral for trust receipt loans (Note 22).

16 Investment in joint venture

As at 31 December 2021, investment in joint venture is as follows:

Company name	Country of incorporation	Type of business	% of ownership interest		Investment at equity method	
			2021 %	2020 %	2021 Baht	2020 Baht
Joint venture nDataThoth Company Limited	Thailand	Create, develop, customize and market software related to the Personal Data Protection Act	55	-	6,896,242	-

a) Commitments and contingent liabilities in respect of associates and joint ventures

There are no contingent liabilities in respect of the Company's interest in associates and joint ventures.

Notes to the Financial Statements

For the year ended 31 December 2021

b) Summarised financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Company. The financial information is included in joint ventures own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policies.

	nDataThoth Limited
	2021 Baht
Summarised of performance	
Other income	59,000
Interest income	9,847
Depreciation and amortisation	(5,669)
Loss from continuing operations	(2,461,378)
Summarised of statement of financial position	
Cash and cash equivalents	14,067,266
Other current assets	754,729
Total current assets	14,821,995
Total non-current assets	13,875,746
Other current liabilities	(16,142,139)
Total current liabilities	(16,159,119)
Net assets	12,538,622

Investment in joint venture

Movements of investments in joint venture for year ended 31 December 2021 are as follows:

	Investment in equity method Baht
Opening net book value	-
Increase in investment	8,250,000
Share of loss	(1,353,758)
Closing net book value	6,896,242

On 1 April 2021, nDataThoth Limited has registered the establishment with the Ministry of Commerce with authorised share capital of Baht 15 million which consists of 1.5 million ordinary shares at a par value of Baht 10 each. The Company acquired 55% ownership interest of the total registered shares.

Notes to the Financial Statements

For the year ended 31 December 2021

17 Property, plant and equipment, net

	Land Baht	Buildings Baht	Buildings improvements Baht	Building improvements Baht	Office equipment Baht	Computer and equipment Baht	Furniture and fixtures Baht	Vehicles Baht	Assets under installation Baht	Total Baht
At 1 January 2020										
Cost	2,235,850	16,994,452		4,683,304	2,365,734	44,323,183	191,829	9,215,000	-	80,009,352
Less Accumulated depreciation	-	(2,732,907)		(372,123)	(708,592)	(35,028,639)	(42,958)	(5,995,172)	-	(44,880,391)
Net book amount	2,235,850	14,261,545		4,311,181	1,657,142	9,294,544	148,871	3,219,828	-	35,128,961
For the year ended 31 December 2020										
Opening net book amount	2,235,850	14,261,545		4,311,181	1,657,142	9,294,544	148,871	3,219,828	-	35,128,961
Additions	-	-		29,590	145,708	4,642,306	41,509	-	3,700,014	8,559,127
Transfer in (out)	-	-		141,900	16,000	3,542,114	-	-	(3,700,014)	-
Transferred to right-of-use assets - net	-	-		-	-	-	-	(3,219,828)	-	(3,219,828)
Disposals - net (Note 34.1)	(2,235,850)	(14,088,577)		-	-	(19,547)	-	-	-	(16,343,974)
Write off - net	-	-		-	-	(18,858)	-	-	-	(18,858)
Depreciation charge	-	(172,968)		(970,767)	(469,967)	(6,237,047)	(45,289)	-	-	(7,896,038)
Closing net book amount	-	-		3,511,904	1,348,883	11,203,512	145,091	-	-	16,209,390
At 31 December 2020										
Cost	-	-		4,854,794	2,527,442	48,833,572	233,338	-	-	56,449,146
Less Accumulated depreciation	-	-		(1,342,890)	(1,178,559)	(37,630,060)	(88,247)	-	-	(40,239,756)
Net book amount	-	-		3,511,904	1,348,883	11,203,512	145,091	-	-	16,209,390

Notes to the Financial Statements

For the year ended 31 December 2021

	Land Baht	Buildings Baht	Building improvements Baht	Office equipment Baht	Computer and equipment Baht	Furniture and fixtures Baht	Vehicles Baht	Assets under installation Baht	Total Baht
At 1 January 2021									
Cost	-	-	4,854,794	2,527,442	48,833,572	233,338	-	-	56,449,146
Less Accumulated depreciation	-	-	(1,342,890)	(1,178,559)	(37,630,060)	(88,247)	-	-	(40,239,756)
Net book amount	-	-	3,511,904	1,348,883	11,203,512	145,091	-	-	16,209,390
For the year ended 31 December 2021									
Opening net book amount	-	-	3,511,904	1,348,883	11,203,512	145,091	-	-	16,209,390
Additions	-	-	15,000	20,248	3,106,746	-	-	470,191	3,612,185
Transfer in (out)	-	-	10,000	11,080	-	-	-	(21,080)	-
Disposals - net	-	-	-	(6,490)	(189,116)	-	-	-	(195,606)
Write off - net	-	-	-	(1,104)	-	-	-	-	(1,104)
Depreciation charge	-	-	(974,220)	(468,358)	(6,746,725)	(46,639)	-	-	(8,235,942)
Closing net book amount	-	-	2,562,684	904,259	7,374,417	98,452	-	449,111	11,388,923
At 31 December 2021									
Cost	-	-	4,879,794	2,546,601	51,723,479	233,338	-	449,111	59,832,323
Less Accumulated depreciation	-	-	(2,317,110)	(1,642,342)	(44,349,062)	(134,886)	-	-	(48,443,400)
Net book amount	-	-	2,562,684	904,259	7,374,417	98,452	-	449,111	11,388,923

Depreciation expense of Baht 8.24 million (2020: Baht 7.90 million) has been charged in cost of sales and services amounting to Baht 5.52 million (2020: Baht 4.92 million) and Baht 2.72 million (2020: Baht 2.98 million) in 'administrative expenses'.

Notes to the Financial Statements

For the year ended 31 December 2021

18 Right-of-use assets, net

As at 31 December, net book amount of right-of-use assets are as follows:

	Buildings Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2020	13,436,305	3,219,828	16,656,133
Lease adjustment	1,903,880	-	1,903,880
Depreciation	(2,556,697)	(1,367,759)	(3,924,456)
Balance as at 31 December 2020	12,783,488	1,852,069	14,635,557
Total cash outflow for leases	2,308,408	1,369,495	3,677,903
	Buildings Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2021	12,783,488	1,852,069	14,635,557
Depreciation	(2,556,697)	(252,070)	(2,808,767)
Balance as at 31 December 2021	10,226,791	1,599,999	11,826,790
Total cash outflow for leases	2,402,456	275,484	2,677,940

19 Intangible asset, net

	Computer software Baht
For the year ended 31 December 2020	
Opening net book amount	1,139,119
Additions	27,000
<u>Less</u> Accumulated amortisation	(125,580)
Closing net book amount	1,040,539
At 1 January 2021	
Cost	
<u>Less</u> Accumulated amortisation	1,256,738 (213,199)
Net book amount	1,040,539
For the year ended 31 December 2021	
Opening net book amount	1,040,539
Additions	-
<u>Less</u> Accumulated amortisation	(125,570)
Closing net book amount	914,969
At 31 December 2021	
Cost	1,256,738
<u>Less</u> Accumulated amortisation	(341,769)
Net book amount	914,969

Notes to the Financial Statements

For the year ended 31 December 2021

20 Deferred income taxes

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

	2021 Baht	2020 Baht
Deferred tax assets	4,202,325	5,432,799
Deferred tax liabilities	(2,089,974)	2,556,698
Deferred income tax, net	2,112,351	2,876,101

For the year ended 31 December 2021

The movement in deferred tax assets and liabilities during the year is as follows:

	Difference in revenue recognition Baht	Employee benefit obligations Baht	Derivative liabilities Baht	Finance lease liabilities Baht	Refund liabilities to customer Baht	Impairment on financial assets Baht	Share-based payments Baht	Total Baht
Deferred tax assets								
At 1 January 2020	398,617	1,850,378	-	-	-	-	-	2,248,995
Charged (credited) to profit or loss	(336,009)	371,633	351,080	2,606,355	235,667	-	-	3,228,726
Tax credit relation to components of other comprehensive income	-	(44,922)	-	-	-	-	-	(44,922)
At 31 December 2020	62,608	2,177,089	351,080	2,606,355	235,667	-	-	5,432,799
At 1 January 2021	62,608	2,177,089	351,080	2,606,355	235,667	-	-	5,432,799
Charged (credited) to profit or loss	(535,874)	369,859	(351,080)	(480,491)	217,502	7,448	123,979	(648,657)
Tax credit relation to components of other comprehensive income	-	(581,817)	-	-	-	-	-	(581,817)
At 31 December 2021	(473,266)	1,965,131	-	2,125,864	453,169	7,448	123,979	4,202,325

Notes to the Financial Statements

For the year ended 31 December 2021

	Right-of-use assets Baht	Derivative assets Baht	Total Baht
Deferred tax liabilities			
At 1 January 2020	-	-	-
Credited to profit or loss	(2,556,698)	-	(2,556,698)
At 31 December 2020	(2,556,698)	-	(2,556,698)
At 1 January 2021	(2,556,698)	-	(2,556,698)
Charged/(credited) to profit or loss	511,339	(44,615)	466,724
At 31 December 2021	(2,045,359)	(44,615)	(2,089,974)

21 Trade and other payables

	2021 Baht	2020 Baht
Trade payables	107,038,030	113,387,437
Other payables - third parties	7,346,156	6,419,001
Other payables - related party (Note 34.2)	240,000	-
Accrued expenses	4,369,117	4,948,594
Accrued interest expense	-	53,796
Refund liabilities to customers	2,265,845	1,178,335
	121,259,148	125,987,163

22 Borrowings

	2021 Baht	2020 Baht
Current		
Short-term borrowings		
- Bank borrowings	-	23,673,094
- Current portion of finance lease liabilities	2,500,336	2,677,940
Total current borrowings	2,500,336	26,351,034
Non-current		
Finance lease liabilities	8,128,984	10,629,320
Total non-current borrowings	8,128,984	10,629,320
Total borrowings	10,629,320	36,980,354

Notes to the Financial Statements

For the year ended 31 December 2021

At 31 December 2021, the credit facilities of short-term borrowings from the financial institutions were trust receipts and were due within 120 days after the contact date and bear interest rates as follows:

	2021 % per annum	2020 % per annum
Trust receipt with fixed exchange rate	- MLR	- MLR
Trust receipt with floated exchange rate	- rate from finance management of bank	- rate from finance management of bank
	- MLR - 2.78	- MLR - 2.78

For the year 2021, the Company undrawn credit facilities of secured borrowings (2020: Baht 23.67 million). The bank borrowings are secured by deposits (Note 15) and secured by related persons.

The fair values of the current borrowings are not materially different to their carrying amounts, since the borrowings are short-term in nature.

Maturity of finance lease liabilities are as follows:

	2021 Baht	2020 Baht
Minimum finance lease liabilities payments		
Not later than one year	2,880,000	3,161,950
Later than 1 year but not later than 5 years	8,640,000	11,520,000
<u>Less</u> Future finance charges on finance leases	(890,680)	(1,374,690)
Present value of finance lease liabilities	10,629,320	13,307,260
Present value of finance lease liabilities:		
Not later than one year	2,500,336	2,677,940
Later than 1 year but not later than 5 years	8,128,984	10,629,320
	10,629,320	13,307,260

Change in liabilities arising from financing activities:

	Finance lease liabilities Baht	Lease liabilities Baht	Borrowings Baht	Total Baht
Liabilities as at 1 January 2020	1,644,978	-	82,100,326	83,745,304
Adjustments and reclassification from adoption of TFRS16	(1,644,978)	15,081,283	-	13,436,305
Add: adjustment of lease contract during the period	-	1,903,880	-	1,903,880
Add: cash inflow	-	-	320,306,256	320,306,256
<u>Less</u> : cash outflow	-	(3,677,903)	(378,475,662)	(382,153,565)
Gain on exchange rate	-	-	(257,826)	(257,826)
Liabilities as at 31 December 2020	-	13,307,260	23,673,094	36,980,354
Add: cash inflow	-	-	276,090,307	276,090,307
<u>Less</u> : cash outflow	-	(2,677,940)	(299,763,401)	(302,441,341)
Liabilities as at 31 December 2021	-	10,629,320	-	10,629,320

Notes to the Financial Statements

For the year ended 31 December 2021

23 Other current liabilities

	2021 Baht	2020 Baht
Withholding tax payable	2,767,715	2,236,524
Value added tax payable	3,162,739	2,396,437
	5,930,454	4,632,961

24 Employee benefit obligations

	2021 Baht	2020 Baht
Statement of financial position : Retirement benefits	9,825,656	10,885,449
Profit or loss charge included in operating profit for : Retirement benefits	1,957,295	1,858,167
Remeasurement : Retirement benefits	(2,909,088)	(224,611)

The movements in the defined benefit obligations during the years are as follows:

	2021 Baht	2020 Baht
At 1 January	10,885,449	9,251,892
Current service cost	1,796,175	1,693,123
Interest expense	161,120	165,045
	12,842,744	11,110,060
Remeasurement:		
Gain from change in demographic assumptions	(1,128,040)	-
(Gain) loss from change in financial assumptions	(878,146)	332,960
Experience gain	(902,902)	(557,571)
	(2,909,088)	(224,611)
Payment from plans:		
Benefit payment	(108,000)	-
At 31 December	9,825,656	10,885,449

The amounts recognised in profit or loss are as follows:

	2021 Baht	2020 Baht
Current service cost	1,796,175	1,693,124
Interest expense	161,120	165,043
	1,957,295	1,858,167

Notes to the Financial Statements

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The principal actuarial assumptions used are as follows:

	2021 percentage	2020 percentage
Discount rate	2.56	1.49
Salary growth rate	6.00	6.00
Staff turnover rate (Depending on age)	1.91 - 22.92	1.91 - 22.92

The sensitivity analysis for significant principal actuarial assumptions can be analysed as follow:

	Impact on defined employee benefit obligations					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	2021	2020	2021	2020	2021	2020
Discount rate	1.0%	1.0%	Decrease by 8.0%	Decrease by 10.0%	Increase by 9.0%	Increase by 11.2%
Salary growth rate	1.0%	1.0%	Increase by 8.4%	Increase by 10.3%	Decrease by 7.6%	Decrease by 9.1%
Staff turnover rate (Depending on age)	20.0%	20%	Decrease by 7.4%	Decrease by 7.8%	Increase by 9.2%	Increase by 9.2%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 13 years (2020: 15 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits are as follows:

	Less than 1 year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2021					
Retirement benefits	-	-	4,975,096	31,086,931	36,062,027

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25 Share capital and premium on share capital

The movements of share capital for the year ended 31 December 2021 are as follows:

	Authorised share capital		Issued and paid-up share capital			
	No. of shares Share	Ordinary shares Baht	No. of shares Share	Ordinary shares Baht	Premium paid-up capital Baht	Total Baht
Opening balance	105,941,000	52,970,500	75,000,000	37,500,000	48,530,000	86,030,000
Issue of shares	-	-	27,741,000	13,870,500	429,985,500	443,856,000
Share issue costs	-	-	-	-	(11,629,912)	(11,629,912)
Closing balance	105,941,000	52,970,500	102,741,000	51,370,500	466,885,588	518,256,088

On 28 June 2021, the Company initial public offered its ordinary shares 27.74 million shares, with the par value of Baht 0.50 per share. The offering price of these shares was Baht 16 per share, totalling Baht 443.86 million. The Company registered the fully paid share capital with the Ministry of Commerce on 28 June 2021. Directly attributable expenses of the initial public offering amounted to Baht 11.63 million were presented deducting from premium on share capital in the statement of change in equity. Directly attributable expenses to the initial public offering are presented net of tax.

26 Legal reserve

	2021 Baht	2020 Baht
At 1 January	3,750,000	3,000,000
Appropriation during the year	1,547,050	750,000
At 31 December	5,297,050	3,750,000

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution. The Company has already set aside as a legal reserve full amount.

27 Revenue from sales and services

	2021				
	Selling hardware and software Baht	Installation Baht	Maintenance service Baht	Others Baht	Total Baht
Timing of revenue recognition:					
At a point in time	802,440,579	-	-	-	802,440,579
Over time	-	7,093,659	12,886,317	961,829	20,941,805
	802,440,579	7,093,659	12,886,317	961,829	823,382,384
	2020				
	Selling hardware and software Baht	Installation Baht	Maintenance service Baht	Others Baht	Total Baht
Timing of revenue recognition:					
At a point in time	611,938,741	-	-	-	611,938,741
Over time	-	6,104,775	15,596,819	284,000	21,985,594
	611,938,741	6,104,775	15,596,819	284,000	633,924,335

Notes to the Financial Statements

For the year ended 31 December 2021

28 Deferred revenue**28.1 Deferred revenue**

The Company has recognised the following deferred revenue:

	2021 Baht	2020 Baht
At 31 December		
Deferred revenue		
- Current	8,977,970	6,628,419
- Non-current	5,346,816	4,398,424
Total deferred revenue	14,324,786	11,026,843

The movements in deferred revenue during the year are as follows:

	2021 Baht	2020 Baht
At 1 January	11,026,843	11,008,610
Addition in period	16,184,260	12,606,841
<u>Less</u> recognised revenue during the period	(12,886,317)	(12,588,608)
At 31 December	14,324,786	11,026,843

Revenue recognised in relation to deferred revenue

Revenue recognised in year 2021 reporting period relates to carried-forward deferred revenue.

	2021 Baht	2020 Baht
Revenue recognised that was included in the deferred revenue balance at the beginning of the period	6,628,419	8,794,947

28.2 Unsatisfied long-term contracts

At 31 December 2021, the following table shows unsatisfied performance obligations resulting from maintenance service contracts.

	2021 Baht	2020 Baht
Maintenance service contracts	23,503,986	12,096,843

Management expects that 61.39% of the transaction price allocated to the unsatisfied contracts as of 31 December 2021 will be recognised as revenue during the next reporting period amounting to Baht 14.43 million. The remaining 38.61% amounting to Baht 9.07 million will be recognised in years 2023 to 2026. The amount disclosed above does not include variable consideration which is constrained.

Notes to the Financial Statements

For the year ended 31 December 2021

29 Other income

	2021 Baht	2020 Baht
Interest income	1,650,768	278,118
Revenue from processing activities	325,309	541,647
Gain on disposal of assets	130,894	3,446,026
Others	855,490	954,853
	2,962,461	5,220,644

30 Expenses by nature

	2021 Baht	2020 Baht
Changes in finished goods	646,962,742	492,811,081
Employee benefit expenses	66,554,684	65,880,388
Depreciation and amortisation	11,170,279	11,946,074
Operating lease payment	-	5,287
Advertising and promotion	1,563,155	3,777,832
Professional fee	7,702,110	11,330,492
Loss on exchange rate, net	914,076	5,239,532

31 Income tax

	2021 Baht	2020 Baht
Current tax:		
Current tax on profit for the year	12,990,035	7,667,741
Total current tax	12,990,035	7,667,741
Deferred tax:		
Decrease in deferred tax assets (Note 20)	(648,657)	(672,028)
Total deferred tax	(648,657)	(672,028)
Total income tax expense	12,341,378	6,995,713

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2021 Baht	2020 Baht
Profit before income tax	73,456,204	30,543,898
Corporate income tax rate	20%	20%
Tax calculated at tax rate	14,691,241	6,108,781
Associates' results reported net of tax	270,752	-
Additional tax deductible	(2,387,320)	-
Income not subject to tax	(1,101,965)	-
Expenses not deductible for tax purpose	470,053	886,932
Adjustment in respect of prior year	398,617	-
Tax charge	12,341,378	6,995,712

Notes to the Financial Statements

For the year ended 31 December 2021

The tax (charged)/credited relating to components of other comprehensive income is as follows:

	2021			2020		
	Before tax Baht	Tax (charged)/ credited Baht	After tax Baht	Before tax Baht	Tax (charged)/ credited Baht	After tax Baht
Remeasurements of employee benefit obligations	2,909,088	(581,818)	2,327,270	224,611	(44,922)	179,689
Other comprehensive income	2,909,088	(581,818)	2,327,270	224,611	(44,922)	179,689

32 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

At the Extraordinary Shareholders Meeting No. 3/2020 held on 9 September 2020, the shareholders have passed a resolution to approve to reduce the par value of the Company's shares from Baht 10 each to Baht 0.50 each. The Company adjust the number of outstanding ordinary shares to reflect the increase in the number of shares as if the event has occurred at the beginning of the period 2020 presented.

	2021	2020
Basic earnings per share		
Profit attributable to the ordinary equity holders of the company (Baht)	61,114,826	23,548,185
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share (Shares)	89,212,512	71,091,803
Basic earnings per share (Baht)	0.69	0.33
Diluted earnings per share		
Profit attributable to the ordinary equity holders of the company used in calculating diluted earnings per share (Baht)	61,114,826	23,548,185
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share (Shares)	89,212,512	71,091,803
Adjustments for diluted earnings per share calculation:		
Options (Shares)	78,637	18,739
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share (Shares)	89,291,149	71,110,542
Diluted earnings per share (Baht)	0.68	0.33

Notes to the Financial Statements

For the year ended 31 December 2021

33 Dividends

On 13 May 2021, the Board of Directors' Meeting no.2/2021 passed a resolution for interim dividend payment from performance for the year ended 2020 and first quarter of year 2021 at Baht 0.49 per share, totalling Baht 36.42 million. The dividend was already paid to shareholders on 25 May 2021.

On the 23 April 2020, the Annual General Shareholders meeting passed a resolution for dividend paid from performance for the year ended 2019 at Baht 2.13 per share, totalling Baht 6.7 million. The dividend was already paid to shareholders on 24 April 2020.

On 14 August 2020, the Board of Directors' Meeting no.5/2020 passed a resolution for dividend paid from performance for the year ended 2019 at Baht 13.52 per share, totalling Baht 50.7 million. The dividend was already paid to shareholders on 1 September 2020.

34 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Major shareholders of the Company are Mr. Nukrob Niamnammatham, Miss Sukanya Luanchamrean and Hudson Asia Holdings Pte. Ltd. which owns 24%, 24% and 11.7% respectively of the Company's shares.

The names and nature of relationship in related parties are summarised as follows:

Related parties	Nature of relationship
Mr. Nakrob Niamnammatham	The Company's major shareholder and director
Miss Sukanya Luanchamroen	The Company's major shareholder and director
Moz Seguro Company Limited	Mutual shareholder and director with the Company
Humanica Public Company Limited	Mutual shareholder and director with the Company
Altair Management Co., Ltd. (Former: nForce security system AP Company Limited)	Mutual major shareholder and director with the Company
Hudson Asia Holdings Pte. Ltd.	The Company's major shareholder
BAY Computing Company Limited	Mutual group of major shareholders with the Company
E-C.O.P (Thailand) Limited	Mutual group of major shareholders with the Company
NFSPV Limited	Mutual director with the Company
Tigersoft1998 Company Limited	Mutual director with the Company
Prime Road Power Public Company Limited	Mutual director with the Company
Dherakupt International Law Office Company Limited	Mutual director with the Company
nDataThoth Company Limited	Joint venture

Notes to the Financial Statements

For the year ended 31 December 2021

Related transaction pricing policies are follows:

Related transaction	Pricing policy
Revenue from sales of goods and services	Selling price from cost plus margin
Disposals of property plant and equipment	Selling price from valuation value by independent appraiser
Service expenses	Mutual agreed price

The following transactions were carried out with related parties:

34.1 Revenue from sales of goods and services, gain on disposals of land and building, Interest income, rental and its related service fees

	2021 Baht	2020 Baht
For the year ended 31 December		
Revenue from sales of goods and services		
Related party	4,543,546	24,751,946
Gain on disposals of land and building		
Related party	-	3,425,573
Rental and service fees		
Related party	-	64,672
Selling expense		
Related party	3,000	120,000

In the first quarter of 2020, the Company disposed land and building at net book value amount of Baht 16.32 million to a related party with selling price of Baht 19.75 million (Note 17).

34.2 Outstanding balances arising from sales of goods and services

	2021 Baht	2020 Baht
Prepaid expenses		
Related party	26,424	-
Trade accounts receivable		
Related party	2,508,701	198,571
Other payable		
Related party	240,000	20,000
Lease liabilities		
Related party	10,629,320	13,031,777

34.3 Key management compensation

Key management includes directors (executive and non-executive) and members of the Executive Committee. The compensation paid or payable to key management for employee services are as follows:

	2021 Baht	2020 Baht
Salaries and other short-term employee benefits	10,120,084	10,470,774
Post-employment benefits	548,649	571,902
	10,668,733	11,042,676

Notes to the Financial Statements

For the year ended 31 December 2021

35 Share-based payment

Movements of the number of warrants outstanding and their related weighted average exercise prices are as follows:

	IPO price	Number of warrants
As at 1 January 2021	16	60,163
Warrants granted during the period for executive	16	224,992
Warrants granted during the period for employee	16	361,065
Warrants forfeited during the period	16	(10,343)
As at 31 December 2021		635,877

Movements of share-based payment reserve recognised in equity for the period ended 31 December are as follows.

	2021 Baht	2020 Baht
As at 1 January	13,422,926	13,363,756
Reserve during the period	560,725	59,170
As at 30 September	13,983,651	13,422,926

The weighted average fair value of warrants granted during the period determined using the black-scholes valuation model was Baht 0.90, 0.98 and 1.16 per option. The significant inputs into the model were a weighted average share price baht 16 per share at grant date, exercise price shown above, volatility of 16.35%, 18.82% and 25.59%, dividend yield of 2.66%, an expected warrant life of 5 years, and an annual risk-free interest rate of 0.86%.

36 Commitments

36.1 Capital expenditure commitments

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	2021 Baht	2020 Baht
Computer and Equipment	43,940	-

36.2 Service agreement commitments

The Company has the future minimum payments under these service agreements are as follows:

	2021 Baht	2020 Baht
Not later than 1 year	342,930	844,600
Later than 1 year but not later than 5 years	64,653	137,000
	407,583	981,600

Notes to the Financial Statements

For the year ended 31 December 2021

37 Events occurring after the reporting period

On the 28 February 2022, the Board of Directors' Meeting no.1/2022 passed a resolution for dividend paid from performance for the year ended 2021 at Baht 0.18 per share, totalling Baht 18.49 million. The dividend will be paid to shareholders on 27 May 2022.

Part 4

Confirmation of Information Accuracy





Confirmation of Information Accuracy

The Company has reviewed all the information disclosed in this Annual Information Disclosure Report/ Annual Report with due care. The Company confirms that the information disclosed herein is accurate and complete without any false or missing material information. Furthermore, the Company would like to confirm that:

(1) The financial statements and the financial information summarized in the Annual Information Disclosure Report/ Annual Report accurately and completely present material information concerning the financial position, performance, and cash flow of the Company.

(2) It is the company's responsibility to arrange a sound information disclosure system, to ensure that the company has accurately and completely disclosed material information of the Company and its subsidiaries, and supervised system compliance accordingly.

(3) It is the company's responsibility to arrange a sound internal control system and supervise system compliance accordingly. The Company have reported the internal control assessment as at 28 February 2022 to the Company's auditor and the Audit Committee. The report covers deficiencies and significant changes in the internal control system, as well as any misconduct that may affect the financial reporting of the Company and its subsidiaries.

As evidence that this documentation is the same as that confirmed by the Company, the Company has assigned Mr. Nakrop Niamnamtham, to sign every page of the documentation. If any page is not signed by Mr. Nakrop Niamnamtham, it will be deemed unconfirmed information.

Name	Position	Sign
1. Mr. Nakrop Niamnamtham	Chief Executive Officer / Director	
2. Miss Sukanya Luanchamroen	Director/ Member of Executive Committee	
Authorized person		
Mr. Nakrop Niamnamtham	Chief Executive Officer / Director	

Attachment





Attachment 1

Information of the Board of Directors, Executives, Controlling Persons and Company Secretary of nForce Secure Public Company Limited on 31st December 2021

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years		
					Time Period	Position	Type of Business
1. General Lertrat Ratanvanich Chairman of the Board of Directors/ Independent Director Appointed 2019	74	<ul style="list-style-type: none"> - Honorary Doctor of Arts (General) in Public Administration, Eastern Asia University - Honorary Doctor of Philosophy, (Sustainable Energy and Environmental Technology Management), Rajamangala University of Rattanakosin - Honorary Doctor of Arts (Development Administration), Maejo University - Master of Science in Safety & Systems Management (MSSM), University of Southern California, US - Master of Science in Civil Engineering (SMOE), Massachusetts Institute of Technology 	None	0.015	2019 - present	Chairman of the Board of Directors/ Independent Director	nForce Secure Pcl. Distributor of Cyber Security Products and related Network Management
					2019 - present	Member of the Senate	Government Section
					2019 - present	Chairman of the Committee	Government Section
					2016 - present	Chairman of the Board of Directors	Holdings Company
					2013 - present	Director	MFC Asset Management Pcl. Asset Management
					2012 - present	Advisory Chairman	Government Section
					2006 - present	Honorary Vice President	Government Section
					2017- 2018	Vice Chairman	Government Section
					2015 - 2018	Member of the Senate	Government Section
					2012 - 2017	Chairman of the Executive Director	Government Section
					2013 - 2016	Chairman of the Board of Directors	Production and Distribution of Hot Rolled Coil

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
		<ul style="list-style-type: none"> - Bachelor of Science in Civil Engineering (BSCE), the Citadel, US - Senior Managers in Government Harvard University, US - National Security and International Security, Harvard University, US - DCP Class 30/2546 (IOD) - RCP Class 1/2543 and Class 18/2555 (IOD) - FN Class 13/2554 (IOD) - RCC Class 13/2554 (IOD) - FSD Class 13/2554 (IOD) - ACEP Class 5/2556 (IOD) 		2013-2015	Advisory commissioners and announcer	The Constitution Drafting Committee, The Secretariat of the House of Representative	Government Section
				2015-2017	Member of National Reform Steering Assembly	The Secretariat of the House of Representative	Government Section

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
2. Asst. Prof. Dr.Pattananant Petchchedchoo Independent Director/ Chairman of the Audit Committee/ Member of the Corporate Governance Committee Appointed 2019	50	<ul style="list-style-type: none"> - Ph.D. Accounting, University of Manchester, UK - Master's degree in Accounting (Information Systems Track) Ohio State University, US - Master's degree in Information Technology in Business, Chulalongkorn University - Master's degree in Business Administration, Assumption University - Bachelor's degree in Accounting Thammasat University - ITG Class 15/2020 (IOD) - DCP Class 191/2014 (IOD) - ACP Class 19/2015 (IOD) - BFI Class 2/2017 (IOD) - AACCP Class 19/2015 (IOD) 	None	2019 - Present	Independent Director / Chairman of the Audit Committee / Member of the Corporate Governance Committee	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
				2019 - Present	Vice President in the Academic Department	Dhurakij Pundit University	Education
				2019 - Present	Member of the Audit Committee	Beyond Securities Plc.	Finance & Securities
				2016 - Present	Member of the Audit Committee	Sellic Corp Public Co.,Ltd.	Chemical Supplies Distributor
				2017 - 2018	Vice President in Division Department	Dhurakij Pundit University	Education
				2016 - 2017	Dean in College of Innovation Business and Accountancy (CIBA)	Dhurakij Pundit University	Education
				2011 - 2016	Dean in Faculty of Accounting	Dhurakij Pundit University	Education

Name/Position Identification Number	Age (year)	Education /Certificate	(%) of Share Possession	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
					Time Period	Position	Company	Type of Business
3. Mr. Smitti Darakorn Na Ayuthaya Chairman of Nomination and Remuneration Committee/Director/ Audit Committee Member/ Independent Director Appointed 2020	62	- Ph.D. in Public Administration (DPA) Northern Philippines University	0.043	None	2020 – present	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management	Distributor of Cyber Security Products and related Network Management
		2020 – present			The Zoological Park Organization of Thailand	Zoo	Zoo	
		2019 – present			Marketing Organization for Farmers, Ministry of Agriculture and Cooperatives	Farmer Market	Farmer Market	
		2015 – present			Master’s degree in Faculty of IT Management, Mahidol University	Education	Education	
		2015 – present			Faculty of IT Management, Mahidol University	Education	Education	

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
					Time Period	Position	Company	Type of Business
4. Mr. Karoon Phungsoondara Director/Chairman of the Corporate Governance Committee/ Independent Director Appointed 2019	64	- Bhadungsit School - DAP Class 167/2019 (IOD)	None	0.097	2019 - present	Chairman of the Corporate Governance Committee/ Independent Director	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
					2017 - 2019	Consultant	Thailand Swimming Association	Thailand Swimming Association
					2003 - present	Consultant	Natural International Limited	Aroma and Cosmetic Production
					2002 - present	Consultant	Quesco Co., Ltd.	Contractor
5. Mr. Piyasak Chotipruk Director/Audit Committee Member/ Corporate Governance Committee Member/ Independent Director Appointed 2020	51	- Master of Business Administration, Kasetsart University - Master of Laws University of Illinois at Urbana-Champaign, US - Master of Laws Temple University Beasley School of Law, US - Bachelor of Laws, Thammasat University - DAP Class 174/2563 (IOD)	None	None	2020 - present	Director/Audit Committee Member/Corporate Governance Committee Member/ Independent Director	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management Products
					2021 - present	EVP	Prime Road Power Pcl.	Renewable Energy Developer
					2021 - present	Subcommittee Member, Investment Promotion and Procurement	Wastewater Management Authority	Wastewater Management
					2016 - 2021	Partner	Dherakupt International Law Office (DRKI)	Legal Advisor
					2007 - 2016	Senior Counsel	Chevron Thailand Exploration and Production Limited	Petroleum Exploration and Production

Name/Position Identification Number	Age (year)	Education /Certificate	(%) of Share Possession	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
					Time Period	Position	Company	Type of Business
6. Mr. Anotai Adulbhan Director/ Member of the Nomination and Remuneration Committee/ Member of the Executive Committee Appointed 2019	49	- Master of Business Administration, Kellogg School of Management, Northwestern University, US - Bachelor of Engineering (Industrial Engineering) Chulalongkorn University-DAP Class 122/2015 (IOD)	None	None	2019 – Present	Director/ Member of the Nomination and Remuneration Committee / Member of the Executive Committee	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
					2019 – Present	Director	Relationship Republic Co., Ltd.	Strategies and Marketing Consultant Software Developer and Consultant
					2018 – Present	Director	AAA Assets Co., Ltd.	Investment
					2018 – Present	Director	Pharma Management Co., Ltd.	Investment
					2017 – present	Director	Rojukiss International Pcl.	Cosmeceutical products
					2016 – Present	Director	Darlex Limited	Investment
					2014 – Present	Director	Henderson Capital Asia	Investment
					2014 – Present	Director	Hudson Asia Holding	Investment
					2014 – Present	Director	Humanica Pcl.	Human Resource Management
					2012 – Present	Director	Selic Corp Pcl.	Chemical Supplies Distributor Business Management and Consultant
					2009 – Present	Director	Lake Shore Capital Partners Co., Ltd.	

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
7. Mr. Supachai Sukhanindr Director/ Nomination and Remuneration Committee Member/ Independent Director Appointed 2020	49	<ul style="list-style-type: none"> - Doctor of philosophy degree of Computer Systems Management and Information Technology, University of Washington, US - Master of Finance, Mercer University - Bachelor of Business Administration (Quantitative Business Analysis), Chulalongkorn University - Capital Market Program Class 19, Capital Market Academy - The Executive Program in Energy Literacy for a Sustainable Future, TEA Class 10, Thailand Energy Academy - AACP Class 42/2021, (IOD) - Exam Class 55/2017 (IOD) - DCP Class 231/2016 (IOD) - FSD Class 33/2017 (IOD) 	None	2020 – present	Director/ Nomination and Remuneration Committee Member/ Independent Director	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management Products
				2021 – present	Independent Director	Country Group Securities Pcl.	Stock Broker
				2021 – present	Independent Director	One Origin Co.Ltd	Hotel Business, Service Apartment, office rental
				2020 – present	Director	Foundation for the Protection of Environment and Tourism	Tourism
				2020 – present	Independent Director	Project Planning Service Pcl.	Consultant Engineer Service
				2019 – present	Independent Director	VNB Holding Co., Ltd.	Holdings for financial investment
				2019 – present	Independent Director	The Thai Credit Bank Retail Pcl.	Financial Services
				2018 – present	Director	Five Whale Co.,Ltd.	Training and Seminar
				2018 – present	Director	The Ultrawealth Group Co.,Ltd.	Training and Seminar
				2018 – present	Director	Greyhound Cafe Co.,Ltd.	Food and Beverage
				2015 – present	Chairman of the Company Advisory Board	Sub Sri Thai Pcl.	Storage and Warehouse Rental
				2013 – present	Advisory	Mudman Pcl.	Holdings for financial investment
				2006 – present	Chairman of the Board of Director	Ruamsupakit Co., Ltd.	Hotel Business
				2015 – 2019	Sub-committee Advisor	Satellite Technology Education of the Senate	Government Section

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
8. Mr. Nakrop Niamnamtham Director/ Chairman of the Executive Committee/ Chief Executive Officer Appointed 2014	51	<ul style="list-style-type: none"> - Master's degree in MBA, Kasetsart University - Bachelor's degree in Engineering, King Mongkut's University of Technology North Bangkok - DAP Class 164/2019 (IOD) - Thailand National Defence Program, Thailand National Defence College Class 64 	None	2015 - 2019	Honorary Advisor	The Commission of Mass Communication, Science Technology and Information of The Senate	Government Section
				2015 - 2018	Director and Executive Editor	Economics Association, Chulalongkorn University	Economy
				2014 - 2017	Secretary	The Natural resources and environment Commission of The Senate	Natural resources and environment
				2016 - 2018	Business Revolution and Innovation Network Committee	The Federation of Thai Industries	Business Transformation and Innovation
				2014 - present	Director/ Chairman of the Executive Committee/ Chief Executive Officer	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
				2005 - present	Director	Altair Management Co., Ltd.	Properties Management
				2018 - present	Director	Moz Seguro Co., Ltd.	Investor

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
9. Miss Sukanya Luanchamroen Director/ Member of Executive Committee/ Deputy Chief Executive Officer Appointed 2014	45	<ul style="list-style-type: none"> - Master's Degree in MBA, Kon Kaen University - Bachelor's degree in the International School of Business, University of the Thai Chamber of Commerce - Advanced Master of Management Program Class 7 - DAP Class 167/2019 (IOD) 	None	2014 - present	Director/ Member of Executive Committee/ Deputy Chief Executive Officer	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
				2005 - present	Director	Altair Management Co., Ltd.	Properties Management
				2018 - present	Director	Moz Seguro Co., Ltd.	Investor
10. Ms. Ark Chumchomphan Chief Finance Officer (CFO) 1-1799-00017-04-5 Appointed 2018	37	<ul style="list-style-type: none"> - Bachelor's degree in Management Science, Khon Kaen University - CFO Focus on Financial Reporting Class 4/2018 - CFO Refresher Class 2/2564 	None	2018 - present	Chief Finance Officer	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
				2006 - 2017	Manager	EY Company Limited	ให้บริการสอบบัญชี
11. Mr. Paskorn Khotchapunsoontorn Vice President Engineering Appointed 2014	49	<ul style="list-style-type: none"> - Master's degree in Business Administration, Ramkhamhaeng University - Bachelor's degree in Business Administration Program in Computer, Sripatum University 	None	2014 - present	Vice President Engineering	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
12. Ms. Narisara Wongchanteuk Vice President Sales Appointed 2020	40	- Bachelor's degree in Engineering and Technology, Mahanakorn University	None	2014 – present	Vice President Sales	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
				2018 – 2020	Sales Manager	Citrix Systems, Inc.	Software products
				2017 – 2018	Sales Manager	SAS Software (Thailand) Co., Ltd.	Software products
				2016 – 2017	Sales Manager	FireEye (Thailand) Co., Ltd.	Network Security Product
13. Ms.Nattawan Tiproongroj Company Secretary Appointed 2020 * On 1 st November, 2019, Ms. Nattawan Tiproongroj is Executive Secretary, then on 29 th February, 2020, Ms. Nattawan is Company Secretary. The Board of Directors Meeting No.3/2020 has considered and approved the appointment of Nattawan Tiproongroj as the Company Secretary and Secretary of all sub-committees, effective since 15 th May 2020. Nevertheless, Ms. Nattawan Tiproongroj resigned from Company Secretary and Secretary of all sub-committees' positions, effective 19 th August 2021.	31	- Bachelor's degree in Liberal Arts, Thammasat University-CSP Class 106/2020 (IOD) - EMT Class 46/2020 (IOD)	None	2020 – 2021	Company Secretary	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management Products
				2020	Marketing Manager	Smith Prive's Aesthetique	Aesthetic Clinic & Skincare Products
				2018 – 2020	Office Manager	CJ Worx Company Limited	Digital Agency
				2015 – 2018	Executive Secretary	D103 International Limited	Architectural Firm

Name/Position Identification Number	Age (year)	Education /Certificate	Relationship among Directors and Executives	Work Experiences in the 5 Preceding Years			
				Time Period	Position	Company	Type of Business
14. Ms. Sasipim Chayakul Company Secretary Appointed 2021 * The Board of Directors Meeting No.3/2021 has considered and approved the appointment of Ms. Sasipim Chayakul as the Company Secretary and Secretary of all sub-committees, effective since 20 th August 2021. Nevertheless, Ms. Sasipim Chayakul submitted the resignation letter for the stated positions, effective since 15 th February 2022	40	<ul style="list-style-type: none"> - Master's Degree in Business Studies, Liverpool John Moores University, UK - Bachelor's Degree in Communication Arts, Chulalongkorn University- CSP Class 87/2018 (IOD) 	None	2021 - 2022	Company Secretary	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management Insurance
				2020 - 2021	Company Secretary	Tune Insurance Pcl.	
				2020	Company Secretary - Supervisor	Kerry Express (Thailand) Pcl.	Transportation and Logistics
				2018 - 2019	Company Secretary	Teera Mongkol Industry Pcl.	Lighting Products Distributor
15. Mr. Wanlop Jaturaphatsiri Accounting Manager Appointed 2020	37	<ul style="list-style-type: none"> - Master's Degree in Business Administration - Accounting, Ramkhamhang University - Bachelor's Degree in Business Administration, Rajamangala University of Technology Rattanakosin Salaya Campus - E-Learning Course - Cash Flow, 2021 - E-Learning Course - Accounting Standards related to Land, Properties, and Equipment, 2021 - Financial Statements Analysis for Business, 2020 - TFRS for NPAs Federation of Accounting Professions, 2020 	None	2020 - present	Accounting Manager	nForce Secure Pcl.	Distributor of Cyber Security Products and related Network Management
				2012 - 2019	Accounting Manager	Stec Civil and Construction Co., Ltd	Contractor



Attachment 2

Details of Affiliate' directors

Name	The Company	Affiliate
		nDataThoth Company Limited
1. General Lertrat Ratanavanich	C , D	-
2. Asst. Prof. Dr. Pattanant Petchedchoo	CAC , D , CG , ID	-
3. Mr. Karoon Phungsoondara	CCG , D , ID	-
4. Dr. Smitti Darakorn Na Ayuthaya	CNR , D , AC , ID	-
5. Mr. Piyasak Chotipruk	D , AC , CG , ID	-
6. Dr. Supachai Sukhanindr	D , NR , ID	-
7. Mr. Nakrop Niamnamtham	D , CEO , EC	D
8. Ms. Sukanya Luanchamroen	D , DCEO , EC	D
9. Mr. Anotai Adulbhan	D , NR , EC	-
10. Ms. Ark Chumphonphan	EC , M	-
11. Mr. Paskorn Khotchapunsoontorn	M	-
12. Ms. Narisara Wongchanteuk	M	-
13. Mr. Wanlop Jaturaphatsiri	M	-
14. Mr. Jesdakorn Samittiauttakorn	-	D

Note : C : Chairman of the Board of Directors D : Director ID : Independent Director
 CEO : Chief Executive Officer DCEO : Deputy Chief Executive Officer CAC : Chairman of the Audit Committee
 AC : Member of the Audit Committee CCG : Chairman of the Corporate Governance Committee
 CG : Member of the Corporate Governance Committee CNR : Chairman of the Nomination and Remuneration Committee
 NR : Member of the Nomination and Remuneration Committee EC : Member of the Executive Committee
 M : Management



Attachment 3

Details of the Head of Internal Audit and Head of Compliance

Name-surname/Position/ Date of appointment	Age (Years Old)	Education/Training background	Proportion of shares (Percent)	Familial Relationship among Directors and Executives	Work experiences 5 Years previous			
					Period	Position	Name of organization/ company	Type of Business
Miss Wanwimol Chongsureyapras	37	<ul style="list-style-type: none"> - Master's degree in Business Administration for Executives, Faculty of Business Administration, National Institute of Development Administration - Bachelor's degree in Accounting, Accounting (Bachelor of Accounting-Second Class Honors), Dhurakij Pundit University - Internal Auditing Certificate Program (IACP), Federation of Accounting Professions under royal patronage - Certified Professional Internal Audit of Thailand (CPIAT), Institute of Internal Auditors of Thailand - Internal Audit Training Program to prepare yourself to be an International Certified Internal Auditor (Prepared Course for Certified Internal Auditor: Pre-CIA) from Chulalongkorn University 	-	-	Year 1999 - present	Vice President	Director of Internal Audit P&L Group (P&L Corporation Company Limited and P&L International Audit Company Limited)	<ul style="list-style-type: none"> - Head of the inspection team of companies listed on the Stock Exchange of Thailand, such as production business (Food & Non-food), transportation business, trading business personal loan business real estate business
		<p>Training Record</p> <ul style="list-style-type: none"> ■ <u>from Ethics Committee of the Federation of Accounting Professions under the Royal Patronage (TFAC)</u> - Business Management for Internal Audit Certificate Program in the Digital 4.0 era - Audits and Audit Considerations When Using Computers to Process Data Class 2/2018 - Integrated Audit 1/2018 - COSO 2013 Framework for Internal Control Systems (ADVANCED COURSE) Class 2/18 			Year 1999 - present	Member of the Executive Committee	P&L IT Audit Company Limited	<ul style="list-style-type: none"> - Head of the inspection team for other private companies, such as education business, production and distribution of beverages business, and hotel businesses

Name-surname/Position/ Date of appointment	Age (Years Old)	Education/Training background	Proportion of shares (Percent)	Familial Relationship among Directors and Executives	Work experiences 5 Years previous			
					Period	Position	Name of organization/ company	Type of Business
		<ul style="list-style-type: none"> - Training program for obtaining a certificate in internal auditing, Class 17 - Data Analytics for Internal Auditor, Class 2/17 - Workshop : Cost Management for Adding Value and Sustainability, Class 4/18 ■ <u>from the Institute of Internal Auditors of Thailand (IIAT)</u> - Certificate Course - "How to Set Modern Audit Plan By Audit Criteria" - Clinic IA : Topic - "Fraud Audit and Caution for Auditor" - Clinic IA : Topic "COSO 2014" 						



Attachment 4

Good Corporate Governance Policy

There are 8 Corporate Governance Principles as follow;

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

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

1.1 The Board of Directors will recognize about duties and responsibilities in leaders for taking care company to has a good management which covers

- (1) Objectives and Target
- (2) Specifying rules and policies along with allocating values to achieve a goal and target
- (3) Following up, evaluation and reporting overall operation

Guideline Principle

The Company has defined roles and responsibilities of the Board of Directors in the Board of Directors Charter. Their main responsibilities include considering and approving vision, mission and values of the company as well as allocating any values by having their own realization in duties, purposes, and corporate governance rules for adding values to company's sustainment. Also, for subsidiary company to achieve target and goal.

The Board of Directors will turn strategies to actions by making action plan, setting person whom in charge of, durations, indicators and considers about employee's wages and performances, tools, budgets also risk.

1.2 In adding values to business, the Board of Directors will lead the Company to achieve governance outcomes in at least the following:

- (1) Competitiveness and Performance with long-term perspective
- (2) Ethical and Responsible Business
- (3) Good Corporate Citizenship
- (4) Corporate Resilience

Guideline Principle

1.2.1 For the company's successful, the Board of Directors have to consider about ethics, affectations to social and environments which are main priorities apart from financial outcomes.

1.2.2 The Board of Directors will lead enterprise cultures by having faith in ethics as they will be role models as leaders in taking care of business, having a faith in company's values and ethics also honesty in working.

1.2.3 The Board of Directors will have a policy for director, executives and employees which show principles and method as affidavit, e.g. Code of conduct.

1.2.4 The Board of Directors will conduct for communication to make directors, executives and employees to inform and know how to perform along policies mentioned before, following up policies and recheck in every weeks. Department of corporate governance will be in charge of informing good corporate governance policy and business ethics to directors, executives and employees.

1.3 The Board of Directors will take care of directors and executives to perform with duties of care and loyalty, also followed by laws, regulations and shareholder opinions.

Guideline Principle

1.3.1 Considering directors and executives to perform duties carefully, honestly and responsibly to company or not at least the board of directors will consider by relating rules, e.g. section 89/7, section 89/8, section 89/9 and section 89/10 of Securities and Exchange Act A.D. 1992 (Edited version included)

1.3.2 The Board of Directors will take care of company efficiently to follow rules, regulations and shareholder's opinion along prescribed policies and methods also approving for crucial operations process e.g. transaction that significantly affects to company, actions between related people, obtained/distribute products, dividend payment.

- 1.4 The Board of Directors have to understand their responsibilities and set a scope to assign duties and responsible to Chief Operating Officer (CEO), President and management division clearly along with making sure that they are perform their duties properly.

Guideline Principle

- 1.4.1 The Board of Directors will make a Charter of Board of Directors that mention their duties and responsibilities to refer their performance and revise every year, also keep reviewing each director's duty, CEO, president, and executive division to harmonize with company.
- 1.4.2 The Board of Directors will try to understand their duties and give authority to executive division as affidavit i.e. management of the authority. However, this doesn't discharge their duties, the Board of Directors is still in charge to lead the executive division to work as they were assigned.

By the way, scope of the Board of Directors, CEO and executive division are considered as following:

- 1.4.2.1 The Board of Directors take mainly responsibility to proceed properly including:

1. Defining objectives and mainly target in business
2. Creating enterprise cultures by mainly focus on ethics and be a role model
3. Taking care of strategies and the board of directors' performance to achieve goals and main targets in managing business properly.
4. Recruiting, Developing, setting the remuneration and assessment CEO's performances.
5. Setting remuneration strategies to motivate employee to act along company's goals.

- 1.4.2.2 Matters to be dealt with the executives means matters that the Board of Directors, CEO, president and executive division consider together by executive division present to the Board of Directors to approve and report to the board of directors sporadically and properly, included with:

1. Specifying and revising strategies, goals and annual plans
2. Adequate caring of risk management and the internal control system
3. Setting authority to suitable operations with executive division's responsibility
4. Setting boundary for allocating resources, developing and budgets, managing and improving staff policy and information technology developing plan also included.
5. Following up and performance assessment
6. Maintaining credibility of financial and non-financial disclosures

- 1.4.2.3 Matters that is not Board of Directors's responsibility will be assigned to CEO, president and executive division, board of director will be in charge of taking care policy, included with:

1. Execution will follow strategies, policies and plan that Board of Directors already approved by let executive division take a responsibility to operate along following plans. The Board of Directors will follow up without intervention, apart from necessities.
2. Prohibited matters, e.g., approbation that directors have a stake.

Principle 2: Define Objectives that Promote Sustainable Value Creation)

2.1 The Board of Directors will be take care of objectives

For sustainment by including with business, customer, interested persons and society.

Guideline Principle

2.1.1 The Board of Directors will take responsibility to set goals and objectives clearly and set a business model, vision, mission and values for communicating all employees.

2.1.2 The Board of Directors will set the business model that creates values for the company, stakeholders and society by consideration as following:

2.1.2.1 Realize the environment and changing factors and the appropriate application of innovation and technology. To achieve competitiveness, the customers' needs and stakeholders are taken into account in determining a balance between objectives or key goals.

2.1.2.2 Assessing readiness, proficiency and business's competitive ability.

The company always think of interest person and society by considering related factors for setting main targets and objectives, along with the company's business model e.g. mission, value proposition, and sustainable business in the condition of chances and risks affecting a company or interested person and also having adequate and proper risk management to decrease or lower risks or not.

2.1.3 The Board of Directors sets values that reflect good corporate governance as follows: integrity, passion, goal-oriented, customer-centric and caring.

2.1.4 The Board of Directors will promote communication and reinforce objectives and main targets reflected in decisions and performances in every level of employee. Any decision will base on objects and main targets by considering risks and effects that might affect to company, society, village, and environment to be the enterprise culture.

- 2.2 The Board of Directors will ensure that the company's semi-annual and/or annual targets, goals, and strategies get along with the company's main objectives and goals by using innovation and technology to use properly and safely.

Guideline Principle

2.2.1 The Board of Directors will take care of making strategies and annual plan to harmonize with the company's main objectives and targets by considering about company's factors at that moment, also chances, acceptable risks, and supporting to make or revise objectives, targets, and medium term's strategy to ensure that strategies and annual plan already think of effects in the longer term and properly predicted.

2.2.2 In setting annual strategies and plan, the Board of Directors will provide to analyzing environments, factors and risks that might affect to interested person along value chain, also any risk factors that may effect to complete company's main targets by finding methods to understand a real demand of interested person.

2.2.2.1 Clearly indicate methods, processes or communicating way between the company and interested person so that the company can access and obtain each interested person's group issues and demand mostly accurate.

2.2.2.2 Indicated an interested person who involves with the company both internal and external, even in person or organization i.e. employee, investor, customer, partner, community, society, government, regulators.

2.2.2.3 Indicated interested person's issues and expectation for analyzing and ordering follow with the importance and effects with a company and interested person, by the way, for choosing priority to build a value along with interested person effectively.

2.2.3 The Board of Directors will take care of reinforcing to create a new innovative and using along with technology to build competitive capability and to response interested person's need as setting for strategy process basing on responsibility in society and environment.

2.2.4 The Board of Directors will set goals that suit the business's environment and company's potential by specific goals as financial or non financial, besides, risks of setting goals which might lead to illegal acts or unethical conduct also be realized too.

2.2.5 The Board of Directors will take care in sharing objectives and targets by strategies and plan to entire company's action.

2.2.6 The Board of Directors will conduct and take care of resources' distribution and suitable operation control and follow up procedures of the annual plan and strategies or authorized someone to make an action plan. The Board of Directors shall set a person to be in charge of budgets along with strategy plan, operation term, indicators and follow up performance, and operation process, by holding a meeting.

Principle 3: Strengthen Board Effectiveness

- 3.1 The Board of Directors will take responsibility in setting and revising the board of directors' structure in composition's size, independent directors ratio which are suitable and necessary for The Company's achievement of planned targets and goals.

Guideline Principle

- 3.1.1 The Board of Directors will make sure that they are all qualified and multi-skilled, experiences, talents, and particular characteristics along with gender and ages which necessary for the company to achieve objectives and goals, by making a skill matrix table to ensure that they are all qualified, available to understand and response interested person's need, also shall have at least 1 person of directors who has no experience in business or industry that company is operating.
- 3.1.2 The Board of Directors will consider properly the number of directors to perform duty efficiently by having more than 5 people, by the way, depending on size, type, and business complication.
- 3.1.3 The Board of Directors will distribute a ratio between directors who are executive directors and not executive directors equally to balance power properly by
1. Almost are not executive directors who can freely show executive division's performance.
 2. The independent directors have a number and qualification of The Security and Exchange Commission along with The Stock Exchange of Thailand, also making sure that the independent directors will work with the company's Board of Directors efficiently and feel free to express their opinions.
- 3.1.4 The Board of Directors will expose a decision of composition that varieties and also include directors' information i.e. age, gender, educational experiences, working experiences, shareholding ratios, working period, and being other company's shareholders in annual report and company's website.
- 3.2 The Board of Directors will choose the best candidates to be the chairman of the Board of Directors and make sure that the composition and performance of directors are supported to make any decision freely.

Guideline Principle

- 3.2.1 The Chairman of the Board of Directors and Chief Executive Officer (CEO) have a different responsibility. The Board of Directors shall determine clearly the authority of the Chairman of the Board of Directors and CEO for preventing someone to use a power freely by separating CEO position from the Chairman of the Board of Directors.
- 3.2.2 The Chairman of the Board of Directors will be a leader of the Board of Directors by committee chairman's duty have to be covered as follows:
- 3.2.2.1 To control, follow, and make sure that the Board of Directors' performance is efficient also achieved company's main target and goal completely.
 - 3.2.2.2 To ensure that every directors is participating in making ethical enterprise culture and good corporate governance.

- 3.2.2.3 To set a meeting with the board of directors by consulting with the CEO and have a measure to take care of the significant matter as agenda.
- 3.2.2.4 To set a sufficient time for executive division's presentation and directors for discussing issues together, reinforcing directors to use their consideration properly and express their opinion freely
- 3.2.2.5 To reinforce a good relationship between executive directors and not executives directors and between the Board of Directors and executive division.
- 3.2.3 In case the Chairman of the Board of Directors and CEO are not clearly separated, the board of directors will balance power between the board of directors and management division by considering
 - 3.2.3.1 The Board of Directors' composition will include independent directors more than half or
 - 3.2.3.2 To assign one person to be an independent director for considering the company's agenda.
- 3.2.4 The Board of Directors will set a policy to prohibit independent directors to hold a position for more than 9 years since the first day of taking this position. In case of appointment independent directors, the Board of Directors has to consider to necessity.
- 3.2.5 To make serious matters were considered carefully, the Board of Directors will consider assigning the sub-committees 5 groups to consider issues individually, screen data, and offer guidelines before presenting to the Board of Directors to approve, as follows

3.2.5.1 The Executive Committee

The Executive Committee has the authority to participate in making guidelines, strategy, and business plan to present to the Board of Directors for considering, managing, controlling management and overall company's performance and also considering, suspending, canceling, and approving for spending, procurement, recruiting and other operations by an authority of the Board of Directors. (structures, qualifications, designation, tenure, duty, and responsibility of the Executive Committee are followed by the charter of the Executive Committee)

3.2.5.2 The Nomination and Remuneration Committee

The Nomination and Remuneration Committee of searching and deciding for remuneration has the authority to consider and comment to CEO and president's offers to present to the Board of Directors about human resources policies to get along with the company's business strategy, direct and take care of the nomination for director and executive, succession plan, executives waiting list always considered and revised (structures, qualifications, designation, tenure, duty, and responsibility of the Executive Committee are followed by the charter of the Executive Committee)

3.2.5.3 The Audit Committee

The Audit Committee has the authority to check the accuracy and sufficient financial transactions, internal control and internal audit properly and efficiently and consider the independence of internal audit along with approval for appointing, transferring, laying off internal audit's leader or an internal audit-related section. The Audit Committee verifies that the company will act along with Securities and Exchange Law, Regulations of the Stock Exchange of Thailand (Stock of Exchange Thailand), and laws which relate to the company to consider, choose, and offer an appointment for an independent person to be the company's auditor and offer audit fee for that person, also consider related issues or issues that might cause conflict to follow the law and SET's regulations for making sure that issues are reasonable and efficient to the company also operations that the Board of Directors approves the proposes of the Audit Committee (structures, qualifications, designation, tenure, duty, and responsibility of the Audit Committee are followed by the charter of the Audit Committee)

3.2.5.4 Corporate Governance Committee

The Corporate Governance Committee has the authority to set the good governance policy, the anti-corruption policy and the code of conduct in the framework of the laws, rules, regulations, and company's regulations and presents to the Board of Directors for approving and declaring as a guideline for good practice for directors, executives, and employees at all levels. In addition, the Corporate Governance Committee is responsible for monitoring and evaluating the performance of the Company's directors and executives in accordance with good practice guidelines indicating in the Anti-Corruption Policy and the Good Governance Policy. the Corporate Governance Committee prepares the annual corporate governance assessment report and presents comments and suggestions (structures, qualifications, designation, tenure, duty, and responsibility of the Corporate Governance Committee are followed by the charter of the Corporate Governance Committee)

3.2.5.5 The Risk Management Committee

The Risk Management Committee has the authority to check and comment the company risks with supervising the management process of executive to a good level. The Risk Management Committee will formulate risk management strategies in accordance with the risk management policy and communicate and exchange the information and do the internal control with the Audit Committee at least once a year to ensure that the company has an appropriate and efficient business risk management policy. (structures, qualifications, designation, tenure, duty, and responsibility of the Risk Management Committee are followed by the charter of the Risk Management Committee)

- 3.2.6 The Board of Directors will take care of exposing roles and duties of the board of directors and the sub-committee, amount of meeting times and times that each director participates in meeting in the previous year, and the sub-committees performance report.

- 3.3 The Board of Directors will supervise for transparency of nominating directors' process to make sure that director's qualifications have conformed with specified composition.

Guideline Principle

- 3.3.1 The Board of Directors will assign to The Nomination and Remuneration Committee to take care about this task because most of them are independent directors.
- 3.3.2 The Nomination and Remuneration Committee consider nomination guidelines and methods to have qualified directors, also reviewed that person's profile and offer an opinion to the board of directors before present in shareholder's meeting as appointer. Besides, shareholders will receive enough information about people who have been nominated.
- 3.3.3 The Nomination and Remuneration Committee has to review guidelines and directors nominating process to present with the board of directors before retired directors. In case the Nomination and Remuneration Committee nominate the same name, they have to realize about that person's performance too.
- 3.3.4 In case the Board of Directors appoints the consultant of Nomination and Remuneration Committee, the consultant shall disclose the information of an independence and conflict of interest in the annual report.
- 3.4 The Board of Directors' remuneration is approved by shareholders. The Board of Directors shall consider construction and remuneration rate to suit with responsibility and persuade the board of directors to lead the company to perform along with the short and long-term goal.

Guideline Principle

- 3.4.1 The Board of Directors will assign the Nomination and Remuneration Committee that most of members and the Chairman of Nomination and Remuneration Committee are independent directors for considering policies and remuneration's guidelines.
- 3.4.2 The directors' remuneration shall comply with the company's strategy and long-term goal, experiences, duties, accountability, and responsibility also, expected benefits from each director.
- 3.4.3 Shareholders are an approver for construction and director's remuneration in financial or non financial. The Board of Directors will consider each type of remuneration, both fixed-rate(e.g. fixed remuneration, meeting allowance) and remuneration based on company performance (e.g. bonus, gratuity) and company's values.
- 3.4.4 The Board of Directors will disclose policies and guidelines to specific in directors' remuneration which reflect each person's duties and responsibilities also type and amount of remuneration too.
- 3.4.5 In case the board of directors appoints the consultant of Nomination and Remuneration Committee, the consultant shall disclose the information of an independence and conflict of interest in the annual report.

- 3.5 The Board of Directors will control each director to have responsibility in performing duties and allocate time properly.

Guideline Principle

- 3.5.1 The Board of Directors will make sure that methods to support directors for understanding their duties are provided.
- 3.5.2 The Board of Directors will specific qualifications for holding others companies for each director by considering from working efficiency. The Board of Directors ensure that the directors will devote their time enough by setting the number of companies they can hold related to the appearance and company business condition. Besides, due to as director working efficiency maybe decrease if they hold a position in too much companies. The Board of Directors shall disclose the criteria to directors.
- 3.5.3 The Board of Directors will provide and disclose the directors reporting system about being in the position in other companies.
- 3.5.4 In case that director is hold director or executive position or has interests, whether directly or indirectly, in other conflicting businesses or be able to use opportunities or company information to be an advantage. The board of directors will make sure that the company has enough preventive measures and inform shareholders suitably.
- 3.5.5 Each director shall participate in meeting not lower than 75 percent of the total number of board meetings the entire year, except for any necessity to be unavailable.
- 3.6 The Board of Directors will control a boundary and method to take care of policy and performance of the subsidiary company and other businesses that the company has invested significantly suitably also to have the same correct understanding.

Guideline Principle

- 3.6.1 The Board of Directors will consider supervising subsidiary companies that include:
- 3.6.1.1 Specific candidates to be directors, executives, or controlling person in the subsidiary's qualifications and let the Executive Committee has an authority to appoint according to laws.
- 3.6.1.2 Set a duty for company representative as following in (1) and to assign a representative to take care along subsidiary's policies and in case of the subsidiary has other investors, the board of directors shall determine policies and perform the best duty for subsidiary's benefit comply with headquarter.
- 3.6.1.3 The subsidiary's internal control shall be suitable and strictly enough also any operations shall be in accord with the law and related criteria.
- 3.6.1.4 Disclose the financial data, the results of the transaction with the connected person, acquisition or disposition of property, other crucial transaction, capital increase, capital reduction and dissolution of subsidiary.

3.6.2 If it is a significant investment in other ventures e.g. has a shareholding proportion with voting rights of 20 percent but not more than 50 percent and the amount of investment or additional investment may be significant to the company. In case of necessity, the board of directors will facilitate a shareholders' agreement or other agreements to clarify about the management authority and the rights to make joint decisions on crucial issues, following up operational performance to use as data to formulate the company's financial statements according to the standards and deadlines.

3.7 The Board of Directors will arrange an annual assessment for the Board of Directors, Sub-Committees, and individually by result should be used for improving the performance later.

Guideline Principle

3.7.1 The Board of Directors and sub-committees will assess operation performance at least one time per year for considering in works and problems along a Board of Directors to improve by specific criterion to compare with operation performance methodically.

3.7.2 In operation, performance will have both of assessment as a whole and individually, by self-evaluation or cross-evaluation, also disclose the criteria, process and result in the annual report.

3.7.3 The Board of Directors will provide an external consultant to create guidelines and present issues of the Board of Directors assessment at least every three years and disclose the process in the annual report.

3.7.4 The Board of Directors' assessment shall use as considering the suitability of the Board of Directors' composition.

3.8 The Board of Directors will control the board of directors and each director to have knowledge about duty, nature of the business operation, and laws related to business operations along with supporting all directors to improve their skills and knowledge as directors regularly.

Guideline Principle

3.8.1 The Board of Directors will ensure that person who appointed as new directors will be introduced and have enough information that has advantages for duty which include understanding of objectives, main targets, vision, mission, corporate values along with nature of business and business guidelines.

3.8.2 The Board of Directors will make sure that directors are continually receiving training and developing the necessary knowledge.

3.8.3 The Board of Directors will learn and try to understand law, rules, standards, risks, and business-related environment also stay informed regularly.

3.8.4 The Board of Directors will disclose training data and continually improve knowledge for a Board of Directors in an annual report.

- 3.9 The Board of Directors will ensure that the Board of Directors' performances are in order, available to access necessary data, and have a company's secretary that has the knowledge and required experiences with supporting a Board of Directors' performance.

Guideline Principle

- 3.9.1 The Board of Directors will arrange a board of directors meeting and agenda in advance to make directors allocate their time and available to participate.
- 3.9.2 A number of the Board of Directors meetings will consider suitably along with duty, responsibilities of the Board of Directors, and nature of business at least six times per year but not less than four times per year. In case the board of directors doesn't arrange a monthly meeting, the executive division will report performance to the Board of Directors to take care of the executive division's performance continuously.
- 3.9.3 The Board of Directors will take care directors, executive division to propose matters in the agenda of the Company's meeting freely.
- 3.9.4 To appoint the Board of Directors' meeting, the Chairman Board of Directors or the assigned persons shall distribute the notice of meeting with agenda to the Board members no less than (7) days before the meeting date for consideration. In the event of the rights and interests of the Company are at risk, the notice of meeting may be distributed via other methods and the meeting may be appointed at an earlier time.
- 3.9.5 The Board of Directors will support the CEO to invite top executives to join the board of directors meeting for informing additional information as they are related with problems directly and have a chance to getting know top executives to include with considering succession plan.
- 3.9.6 The Board of Directors will access additional information from the CEO, president, secretary, or other executives assigned in policy scope. In necessity, the Board of Directors will ask for the independent consultant or external practitioner. The Company shall be responsible for the expenses.
- 3.9.7 The Board of Directors will let directors who are not executives have a chance to arrange a meeting freely to discuss the interesting problem with the management division and should inform the CEO and president about meeting results too.
- 3.9.8 The Board of Directors will set a secretary's qualifications and experiences to perform a duty, advising about law and other rules that the Board of Directors shall know and take care of meeting documentaries, crucial documents, and directors' activities also coordinating to follow the Board of Directors' resolutions.
- 3.9.9 The company secretary gets the training courses for developing knowledge and good practices. If there is the certified program, the Company secretary shall attend.

Principle 4: Ensure Effective CEO and People Management

- 4.1 The Board of Directors will ensure that nominating and improving the CEO, president, and top executives efficiently with skills, experiences, and required qualifications.

Guideline Principle

- 4.1.1 The Board of Directors will assign to nominate directors by considering for qualifications and nominating process to seek candidates as the CEO and president suitably.
- 4.1.2 The Board of Directors will follow the CEO to take care of top executives suitably. The Board of Directors and Nomination and Remuneration Committee join with the CEO or/and president to consider criteria, nomination and appointment method and approve along with the CEO and/or president's candidates as top executives.
- 4.1.3 To keep business run continuously, the company will arrange a succession plan to be ready for the succession of the CEO and top executive positions. The CEO shall report the operational results according to the succession plan to the Board of Directors at least once a year.
- 4.1.4 The Board of Directors will reinforce and support the CEO, president, and top executives to be trained and developed for improving knowledge and beneficial experiences to performances.
- 4.1.5 The Board of Directors will clearly arrange a policy and methods for the CEO, president, and top executives in holding a director position in other companies and also the type of position and the number of the company available.
- 4.2 The Board of Directors will supervise in making nomination structures and suitably assessment.

Guideline Principle

- 4.2.1 The Board of Directors will arrange the remuneration structure to motivate the CEO, president, top executives, and other staff at every operational level's performances match with the company's long-term benefit which includes:
- 4.2.1.1 Consider the appropriateness of the salary remuneration proportion, short-term operation performance e.g. bonus and long-term operation performance (e.g. Employee Stock Ownership Plan)
- 4.2.1.2 Determine the remuneration policy considering factors, e.g. range of remuneration is higher or equal with an industry-level estimate, company's operational performance.
- 4.2.1.3 Control assessment criteria policies and information to be known.
- 4.2.2 The Board of Directors excludes executive directors shall consider the remuneration and assessment of CEO and president at least as follows:
- 4.2.2.1 agree with the CEO and president's criteria and assess the performances which motivated the CEO and president to manage a business to be in the order of main targets, strategies and match with long-term benefit by informing the CEO and president to know a criteria in advance.

- 4.2.2.2 The Nomination and Remuneration Committee assess the CEO and president annually. The Chairman of the Board of Directors or directors shall communicate with assessment results, also issues for improvements to the CEO and president.
- 4.2.2.3 Approve for the CEO and president's annual remuneration and consider the assessment CEO and president's performances and other factors.
- 4.2.3 The Board of Directors will consider criteria and factors in performance evaluation along with top executives remuneration structure approval and follow the CEO and president to evaluate top executives as the following assessment criteria:
- 4.2.4 The Board of Directors will supervise to set a criteria and company's assessment factors to use in the entire company.
- 4.3 The Board of Directors will try to understand shareholders' structure and relationships that might affect the company's management and operation.

Guideline Principle

- 4.3.1 The Board of Directors will try to understand shareholders' structure and relationships that might be in the family business in writing or not, the shareholders agreement or Headquarter policies that may affect to company's controlling and management authority.
- 4.3.2 The Board of Directors will prevent rules no. 4.3.1 to obstruct a duty of the Board of Directors e.g. having a suitable candidate to hold a position.
- 4.3.3 The Board of Directors will take care of disclosing data followed by agreement which affect business control.
- 4.4 The Board of Directors will monitor management and employees development to have the appropriate number, knowledge, skills, experiences, and motivation.

Guideline Principle

- 4.4.1 The Board of Directors will take care of human resource to match with corporate direction and strategy, all levels of employees have knowledge, skills, and motivation appropriately and fairly treated to maintain skilled officers in a company.
- 4.4.2 The Board of Directors will establish a provident fund or another method for taking care of employees to have enough savings in retirement age also support employees to have knowledge and understanding in financial administration, how to select investment policy due to age, risks level or supporting Life Path investment industry.

Principle 5: Nurture Innovation and Responsible Business

- 5.1 The Board of Directors will prioritize and support the innovations that add value to the business with making benefits for customers or related people and also have responsibilities to society and environments.

Guideline Principle

- 5.1.1 The Board of Directors will give a priority to making an enterprise culture that promotes innovation and let the executive division revise a strategy, performance-improving plan, and overall operation following up.
- 5.1.2 The Board of Directors will promote innovations that add value to business due to environmental factors that are regularly changeable, also might cover business model, thinking methods, designing and improving products, customer service's aspect, researching, improving manufacture and working procedures and cooperating with business partners.
- 5.2 The Board of Directors will supervise a executive division to run a business by having a responsible with society and environment, also reflects in operation plan to ensure every divisions in the company working along with objectives, main targets and company's strategies.

Guideline Principle

- 5.2.1 The Board of Directors will take care the company that runs a business with a responsibility to society and environments, not infringe the stakeholders' rights for creating guidelines to achieve objectives, main targets with sustainment by providing policy or guidelines as following:
- 5.2.1.1 Responsibilities to employees by acting based on the relevant law and standards and act to employee fairly and respecting human rights such as indicating the remuneration and others fair compensations, providing welfare benefit not less than or equal with laws or follow by suitability, preparing the hygienic and safety in workplace, training for potential improvement and also giving employees' improvement in other working skills.
- 5.2.1.2 Responsibilities to customers by acting based on the relevant law and standards and also considering health, safety, fairness, retention of customer information, after-sales service throughout the life of products and services, following up customer's satisfaction to improve products and services along with sales conduct that have to act responsibly, not making misunderstanding or using customer's misunderstanding as advantages.
- 5.2.1.3 Responsibilities to business partners with providing procurement and fairly condition or agreement, providing knowledge, improving potential and promoting manufacturing skills and providing services with standards, explaining and taking care of their human rights, social and environment, monitoring the evaluation of business partners for improving business properly.
- 5.2.1.4 Responsibility to society by using business knowledge and experiences to improve the project that can give benefits to community concretely, tracking and checking for long-term success.

- 5.2.1.5 Responsibilities to the environment by preventing, decreasing, handling, and making sure that company will not create or cause any negative impact on the environment which cover in using raw material, energy consumption (for manufacturing, transferring or in company's usage), water consumption, using of renewable resources, care, and restoration of biodiversity affected by business operations, emissions, and management of waste arising from business operations and greenhouse gas emissions.
- 5.2.1.6 Fair Competition by making certain that the company works in an open, transparent, and non-discriminatory manner.
- 5.2.1.7 Anti-corruption policy by acting based on the relevant law and standards and set the company has and announce anti-corruption policy, along with supporting another company and business partners to have and announce a policy and also join network partners too.
- 5.3 The board of directors will supervise the management division to allocate and manage an environment efficiently and effectively by considering effects and improving the environment along the value chain to achieve objectives and main goals sustainably.

Guideline Principle

- 5.3.1 The Board of Directors will realize the necessity of the required resources involved with using each type of environment may cause effects to each other.
- 5.3.2 The Board of Directors will realize the different business model that reflects the effects of the environment. So, the decision of selecting business type shall consider with effect and the cost-effectiveness of the resource by remaining based on ethics, responsibility, and create value for sustainable business.
- 5.3.3 The Board of Directors will ensure for achieving in objectives and company's primary targets, a executive division will revise, develop, take care of using environment efficiently and effectively by considering the change of the internal and the external factors. There were 6 kinds of resources that should be concern: Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, Social and Relationship Capital, and Natural Capital.

- 5.4 The Board of Directors will provide a framework for governance and management of the information technology at the organizational level that conforms with business demand along with being in charge of using information technology in increasing chance in business and improving performance, risk management to achieve the company's objectives and primary goals.

Guideline Principle

- 5.4.1 The Board of Directors will provide a policy on allocating and managing information technology resources that cover allocating resources to run a business sufficiently and setting guidelines to support cases that may not be available to allocate resources as prescribed.
- 5.4.2 The Board of Directors will sustain the company's risk management by covering information technology in risk management.
- 5.4.3 The Board of Directors will provide a policy and measure to maintain the security of information by an issue in corporate information technology governance and management policy have to cover as following details:
- 5.4.3.1 The company follows laws, rules, regulations, and standards involving information technology usage.
- 5.4.3.2 The company has confidentiality, integrity, and availability in data security along with preventing in using data in a wrong way or editing data without the company's permission.
- 5.4.3.3 The company considers risk in information technology and has risk management measures e.g. Business Continuity Management, Management of incidents affecting information security, and Information Technology Management.
- 5.4.3.4 The company considers allocating and managing information technology resources, setting guidelines and factors by prioritizing the action plan e.g. suitability with strategy, effects to business, the urgency of use, budgets and human resources and business model.

Principle 6: Strengthen Effective Risk Management and Internal Control

- 6.1 The Board of Directors will ensure that the company has the proper risk management system and internal control for achieving the objectives effectively based on the relevant law and standards.

Guideline Principle

- 6.1.1 The Board of Directors will learn and understand a company's crucial risk and approve acceptable risk.
- 6.1.2 The Board of Directors will consider and approve risk management policy along with objectives, goals, strategy, and acceptable risks as a framework in risk management processes for all employees. The board of directors will give precedence to early warning and revising risk management policy.
- 6.1.3 The Board of Directors will manage the Company to identify risks by considering both internal and external risk factors that may prevent the Company from achieving its objectives. The risks should at least include strategic risk, operational risk, financial risk, and compliance risk.

- 6.1.4 The Board of Directors will ensure that the Company conducts the risk probability and impact assessment in order to classify risks and the proper risk management's methods (take, treat, terminate and transfer).
 - 6.1.5 The Board of Directors will assign the Risk Management Committee or the Audit Committee to review and scrutinize article 6.1.1 - 6.1.4 before presenting to the Board of Directors for consideration as appropriate for the business.
 - 6.1.6 The Board of Directors will track and assess the effectiveness of the risk management regularly.
 - 6.1.7 The Board of Directors will ensure that the Company conducts a legal business practice and maintains all relevant standards, both on a domestic and on an international level.
 - 6.1.8 In the case that the Company has subsidiaries or other enterprises that the Company has significantly invested in (for instance, holding a proportion of shares with voting rights from 20 to 50 percentage), the Company will take the assessment of internal control system and risk management into consideration per article 6.1.1 - 6.1.7 as well.
- 6.2 The Board of Directors will appoint the Audit Committee which can perform the duty efficiently and independently.

Guideline Principle

- 6.2.1 The Board of Directors will appoint the Audit Committee consisting of at least 3 independent directors who have qualities and duties per the guidelines provided by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- 6.2.2 The Company will designate tasks for the Audit Committee in writing, which should at least consist of the following:
 - 6.2.2.1 Ensure that the business delivers an accurate and complete financial report.
 - 6.2.2.2 Ensure that the business has a suitable and efficient internal control system and internal audit system.
 - 6.2.2.3 Ensure that the business conducts itself in accordance with the relevant laws and standards.
 - 6.2.2.4 Consider giving independence to the internal audit, including granting approval of appointing, transferring, and laying-off the chief of the internal audit, or any other departments responsible for the internal audit.
 - 6.2.2.5 Nominate an independent person to work as an auditor, and consider the audit fee as well as set up the meeting with the auditor without the Company's executives at least once a year.
 - 6.2.2.6 Consider the conflicts of interests to ensure that the process is in accordance with the relevant laws. Such transactions shall be reasonable and beneficial to the business.
 - 6.2.2.7 Ensure the accuracy of the references and self-assessment of the business's anti-corruption measures in accordance with Thai Private Sector Collective Action Against Corruption (CAC).

- 6.2.3 The Board of Directors will ensure that the Company establishes a mechanism or a tool which allows the Audit Committee to access information necessary to perform the assigned tasks, such as allowing the Audit Committee to invite relevant persons for getting more information, holding a discussion with the auditor, or seeking independent opinions from professional consultants to take into the audit committee's consideration.
- 6.2.4 The Board of Directors will appoint an individual or an internal audit agency that can work independently to be responsible for developing and ensuring an efficient risk management and internal control system, as well as reporting to the Audit Committee and providing a review report in the annual report.
- 6.2.5 The Audit Committee shall provide their opinion on the adequacy of the risk management and internal control systems and disclose it in the annual report.
- 6.3 The Board of Directors will monitor the conflict of interests that could happen between the Company, the executive division, the Board of Directors, and the shareholders, as well as provide protection against wrong uses of the Company's assets, information and opportunities, and transactions with person related to the Company in an inappropriate manner.

Guideline Principle

- 6.3.1 The Board of Directors will facilitate a data security system, which includes defining policies and practices regarding the confidentiality, integrity, and the availability of the data, as well as the management of market sensitive information. Furthermore, the Board of Directors will ensure that the Board of Directors, executives, employees, and relevant outsiders - such as lawyer and financial consultants - adhere to the data security system.
- 6.3.2 The board of directors will manage conflicts of interest transactions and determine guidelines and practices for transactions according to the procedures and disclosure such information as required by law and for the benefit of the Company and shareholders. The stakeholders shall not be involved in decision-making.
- 6.3.3 The Board of Directors will require the Directors reporting their stakes at least before their involved agenda in the Board of Director meeting and record them in the minutes of meeting, their participation shall not be permitted in such agenda.
- 6.4 The Board of Directors will facilitate clear anti-corruption policy and guidelines and communicate employees for all levels of as well as outsiders to encourage the practical uses.

Guideline Principle

- 6.4.1 The Board of Directors will develop the anti-corruption policy and facilitate anti-corruption and fraud projects or guidelines, as well as support activities which promotes employees to follow by the law and relevant regulations.

- 6.5 The Board of Directors will facilitate the business with a complaints handling system and procedures of the whistleblowing.

Guideline Principle

- 6.5.1 The Board of Directors will facilitate mechanisms and processes (recording, tracking progress, resolving issues, reporting) of handling complaints from stakeholders, as well as provide more easily accessible channels to receive complaints and disclose it on the website or the annual report.
- 6.5.2 The Board of Directors will facilitate clear policy and guidelines in the case of whistleblowing by designating a channel for whistleblowing through the Company's website or through appointed independent directors/members of the Audit Committee, as well as having the information verification processes, procedures, and reports to the Board of Directors.
- 6.5.3 The Board of Directors will facilitate adequate protection measures for whistleblower with genuinely good intentions.

Principle 7: Ensure Disclosure and Financial Integrity

- 7.1 The Board of Directors has a responsibility to facilitate the creation of financial statement and disclosing important information correctly, adequately, punctually, and comply with the relevant regulations, standards, and guidelines.

Guideline Principle

- 7.1.1 The Board of Directors will ensure that there are enough employees involved in developing and disclosing information who have the knowledge, skills, and experience adequate to their tasks and responsibilities. Such employees include Chief Financial Executive, accountants, auditors, company secretaries, and investor relations.
- 7.1.2 In regards to giving consent to the disclosure of information, the Board of Directors shall consider all relevant factors. In the case of financial statement, these factors need to be at least put into consideration:
- 7.1.2.1 Internal Control System Sufficiency Assessment
- 7.1.2.2 Opinions from auditors in financial statement and comments regarding the internal control system as well as other communications channels (if any).
- 7.1.2.3 Comments of the Audit Committee
- 7.1.2.4 Relevancy to the Company's objectives, primary goals, strategies, and policies.
- 7.1.3 The Board of Directors will govern the administration monitoring and assessing financial statements, Annual Report Form 56-1 which can reflect the financial status and company performance as well as to provide an explanation and Management Discussion and Analysis (MD&A) to disclose with the quarterly financial statements so that investors understand the information clearly to about the changes of the financial statement and the Company's performance in each quarter apart Wfrom the numbers in the financial statements.
- 7.1.4 In the case of the disclosure of transactions involving a specific the Board of Directors, that director shall facilitate the disclosure of all relevant information accurately, such as information about shareholders belonging to the director's group and the information relevant to the group's shareholders' agreement.

7.2 The Board of Directors will monitor on the adequacy of financial liquidity and ability-to-repay.

Guideline Principle

- 7.2.1 The Board of Directors will ensure that the executive division track and evaluate the business's financial status and report to the Board of Directors regularly. The Board of Directors and the executive shall work together to find a solution if there are signs of financial liquidity and ability-to-repay.
- 7.2.2 Before approving any transaction or providing comments for the shareholders' approval, the Board of Directors shall ensure that the transaction will not affect the continuity in business operation, financial liquidity, and ability-to-repay.
- 7.3 In situations where the business encounters or tends to encounters financial problems, the Board of Directors shall ensure that the business has plans or other mechanisms to resolve the problems which shall take the stakeholders' rights into consideration.

Guideline Principle

- 7.3.1 In the case that the business has the signs of not being able to repay the debts or encountering financial problems, the Board of Directors shall follow the situation closely and ensure that the business is under careful management, as well as adhere to the regulations regarding information disclosure.
- 7.3.2 The Board of Directors supervises the business to formulate a plan to resolve financial problems for stakeholders and creditors. The Executives report the resolving problems status to The Board of Directors regularly.
- 7.3.3 The Board of Directors should ensure that each decision made to resolve the Company's financial problems - no matter through which method - shall be done reasonably.

Examples of signs :

- (1) Continuous loss / deficit ภาวะขาดทุนต่อเนื่อง
- (2) Poor cash flow
- (3) Insufficient financial statement data
- (4) Lack of an adequate accounting system
- (5) Lack of cash flow and budget evaluation
- (6) Lack of business plans
- (7) More liabilities than assets
- (8) Issues on removing dead stocks and debt collections ปัญหาในการระบายสินค้าคงคลังและการเก็บหนี้

7.4 The Board of Directors will consider formulating a sustainability report as appropriate.

Guideline Principle

7.4.1 The Board of Directors will consider the suitability of disclosing data along with the law, the code of conducts, anti-corruption policy, employees' treatments, and stakeholders with fair treatment and respecting human rights, as well as social and environmental responsibilities, which will take reports which are accepted on a domestic or an international level. The data will be disclosed in the annual report or a separate report.

7.4.2 The Board of Directors will ensure that the disclosed data are relevant and reflect practices which will sustainably create value for the business.

7.5 The Board of Directors will supervise the Executives to set up a unit or a person responsible for investor relations that communicates appropriately and unpunctually with shareholders and other stakeholders, such as investors, analysts, etc.

Guideline Principle

7.5.1 The Board of Directors will formulate a communication policy and a disclosure policy to ensure that communications and information disclosure to outsiders are conducted appropriately, equitably, and punctually, done through proper channels, and protected confidential and market-sensitive data including the communication to the rest of the agency to have a mutual understanding and follow through with the policies.

7.5.2 The Board of Directors will designate a person responsible for providing information to outsiders, who shall be qualified to perform the tasks, have an understanding of the Company's business - including objectives, primary goals, values, - and able to communicate with the stock market efficiently, such as Chief Executive Officers, presidents, Chief Financial Officers, and investor relations, etc.

7.5.3 The Board of Directors will ensure that the executive division has a direction and support investor relations works, such as data disclosure conducts, stock price management policy, as well as designate duties and responsibilities of investor relations clearly to ensure efficient communications and data disclosure.

7.6 The Board of Directors will support adapting the information technology for data's distribution.

Guideline Principle

7.6.1 Aside from data distribution per the defined standards and through SET channels, the Board of Directors will consider disclosing data - both in Thai and English languages - through other channels such as the Company's website, which will be performed routinely to present an up-to-date information.

(1) Visions and Principles

(2) Overview of Business Operation

(3) The Board of Directors and Executives

(4) Financial Statements, Reports on the Financial Status, and Operational Performance
(current and previous years)

- (5) 56-1 One Reports and Annual Reports (available to download)
- (6) Company's data or other documents presented to analysts, fund managers, media, etc.
- (7) Shareholding Structure (direct and indirect ownerships)
- (8) Conglomerate Structure including subsidiaries, associated companies, joint-venture Companies and special purpose enterprises/vehicles (SPEs/SPVs)
- (9) Major Shareholders (Direct and Indirect Ownerships) holding at least 5 % of the total amount of share sales and have voting rights
- (10) Direct and Indirect Shareholding of the Company's Directors, Major Shareholders, and Executives
- (11) Notice of Annual and Extraordinary Shareholders' Meeting
- (12) Company's Regulations, Memorandum of Association
- (13) The Good Corporate Governance Policy, Anti-Corruption Policy, Information Technology Management Policy, Risk Management Policy including risk response strategies
- (14) Charters, responsibilities, qualification, terms of office of the Board of Directors including the approval items from the Board of Directors; charters, responsibilities, qualification, terms of office of the Audit Committee, the Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee.
- (15) Code of Conduct for employees, directors, and investor Relations.
- (16) Contacts point of Company, Investor Relations, and the Company Secretary such as names of person who can provide information, telephone numbers, e-mails, etc.

Principle 8: Ensure Engagement and Communication with Shareholders

8.1 The Board of Directors will ensure that shareholders involved in decisions-making on important issues on the shareholders' meeting.

Guideline Principle

8.1.1 The Board of Directors will ensure that important matters, such as those related to law and those that could affect the business direction, are taken into consideration and/or approved by the shareholders. Such important matters will be added as agendas during the shareholders' meetings.

8.1.2 The Board of Directors will support the shareholders' involvements, such as:

- (1) Be given to the minority shareholders to be able to propose additional agendas in advance of the meeting date. The Board of Directors will consider including the matters proposed by the shareholders on the meeting agendas. In the event that the Board of Directors rejects the matter proposed by the shareholders to be included in the agenda, the Board of Directors will inform the reason for the rejection to the shareholders' meeting for acknowledgement.
- (2) Be given to the minority shareholders to propose candidates for the position of director. The Board of Directors discloses the criteria to shareholders in advance.

- 8.1.3 The Board of Directors will ensure that the meeting invitational letters provide accurate, complete, and sufficient information for shareholders to exercise their rights.
- 8.1.4 The Board of Directors will ensure that shareholders' meeting invitation letters and related documents will be sent and published on the Company's website at least 28 days before the meeting date.
- 8.1.5 The Board of Directors will provide opportunities for shareholders to submit questions in advance of the meeting date by prescribing criteria for submitting such questions and publishing such criteria on the Company's website as well.
- 8.1.6 The invitation to the shareholders' meeting and related documents will be prepared and published in Thai and English version with accuracy, completeness, and sufficiency for shareholders to exercise their rights.
- (1) Date, time, and place of the shareholders' meeting
 - (2) Meeting agendas, which will be specified into 'to inform' and 'pending approval' and separated into defined topics. For example, director-related agendas will be separated into an agenda of director election and an agenda of directors' remuneration.
 - (3) Objectives and explanations, as well as comments by the Board of Directors in each suggested agendas, which include:
 - a) Agendas related to dividend payment approval - dividend policy, dividend payment ratio including an explanation and additional information. In the case of omitted dividend payments, an explanation and additional information will be provided as well.
 - b) Agendas related to directors nomination - details such as name, age, education and career history, numbers of registered companies, companies in which the individual holds a director position, criteria and methods of selection, proposed type of director. In the case of a returning former director, information about the previous year's meeting and the date appointed as a director will also be detailed.
 - c) Agendas related to directors' remuneration, policies, and regulations on defining remuneration of each director, and all types of remuneration including financial and other benefits.
 - d) Agendas related to auditors - auditor name, company affiliation, working experience, auditor independence, audit fee, and other fees.
 - (4) Power of Attorney as defined by the Ministry of Commerce
 - (5) Miscellaneous information included in the meeting such as the voting procedure, vote counting and results announcement, voting rights of each shareholder type, information on independent directors that the Company selected to be proxy from shareholders, documents that shareholders must present before the meeting, documents related to Power of Attorney, the layout of the meeting place, etc.

- 8.2 The Board of Directors will ensure that the shareholders' meeting proceed smoothly, transparently, efficiently, and allows shareholders to exercise their rights.

Guideline Principle

- 8.2.1 The Board of Directors will schedule a date, time, and place for the meeting, which will take shareholders' convenience to attend the meeting into consideration. For example, an appropriate meeting duration which is sufficient for the discussion, a convenient meeting location for travelling, etc.
- 8.2.2 The Board of Directors will ensure that there will be no action that limits the opportunity to attend the meeting or cause excessive burden to shareholders, such as obligating shareholders or proxy to bring more documents or proofs of identity than as required in the guidelines of related regulatory agencies.
- 8.2.3 The Board of Directors shall support implementing technology in shareholders' meetings, including shareholder registration, vote counting and results announcement, to ensure quick, correct, and accurate meeting procedures.
- 8.2.4 The Chairman of the Board of Directors will be the chairman of the shareholders' meeting, responsible for ensuring that the meeting proceed in accordance with related laws, and regulations of the Company, managing time for each meeting agenda as defined in the invitational letter appropriately, and allowing shareholders to make comments and inquiries related to the Company during the meeting.
- 8.2.5 In order to allow shareholders to make joint decisions in the important matters, the directors acting as meeting attendees and as shareholders, will not make additional meeting agendas that are not informed in advance unnecessary, especially important agendas that shareholders need time to study on before making decisions.
- 8.2.6 All directors and related executives will attend the shareholders' meeting, so shareholders can make inquiries in related topics.
- 8.2.7 Before the meeting begins, shareholders will be informed of the amount and ratio of shareholders who attended the meeting personally and shareholder proxies, meeting procedures, voting process, and vote counting process.
- 8.2.8 In the case of an agenda having several topics, the Chairman of the meeting will hold a vote in each separate topic. For example, shareholders will vote for each individual director in each director nomination agenda.
- 8.2.9 The Board of Directors will encourages to use the ballots for important agenda items. The Company shall have the independent individuals to count or check the votes in the meeting and disclose all voting results: approving, disapproving, and abstaining in each agenda item to the meeting for acknowledgement and recording in the meeting minutes.

- 8.3 The Board of Directors will reveal the meeting resolutions and ensure that the minutes of meeting are written correctly and completely.

Guideline Principle

- 8.3.1 The Board of Directors will reveal the meeting resolutions to shareholders along with the voting results on the next working day through SET's news system and the Company's website.
- 8.3.2 The Board of Directors will send a copy of the meeting minutes to SET within 14 days of the shareholders' meeting date.
- 8.3.3 The Board of Directors will ensure the shareholders minutes of meeting containing as following information:
- (1) Name list of Directors and Executive attending in the meeting and the proportion of the absent directors
 - (2) Other meeting information includes voting procedures, the method of counting and notifying the results of votes
 - (3) Questionnaires and answers including name list of questioner and answerer

Policy and Guidelines on Non-Infringement of Intellectual Property or Copyright

nForce Secure Public Company Limited ("the Company") has a policy and guidelines regarding non-infringement of intellectual property such as copyright, patents, trademarks, etc. by laying down policies and guidelines in such matters as follows:

1. Raise awareness of the Company's directors, executives, and all employees to honor and respect the intellectual property rights of others. The Company shall lawfully request permission from the person who owns those intellectual property rights accordingly before using the information.
2. All parties in the Company are prohibited from doing anything that infringes on the intellectual property of others, whether it is an infringement of trademarks, copyrights, patents, etc.
3. The Company encourages all employees and executives in creating new works, not similar to those with trademarks, copyrights, other people's patents, or infringement of intellectual property.
4. Any results and research studies which employees or personnel responsible for carrying out or producing or using information and work learned from the Company's rights to research, patent applications and patent ownership, are considered the property of the Company. The responsible employees shall deliver the work data or to the Company.
5. The Company agrees to maintain the confidentiality of the customer's information that the Company obtains from its customers, including all the Company's stakeholders. Unless otherwise the Company is authorized by owner in writing, the Company shall be taken to prevent the confidentiality of the customer and/or stakeholders from being disclosed to a third party.
6. The Company stipulates that there are regulations on the usage of computers and the Internet within the Company under the Computer Crime Act, which the Company strictly adheres to such matters.
7. If the actions are found to be infringements of intellectual property or actions that may cause copyright disputes, employees are obliged to immediately report them to their supervisors. Anyone who violates this policy shall be scrutinized with the disciplinary violations according to the Company's regulations or the requirements of the supervisory agency. If the offense is an offense under the provisions of the law, it will be considered to be punished according to the statute of limitations.

Anti-Corruption Policy

nForce Secure Public Company Limited ("The Company") recognizes the importance of anti-corruption and is committed to conducting business with integrity within the framework of good corporate governance based on good governance principles, social responsibility, the environment, the code of conduct and business ethics. All stakeholders conduct business with transparency, fairness and accountability.

To ensure that the Company has appropriate policies, responsibilities, practices and operating requirements to prevent corruption in all its business activities and to make decisions and business operations that are reasonable. There may be writing as a clear practice guideline in business operations and to grow into a long-term organization.

1. Definition

"Corruption" means the wrong use of authority and duties to obtain undeserved benefits. Bribery, in any form, is defined as offering, promising, demanding, giving, or accepting money, property, or any other illegal benefit to a government official, a government agency, a private agency, or those who have duties, whether directly or indirectly, for such person to act or refrain from acting or to obtain or maintain an improper business interest.

"Charity" means an activity that involves spending money without tangible rewards.

"Public benefit donation" means spending money for projects, activities to benefit the community, society, and people, whereby the Company may not receive tangible returns.

"Political Contributions" means any contribution on behalf of the Company, whether financial or otherwise, to support political activities. Financial aid can include money lending. Other forms of assistance (in-kind), such as giving things or services, political advertising promoting or endorsing a political party, buying tickets for events organized to raise funds or donate money to organizations that have close ties with political parties, etc., except in support of the democratic process that is permitted by law.

"Sponsorships" are payments made for services or benefits that are difficult to measure and monitor. For example, subsidies may have a hidden purpose, which may be linked to bribery. Using sport for charity or charity as a front to create an advantage in the consideration of government officials or related parties (Examples of advantages to consider include contracts, business opportunities, or auctions; reducing or eliminating fees; assisting or eliminating the requirements for licenses that are invalid under the normal government decision-making process. Revocation or reduction of legal requirements, as well as providing or assisting in gaining access to government officials).

"State Officials" means "State Officials" as defined in the Anti-Corruption Laws and shall include: civil servants, officials, state enterprise employees, employees, an agent, or any other person acting on behalf of the following entities:

- Ministries, bureaus, departments, or government agencies (such as the Customs Department, the Immigration Office, etc.)
- International organizations (such as World Bank, International Monetary Fund, etc.)

- Political party, political office holder or candidate (both government and opposition parties), local administrators
- Regulatory authority (such as the Securities and Exchange Commission Bank of Thailand, Stock Exchange of Thailand, etc.)
- State enterprises, companies or other organizations owned or controlled by the state or government agencies

2. Anti-Corruption Policy

- 2.1 Directors, executives, and employees of the Company shall not demand action or accept any form of corruption, either directly or indirectly, for the benefit of the organization, themselves, their family, friends, and acquaintances, or the benefit of the business, covering all businesses in all countries and all relevant departments of the Company.
- 2.2 The Company is required to regularly review compliance with this anti-corruption policy and review practices and operating requirements to reflect changes in business, regulations, and legal requirements. If there is any violation of any act to support, assist or cooperate with corruption, it will be punished according to the rules of the Company. In addition, it may be punished by law if the act is illegal.

3. Duties and Responsibilities

- 3.1 The Board of Directors is responsible for formulating and approving anti-corruption policy and good corporate governance policy by establishing a system that supports effective anti-corruption to ensure that the executives are aware of its importance and has implemented it as a corporate culture.
- 3.2 The Audit Committee is responsible for reviewing the Company's internal control systems, including financial and accounting reporting systems, internal control systems, internal audit systems, and risk management systems, and reviewing operations to ensure compliance with anti-corruption policy, relevant regulations, and laws. According to international standards, it is concise, suitable, modern, and efficient.
- 3.3 The Chairman of the Executive Committee, the working group, and the executives are responsible for establishing the system. Promote, support, and supervise to ensure that employees and all related parties comply with anti-corruption policy regulations, including reviewing the suitability of systems and measures to be consistent with the change in business, regulations, and legal requirements.
- 3.4 The Internal Audit is responsible for auditing and reviewing the operation to ensure that it is following policies, guidelines, regulations, and relevant laws to ensure that there is an appropriate and sufficient internal control system in place to reduce the risk of corruption that may occur and report it to the Audit Committee.
- 3.5 Directors, executives, and employees are obliged to comply with the anti-corruption policy without being involved in corruption, either directly or indirectly.
- 3.6 Subsidiaries, associates, or business representatives of companies controlled by the Company shall agree to comply with the Company's anti-corruption policy.

4. Scope and Guidelines

4.1 The Company requires directors, executives, and employees at all levels to act carefully against corruption patterns as follows:

4.1.1 Giving and Receiving Bribes

Giving or accepting bribes in any form in return for a business benefit is prohibited, as is authorizing others to give or accept bribes on your behalf.

4.1.2 Business Relationship and Procurement with the Government Sector

The Company's operations and dealings with government sectors shall be transparent, honest, and per relevant laws.

4.1.3 Gifts, Entertainment and Other Benefits

Giving or accepting gifts, assets, entertainment, or any benefits from customers, business partners, or those related to the Company shall comply with the Company's regulations.

4.1.4 Political Assistance

The Company has a policy of not supporting political parties, political groups, or politicians whether directly or indirectly.

4.1.5 Receiving donations, charitable contributions, public interest, and giving or receiving grants:

The Company stipulates that accepting donations for charitable donations and giving or receiving financial support shall comply with the following requirements:

1. It shall be transparent, legal, and not contrary to morals, nor any action that will have a detrimental effect on society as a whole.
2. It shall not be associated or used as an excuse for bribery.
3. Procedures for reviewing and approving charitable contributions, public benefits, or sponsorships shall be followed per the Company's regulations.
4. If there is any doubt that it may affect the law, consult the Legal Department in writing for important matters at the management's discretion.

4.2 The Company is committed to creating and maintaining an organizational culture that believes corruption is unacceptable in public and private transactions.

4.3 Company directors, executives, and employees at all levels should not ignore or ignore when they see actions that are considered corrupt related to the Company. They shall inform their supervisors or responsible persons for acknowledgment and cooperate in the investigation of various facts. This includes providing channels for receiving complaints from third parties following the complaints and whistleblowing policy and corruption regulations set by the Company.

- 4.4 The Company shall provide fairness and protection to employees who refuse to commit corruption or report corruption related to the Company. The Company will not demote, penalize, or adversely affect employees who refuse to commit corruption, or those who cooperate in reporting corruption following the Company's policy, even if doing so will cause the Company to lose business opportunities.
- 4.5 Directors and executives at all levels of the Company shall demonstrate integrity and set a good example in the implementation of the anti-corruption policy by requiring the Company Secretary and the Human Resources Department to be responsible for disseminating knowledge, creating understanding, and encouraging employees at all levels to adhere to the anti-corruption policy seriously and continually strengthen it as part of the corporate culture.
- 4.6 The anti-corruption policy extends to personnel management process from recruiting or selecting personnel to promotion, training, and evaluation of employee performance by requiring supervisors at all levels to communicate with employees, understand employees, use them in their responsible business activities to oversee the effective implementation of the policy.
- 4.7 Any action taken in accordance with the anti-corruption policy should use the guidelines set the good corporate governance policy, including the regulations and operating manuals of the Company concerned, as well as any other guidelines that the Company will establish in the future.
- 4.8 The Company requires public relations for the anti-corruption policy through both internal and external media, such as the announcement of the Company's website and the annual report. The following policy is a practice under the laws of Thailand against corruption.

5. Cases Involving Information or Allegations of Corruption

- 5.1 Seeing corruption acts directly or indirectly related to the organization, such as seeing individuals in the organization bribing or grabbing government officials or private agencies.
- 5.2 Seeing an act that violates the procedures according to the Company's regulations or affects the Company's internal control system leads to the suspicion that it may be a channel for corruption.
- 5.3 Seeing actions that cause the company to lose benefits which affects the reputation of the company
- 5.4 Seeing unlawful, immoral, or unethical conduct of the Company's business and business ethics.

6. Channels for Receiving Information or Complaints of Corruption

The Company provides channels for complaints, whistleblowing, or expressing opinions so that employees and all stakeholders can file complaints, report information, or express opinions to lead to personnel development and management through the following channels:

- 6.1 Email: auditcommittee@nforcesecure.com
- 6.2 Postage: Specify the front of the envelope to Chairman of the Audit Committee
By sending to the Company's head office location: nForce Secure Public Company Limited
(Head office) No. 9/2, The Synchronized Project, Soi Ratchadaphisek 18, Ratchadaphisek Road,
Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310
- 6.3 Website: <https://www.nforcesecure.com/>

If the informant or whistleblower has a complaint, the Chief Executive Officer or the Executive Committee requests that the complaint be directed to the Audit Committee Chairman.

All groups of stakeholders in the Company can report clues or complaints about corruption, namely shareholders, customers, competitors, creditors, government sectors, communities, society, executives, and employees of the Company will notify in any of the aforementioned ways. The Company will keep maintaining individuals' confidentiality.

7. Measures to Protect and Maintain Confidentiality

To protect the rights of petitioners and informants acting in good faith, the Company will conceal names and addresses or any information that can identify the complainant or the information provider and keep the details of the complainant or informant confidential, limited to only those responsible for the investigation of the complaint.

In the event of complaints to the Chief Executive Officer and/or the Executive Committee, the Audit Committee shall act to protect the whistleblowers or complainants, witnesses, and people who provide information in the investigation from harm or any unrighteousness arising from the whistleblower's actions, whether they file a complaint as a witness or provide information by requesting the complainant to send the complaint directly to the Audit Committee.

- The Chief Executive Officer shall exercise discretion as he deems appropriate to protect whistleblowers, or the complainant, the witness, and the person providing information in the investigation to avoid any danger, danger, or unjustification arising from the whistleblowing, witnessing or providing information.
- The Chief Executive Officer can assign tasks to any of the executives to act in his discretion to order the protection of the safety of whistleblowers or whistleblowers, witnesses, and people who provide information. The assigned executives shall not be involved in any matter that has been informed of clues or complaints, directly or indirectly (i.e., the accused is directly subordinate to his or her supervisor).

In this regard, the person receiving information from the performance of duties related to the complaint shall keep the complaint information and documentary evidence of the complainant and the information provider confidential. Do not disclose the information to other people who are not involved unless it is disclosed per the duty as mandated by law,

8. Investigation Procedures and Penalties

- 8.1 Upon receiving the information, the Chief Executive Officer, the Executive Committee, and/or the Audit Committee will moderate and investigate the facts.
- 8.2 During an investigation, the Chief Executive Officer, the Executive Committee, and/or the Audit Committee may assign agents to periodically report progress to the whistleblower or petitioner.
- 8.3 If the investigation of the facts reveals that the information or evidence has reasonable grounds to believe that the accused person committed corruption, the Company shall have the right to inform the accused of the allegation and the defendant's right to prove himself/herself by obtaining additional information or evidence showing that he was not involved in the alleged corruption.

- 8.4 If the accused has committed corruption, it is considered a violation of the Company's anti-corruption policy and business code of conduct, and business ethics. The accused will be subject to disciplinary action following the regulations. If the Company has determined that corruption is an offense under the law, the offender may be subject to legal penalties. However, the Chief Executive Officer shall have the final decision on disciplinary action according to the Company's rules.

In the case of complaints against the Chief Executive Officer or the Executive Committee, the Audit Committee is responsible for collecting information and investigating facts as necessary to report to the Board of Directors for joint consideration and determination of penalties as deemed appropriate.

9. Publication of Anti-Corruption Policy

For everyone in the organization to be aware of the anti-corruption policy, the Company will proceed as follows:

- 9.1 The Company posts an anti-corruption policy in a prominent place that everyone in the organization can read.
- 9.2 The Company publishes its anti-corruption policy through its communication channels such as the company website, email, annual report, annual disclosure report (56-1), etc.
- 9.3 The Company will provide training on anti-corruption policy to all new employees.
- 9.4 The Company will regularly review the anti-corruption policy at least once a year.

Whistleblower Policy

nForce Secure Public Company Limited ("the Company") has the policy to protect and provide fairness to employees who provide information or give clues about corruption or non-compliance with the law, rules, and regulations of the company and the code of conduct as follows:

Petitioner

- 1. Employees who witness fraudulent actions or violate the law, rules, and regulations of the company or the code of conduct.
- 2. Employees who are harassed, intimidated, or subject to disciplinary action, such as reductions in salary, suspension, dismissal, or discrimination through unfavorable means concerning their employment conditions due to their complaints or information. Assist in the investigation process or collect facts for the recipient of the complaint, including litigation, testimony or any cooperation with the court or government agency.

Petition Recipient

- 1. Chief Executive Officer or Chairman of the Audit Committee
- 2. Human Resources Executive
- 3. Internal Audit Department

Petition Method

A petition can be made through one of the following complaint recipients:

1. Via the E-mail address of the company or the petition recipient
2. A letter to the petition recipient
3. The company's website

If the petitioner chooses to remain anonymous, he or she shall specify facts or clear evidence sufficient to show that there are reasonable grounds to believe that fraudulent activities have been committed or violated the law, rules and regulations of the company or the code of conduct.

The complaint shall be kept confidential, and the petitioner may file a complaint in more than one way, but the identity of the petitioner is not required to be disclosed. Unless self-disclosure allows the company to notify the results of operations or provide additional information on the complaint.

Fact Checking

1. In conducting an investigation and gathering facts, the petitioner recipient shall submit a complaint to the following persons to act as investigators and collect the facts ("Auditors") according to complaints.
 - (1) If the petitioner is an employee at a lower level than the Chief Executive Officer:

The Chief Executive Officer and/or the person or unit assigned by the Chief Executive Officer shall act as an auditor.
 - (2) If the petitioner is an employee at the level of Chief Executive Officer or higher:

The Audit Committee and/or the person or unit assigned by the Audit Committee are to act as auditors. In this case, the auditor can invite any employee to provide information or request to submit any relevant documents for investigation.
2. If investigated and found that the complaint is true, the Company will proceed as follows:
 - (1) In the case of complaints related to fraudulent or illegal acts, regulations or business practices, and the code of conduct, the auditors consider submitting such complaints together with their opinions to the Audit Committee for further consideration.
 - (2) Where such complaints are important, for example, a matter that affects the reputation, image, or financial position of the company, conflicts with the company's business policy or involves high-level executives, etc., the auditor shall consider and propose such matter with opinions to the Board of Directors for further consideration.
 - (3) In the event of a complaint causing damage to any person, the investigator may propose appropriate and fair mitigation measures to the injured person as they deem appropriate.

Protection of informants or whistleblowers

1. Complainants may choose to remain anonymous if they deem that disclosure may cause harm to themselves, but they shall provide sufficient details of facts or evidence to show that they have reasonable grounds to believe the action was taken that is a fraud or violates the law, rules, and regulations of the company or the business practices and the code of conduct. However, choosing to disclose themselves will allow the recipient of a complaint to act more quickly.
2. Information relating to the Company's complaint is confidential and will be disclosed to the extent necessary with due regard to the safety and damage of the reporter, the source of the information, or the person concerned. The person responsible for every step shall keep the information known with the utmost degree of confidentiality and not disclose it to anyone else. Failure to do so is considered a disciplinary offense.
3. The Board of Directors, Managing Director, or any designated person may determine, as appropriate, measures to protect complainants if it is considered a matter that is prone to damage or insecurity to the complainant as a result of the complaint under this policy.
4. Employees who treat other people by unfair means or discriminate with improper methods have reported complaints or provided clues about the company's corruption or violation of laws, rules, regulations, or the codes of conduct and business ethics, including the fact that other people filed lawsuits as witnesses. Any statement or cooperation with a court or government agency constitutes a disciplinary offense that is subject to penalties and may be punished by law if the offense is committed under the law.
5. Those who have suffered damage will be mitigated by means or procedures that are appropriate and fair.

Workplace Safety and Hygiene Policy and Practices

nForce Secure Public Company Limited ("The company") recognizes the importance of the health of all company employees. Therefore, the Company has set the policy and guidelines regarding safety and sanitation in the workplace to manage and prevent harm to employees by taking care of employees and providing the workplace with working conditions and a safe and hygienic working environment with the following guidelines:

1. Strictly comply with the requirements, rules, regulations, announcements, and safety measures prescribed by the relevant departments to create a safe, healthy, and working environment for all employees.
2. Comply with laws and regulations in terms of safety, hygiene, and the environment.
3. Employees shall always consider the safety of themselves, their colleagues, and the Company's assets.
4. Supervisors at all levels shall be good role models, leading supporters to encourage employees to be aware of working conditions that compromise safety.
5. The Company will support resources appropriately in the implementation of the safety, hygiene, and work environment management system.
6. The Company will develop knowledge and create awareness among employees at all levels to realize the importance of safety and hygiene at work.

7. If an employee gets an accident at work, the Company will take care of and assist the employee who has been injured to have a reasonable life.
8. The Company will monitor and conduct an assessment of compliance with the established policies every year by assigning the Human Resources Department responsible for the evaluation.

Policy and guidelines for Creditor

nForce Secure Public Company Limited ("The Company") has the policy and guidelines for creditor comply with agreements, obligations and contingent liabilities and conditions strictly with creditors by adhering to conducting business with principles and discipline. The Company builds credibility and confidence with creditors with transparency and isn't concealing information that may cause damage to creditors. in terms of guaranteed conditions, capital management and the default on payment as follows:

Guidelines :

1. In the event that the company is unable to comply with the conditions will promptly notify the creditor in advance to jointly consider a solution to the problem.
2. The Company will avoid receiving payment of any benefits in conducting business with creditors in bad faith
3. The Company prioritizes on the capital management in order to have an appropriate structure to support the Company's business operations and maintain trust with creditors
4. The Company reports accurate, complete, and timely debt obligations to creditors upon request.

Policy and guidelines for Competitors

nForce Secure Public Company Limited ("The Company") has the policy and guidelines for competitors to focus and give importance to free trade competition under good framework, transparent and fair competition without distorting information or using other methods to attack competitors, the Company shall operate a business that does not take advantage and avoid dishonest methods

Guidelines :

1. The Company operates the business under fair, transparent, and fair competition.
2. The Company avoids dishonest methods, slander creating false news or attacking competitors
3. The Company will not make any agreements with competitors or any person in a manner that reduces or restricts commercial competition.
4. Company's personnel shall be careful when dealing with competitors and competitor's personnel by not doing the disclosure of the Company's confidentiality.

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Policy and guidelines for Business Partners

nForce Secure Public Company Limited ("The Company") has the policy and guidelines for business partners and selection's criteria with a fair, transparent system and supporting business partners with ethical business practices, social and environmental responsibility and will not transact with any person or juristic person who commits illegal acts, frauds, or acts that imply fraud. 1. Do not claim and do not accept any benefits trade with supplier and vendor in bad faith. The Company shall follow the contract and terms and conditions strictly towards business partners. In the event that the conditions cannot be complied with, the partners will be notified in advance in writing as soon as possible in order to jointly find a solution to the problem.

Guidelines :

1. Do not claim and do not accept any benefits trade with supplier and vendor in bad faith. The Company shall follow the contract and terms and conditions strictly towards business partners. In the event that the conditions cannot be complied with, the partners will be notified in advance in writing as soon as possible in order to jointly find a solution to the problem.
2. Follow up, supervise and prevent the conflicts of interest of the Company's business. The Company will not seek any benefit unlawful or contrary to government regulations.
3. There aren't the action related to intellectual property infringement. The Company encourages executives and employees for using resources and assets of the company effectively and properly licensed goods and services.
4. Follow the contract and commercial terms and conditions strictly for setting the trade's standard with both domestic and international suppliers and vendors.
5. Make payments to supplier and vendor on time according to the payment terms specified in the contract.

Criteria for the selection of business partners

1. For Vendors

The selection of vendors is the responsibility of the Company's Executives. and VP Sales to ensure that the company will get good quality products for the market demand.

2. For other partners both domestically and internationally (excluding vendors)

The selection of partners as the responsibility of the purchasing officer with considering the following

- the Resume
- project's references
- No infringement on intellectual property
- Test or Demonstrate a Product
- Compare at least 3 suppliers in case of the product or service is worth more than 10,000 baht.

The Supervision of Internal Information Policy

This policy, nForce Secure Public Company Limited ("the Company"), has been established to supervise directors, executives, and employees for the use of inside information about the Company for personal benefit, which has not yet been disclosed to the public, as follows:

1. The Company will educate the directors and executives of the Company. Regarding the duty to prepare and disclose the report on the change of holding and the change in the holding of the Company's securities by oneself, spouse or cohabitant as husband and wife, underage child, and the juristic person, spouse, or those who live together as husband and wife, and minor children, hold more than 30% of the total voting rights of such juristic person and such shareholding is the largest proportion of that juristic person to the Securities and Exchange Commission ("SEC") under Section 59 and the penalty provisions under Section 275 of the Securities and Exchange Act B.E. 2535 (including any amendments) ("The Securities and Exchange Act") and the relevant announcements of the SEC, including reporting on the acquisition or disposition of the Company's securities by oneself, spouse or cohabiting person as husband and wife, underage child and a juristic person having the above characteristics to the SEC under Section 246 and the penalties under Section 298 of the Securities and Exchange Act, and related announcements of the Capital Market Supervisory Board.

2. The Company requires directors and executives of the Company to include spouses or those living together as husband and wife, underage children, and the juristic person, spouses or those who live together as husband and wife with minor children hold more than 30% of such juristic person's total voting rights, and such shareholding is the largest proportion in that juristic person. Prepare and disclose securities holding reports and reports on changes in securities holdings of companies to the SEC under Section 59 and penalties under Section 275 of the Securities and Exchange Act. and send a copy of the report to the Company. On the same day as the reporting date to the SEC, the preparation and timing and method for submitting the report on the holding and change of securities and the acquisition or disposal of securities complies with the rules stipulated in the Securities and Exchange Act. and related announcements from the SEC, the company secretary will prepare a report for the Board of Directors quarterly.

3. The Company prohibits directors, executives, and employees of the company, including people who are presumed to know or possess inside information under the Securities and Exchange Act who are aware of the company's inside information that has not been disclosed to the public and is information that affects the change in the price or value of securities or may affect the investor's decision to buy or sell the Company's securities. or may cause damage to investors who wish to invest in the Company's securities from utilizing that information in buying, selling, offering to buy, offering for sale, or influencing others to buy, sell, offer to buy, or offer to sell the Company's securities. Whether directly or indirectly, and whether such action is done for the benefit of oneself or others, the person mentioned above shall not disclose such information to other people who may use that information for the same benefit.

Additionally, directors and executives of the Company and related workers, including their spouses or cohabiting persons as a husband, wife, and underage children of such persons, shall suspend the purchase, offer or offer for sale or Directly or indirectly, solicit others to trade, offer to buy or offer to sell the Company's securities in the period before the publication of financial statements, annual and quarterly financial performance, or information about its financial position and company position until the Company has disclosed such information to the public. The Company will notify the directors, executives, and related operators, including those who are presumed to know or possess inside information, to refrain from trading in securities of the Company for at least 1 month before the financial statements or inside information are publicly available and at least 24 hours after the company's inside information has been made public and material information is prohibited by any means to another person.

4. The Company prohibits directors, executives, and employees of the Company or former directors, executives, and employees who have resigned from revealing inside information or company secrets, as well as confidential information of the company's trade partners that they have received from them to third parties, even if such disclosure will not cause damage to the Company or its trade partners.

5. Directors, executives, and employees of the Company or former executive directors and employees are obliged to maintain confidentiality and/or inside information about the Company and shall use the inside information of the company for the benefit of the company's business operations only without contravening the Securities and Stock Exchange Act. In this regard, executive directors and employees of the company are prohibited from using the company's secret and/or inside information for the benefit of other companies in which they are shareholders, directors, executives, employees, or contractors, or from improperly seeking benefits, or from disclosing to a third party for the benefit of oneself or another, whether directly or indirectly, whether such person receives any benefits or not.

6. The Company has a process to punish personnel who do not comply with the policy on the use of insider information. If there is a violation, use inside information to benefit yourself or others whether directly or indirectly and whether to receive a return or not, it will be considered disciplinary according to the rules set by the company or punishable by law. The punishment will be determined based on the intention of the act and the seriousness of the offense.

The Interest's Report of Directors and Executives Policy

nForce Secure Public Company Limited ("**the Company**") realizes the importance of reporting on the interests of directors and executives and has therefore formulated the Company policy. The matter of reporting on the interests of directors and executives has been set up to determine the method of reporting stakes of directors and executives so that the Company has the necessary information to monitor interests and transactions of directors and executives of the Company to prevent conflicts of interest and comply with the law.

1. Persons who are obliged to report interests to the company

According to Section 89/14 of the Securities and Exchange Act B.E. 2535 (and as amended) ("**Securities and Exchange Act**") stipulates that directors and executives are required to report to the Company their interests or related persons who are interested in the management of the Company or its subsidiaries per the rules, conditions, and procedures prescribed in the notification of the Capital Market Supervisory Board.

2. Definition

"**The Company**" means nForce Secure Public Company Limited.

"**Subsidiary**" means (a) a limited company or a public limited company over which the company has control, (b) a limited company or a public limited company over which the subsidiary under (a) has control, or (c) a limited company or a public limited company under the control of the business. in a chain starting from being under the control of the subsidiary under (b) per Section 89/1 of the Securities and Exchange Act

"**Executive**" means the manager or the person holding the first 4 executive positions after the manager.

Persons holding positions equivalent to those of the fourth management level shall include those with an executive position in the accounting or finance line at the level of departmental manager or higher or equivalent.

"**Related Person**" means a person who has a relationship in any of the following ways:

- (a) A person who has control over the business of a company and, in the case that such a person is a juristic person, it shall also include a director of that juristic person.
- (b) Spouse, child, or adopted child of a director, executive, or person described in (a).
- (c) A juristic wherein the person under (a) or (b) has control over the business.
- (d) Other persons who have characteristics as specified in the notification of the Capital Market Supervisory Board.

When any person acts with an understanding or agreement that if the company engages in transactions that provide financial benefits to such persons, the directors, executives, or persons under (a) or (b) will also receive financial benefits. Such person shall be deemed the person involved in the transaction.

In this regard, according to Section 89/1 of the Securities and Exchange Act.

“Business Control” means

- (a) A voting shareholding in a legal entity that exceeds 50% of the entity's total voting rights.
- (b) Can control the majority of votes of a juristic person, directly or indirectly, or for any other reason.
- (c) Can control the appointment or removal of more than half of the Board of Directors, whether directly or indirectly.

In this regard, according to Section 89/1 of the Securities and Exchange Act.

“Connected transaction” means transactions made by a listed company or its subsidiary with the person connected with the listed company.

“Controlling Person” means a person who has the authority to control the business under Section 89/1 of the Securities and Exchange Act.

“Connected Person” means a connected person according to the Notification of the Board of Governors of the Stock Exchange of Thailand (“SET”) and includes related persons under Section 89/1.

In this regard, the connected person according to the Notification of the Board of Governors of SET refers to

- a) The directors, executives, major shareholders, controlling person, person to be nominated for directors, executive, or controlling person position, as well as their related persons and close relatives.
- b) Any juristic person having a major shareholder or controlling person as the following persons of a listed company or subsidiary:
 - (1) Executives
 - (2) Major shareholders
 - (3) Controlling persons
 - (4) Candidates for executives or controlling person
 - (5) Related persons and close relatives of persons under (a) to (d)
- c) Any person who, by circumstance, can be identified as acting on his behalf or under the influence of persons under (1) to (2) to make a decision. Determination of policies, management or significant operations or other persons at the SET saw that there was a similar behavior.

“Person who may have a conflict of interest” refers to the following people:

- (a) Directors or executives of the company
- (b) Major shareholders of the company
- (c) Controlling person of the company
- (d) Persons related by blood, marriage, or legal registration to those listed in (a), (b), or (c) who are father, mother, spouse, siblings, children, or spouses of children.
- (e) Any juristic person in which the person under (a), (b), or (c) holds shares, has control or has any other interest, whether directly or indirectly significant.

3. Related regulations

Public Company Limited Act, B.E. 2535 (and as amended)

Section 88 requires that a director notify the company without delay in the following cases:

- (1) If the Directors have either direct or indirect conflicts of interest from any the Company contracts within the fiscal year. They shall state facts regarding the contract, names of parties to the contract, and their conflict of interest in the contract (if any).
- (2) If the Directors hold shares or debentures in the Company or subsidiaries. They shall state their shareholding quantity and increases or decreases within the fiscal year (if any).

Securities and Exchange Act B.E. 2535 (and as amended)

Section 59 stipulates that directors holding executive positions shall do the following, as announced by the Securities and Exchange Commission ("SEC"), the auditors of securities issuing companies under Section 32 and Section 33 are responsible for preparing and disclosing reports on holdings and changes in holdings. Securities and derivatives of one's spouse or cohabitant as a husband, wife, and minor children to the SEC Office under the rules and procedures prescribed in the notification of the SEC Office.

This includes the holding and alteration of securities and derivatives by a juristic person in which the person described in paragraph one holds shares above 30% of such juristic person's total voting rights, including the voting rights of the spouse or those who live together as husband and wife with their underage children.

Section 89/7 states that in the operation of the company, directors, and executives shall perform their duties with responsibility, caution, and honesty, as well as comply with the law, the company's objectives, articles of association, and resolutions of the board of directors, as well as the resolutions of the shareholders' meeting.

Section 89/14 stipulates that directors and executives shall report to the company their interests or related persons who are interested in the management of the business of the company or its subsidiaries per the rules, conditions, and procedures as announced by the Capital Market Supervisory Board.

Section 89/16 requires that the company secretary submit a copy of the report of interests under section 89/14 to the Chairman of The Board of Directors and the Chairman of the audit committee within 7 business days from the date the company receives such report.

Announcement of the Capital Market Supervisory Board No. TorJor. 2/2009

stipulates that the Board of Directors can specify the rules, conditions, and methods for reporting interests of directors, executives, and related persons to comply with Section 89/14 of the Securities and Exchange Act., this is to suit the nature of each company's business.

Announcement of the Securities and Exchange Commission No. SorJor. 12/2009

The SEC has issued this notification to prescribe rules for preparing and disclosing reports on the holdings of securities of directors, executives, and auditors of public limited companies that offer securities to the public following the regulations. The intention of Section 59 of the Securities and Exchange Act is to be a tool for monitoring changes in securities holdings of such persons who are in a position or position that may have inside information about the company and may seek benefit from that information before it becomes publicly available.

4. Methods for reporting interests of directors, executives or related persons

According to Section 89/14 of the Securities and Exchange Act, directors and executives shall report to the Company their interests or related persons who have interests related to the business operations, managing the business of the Company or its subsidiaries. In this regard, the Company has established criteria for reporting interests by requiring directors, executives, or related persons to fill out the reporting of interests report form within the specified period as follows:

First reporting

- Report to the company within 7 working days from the date of appointment.
- Report to the SEC office within 30 days of (1) the closing date of the offering of securities to the public or (2) the date of appointment as a director, executive, or auditor. In the case of appointment after the closing date of the offer for sale of securities under (1)

Report on Changes to Stakeholder Information

- Report to the company within 3 working days from the date of the change of information.
- Always report to the SEC for buying, selling, transferring, or accepting a transfer of securities which shall be filed within 3 business days from the date of purchase, sale, transfer, or acceptance of transfer of such securities.

The Company will inform the directors and executives to review the following report once a year.

In this regard, the company secretary shall perform the following actions:

- Submit a copy of the report on stakeholding under Section 89/14 to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 working days from the date the Company receives the report.
- Keeping reports of interest that directors and executives report to the company
- Disclose information on the interests of directors and executives in the annual registration statement or annual report (ONE REPORT).

5. Penalty

Public Company Limited Act, B.E. 2535 (and as amended) imposes the following penalties:

Section 203 stipulates that any director of the Company who fails to comply with Section 88 or complies but is incomplete or inconsistent with the truth shall be liable to a fine not exceeding 20,000 Baht.

Securities and Exchange Act B.E. 2535 (and as amended) imposes the following penalties:

Section 275 stipulates that any person having the duty to prepare and disclose a report under Section 59 who violates or fails to comply with Section 59 or violates or fails to comply with the rules or procedures prescribed under Section 59 shall be liable to a fine not exceeding 500,000 Baht and a fine of no more than 10,000 Baht per day throughout the time that it has not been properly practiced.

Section 281/2 stipulates that any director or executive who fails to perform duties with responsibility, caution, and honesty under Section 89/7 causes damage to the Company or causes oneself or others to benefit from the violation. Anyone who refuses to perform such duties is subject to a fine not to exceed the number of damages incurred or benefits received, but the fine shall be at least 500,000 Baht.

If the offender under paragraph one commits dishonesty, he/she shall be sentenced to imprisonment for not more than 5 years or a fine of not more than twice the damages incurred or benefits received, but such fines shall not be less than 1,000,000 Baht or be fined and imprisoned.

Section 281/3 stipulates that any director or executive of a Company who fails to comply with Section 89/14 shall be liable to a fine not exceeding 500,000 Baht and an additional fine not exceeding 3,000 Baht per day throughout the period of contravention.

Section 281/5 stipulates that any company secretary who fails to comply with the duties prescribed under **Section 89/15** (1), (2), or (3) or Section 89/16 shall be liable to a fine not exceeding 100,000 Baht.

The Supervision of Operations of Subsidiaries and Associated Companies Policy

nForce Secure Public Company Limited ("the Company") has established a policy to supervise operations in subsidiaries and associated companies to establish measures and mechanisms both directly and indirectly. Therefore, the Company can supervise and manage the subsidiary and associated companies to effectively comply with the measures and mechanisms that have been set up as if they were the company's units, per the company's policies and laws as well as announcements, regulations, and other relevant rules of the Capital Market Supervisory Board in such subsidiaries and associates on the Stock Exchange of Thailand to maintain the interests of the Company's investment in such subsidiary and associated companies. The details are as follows:

In supervising the subsidiary and associated companies, the Board of Directors will consider appointing directors or executives with qualifications and experience suitable for business operations as representatives in the management of the subsidiary's business and associated companies to formulate important policies and control the business operations of such subsidiaries and/or associated companies. Directors or executives representing the Company are required to supervise the subsidiaries and/or associated companies to manage or perform various tasks according to the Company's policy. This includes using discretion following the resolution of the Company's Board of Directors and/or the shareholders' meeting to approve important matters of the subsidiary and/or associated companies to bring the maximum benefit to the company and for its sustainable growth, taking into account the suitability of each company and the relevant laws of the subsidiary and/or those associated companies as well.

Additionally, directors or executives who are representatives of the company shall supervise the subsidiary. There is a disclosure of transaction information between the following subsidiary and the connected person of the subsidiary. Acquisition and disposal of assets or any other important transactions of the following subsidiary to be accurate and complete and use the above-mentioned disclosure and transaction rules in the same manner as the Company's guidelines, including supervising the subsidiary. Complete, accurate, and verifiable financial statements are prepared and completed on time. The Company will closely monitor the operating results and operations of such subsidiaries and/or associated companies and present the results of analysis and opinions or recommendations to the Board of Directors for consideration, determination, or improvement to promote the business of subsidiaries and/or associated companies to continually develop and grow.

The Prevention of Conflicts of Interest Policy

The Board of Directors of nForce Secure Public Company Limited ("the Company") sets a policy to prevent conflicts of interest on the principle that any decision to enter into any transaction or transaction involving the Company shall be in the best interests of the Company and its shareholders. Company's personnel, including directors, executives, and employees, will not take the opportunity to act as the Company's personnel. They shall avoid any involvement in activities that may result in conflicts of interest between them and their comrades, whether in finance or any other area, and they shall avoid any involvement in activities that may result in conflicts of interest. Either in the name of a private person or a juristic person, they have a stake in the Company and shall disclose such transactions following the rules prescribed by the Company. It is the duty of directors, executives, and employees to maintain the legitimate interests of the company by limiting the scope of freedom in various activities of directors, executives, and employees to a minimum. The guidelines are as follows:

1. Directors, executives, and employees shall refrain from doing business in the same condition because it is a competition with the Company's business, whether for personal benefit or others. If it can be shown that there is a mechanism to ensure that such actions will not affect the company, whether directly or indirectly, or become a partner or shareholder with decision-making powers, directors or executives in businesses of the same nature and significantly competing with the Company's business, unless it can be shown that there is a mechanism to ensure that such actions will not affect the Company. This includes measures that are in the best interests of the Company and shareholders as a whole. In this case, the directors, executives, and employees should immediately report to the company secretary.

2. Directors and executives should disclose business or business transactions held personally or with their family, relatives, or dependents that may cause conflicts of interest with the Company, such as joint ventures or interests with the Company. Traders who do business with the company or its customers can hold any position or even work as a consultant to a merchant who does business with the company or its customers, trading goods or services directly with the company or through others.

3. Directors, executives, and employees of the Company shall make decisions about the Company's business operations in the best interests of the Company.

4. Directors, executives, and employees of the Company shall avoid making transactions related to themselves that may cause conflicts of interest with the Company. If necessary, do it for the benefit of the company. Any actions and decisions of the Company's directors, executives, and employees shall be free from the influence of personal desires or of people connected to that personnel, whether by blood or through another person known personally and using a fair and reasonable price as if it were a transaction with a third party. Report to the supervisor for approval and withdrawal from participation in the program.

5. Directors, executives and employees of the Company shall perform their duties full time to the best of their ability without doing any personal business that affect the duties and working hours of the company.

6. Directors, executives, and employees of the Company shall not engage in business or engage in any business that competes with the Company or become a decision-making partner or shareholder, an executive or a director in a competitive business, or have the same characteristics as the Company. Regardless of whether the personnel of such companies will benefit directly or indirectly.

7. Directors, executives, and employees of the Company shall avoid financial involvement and/or relationships with other third parties. This will result in the company losing benefits, causing conflicts of interest, or obstructing effective operations.

8. Directors, executives, and employees of the Company shall not give or use inside information about the Company. One shall strictly comply with the Company's internal information usage policy beneficial to oneself and others, whether the Company is damaged or not.

9. Directors, executives, and employees of the Company shall not do anything that is like an administration or management that undermines the interests of the Company or favors any person or juristic person, whether they are doing it for the benefit of themselves or that of others.

10. Directors and executives shall abstain from voting or shall not participate in the consideration, including having no authority to approve such transactions or not attend the meeting on the agenda to consider matters that they have conflicts of interest in, having their interests in the aforementioned items as well.

Corporate Social Responsibility (CSR) Policy

nForce Secure Public Company Limited ("the Company") realizes the importance of sustainable business growth under corporate social responsibility by emphasizing business operations with care for those who are stakeholders in the economy, society, and environment with morality and ethics. The Company hopes that operating business under social responsibility will bring benefits to the public together with the growth of the Company. The Company has established a corporate social responsibility policy divided into 8 categories as follows:

1. Conduct business with fairness

The Company focuses on operating its business with honesty, fairness, and ethical conduct and is committed to competing under ethical business practices. The laws and principles of fair competition include denying any behavior that impedes fair competition, such as seeking competitors' confidential information, soliciting and not giving any bona fide benefits, trade, etc. In addition, the Company has organized a campaign to promote and cultivate the subconscious mind of the employees of all levels to be socially responsible.

2. Anti-Corruption

The Company manages its business based on transparency and ethics, adheres to the principles of corporate governance, and complies with the laws related to anti-corruption and anti-graft. Giving or accepting bribes to government officials or the private sector. The work process and the chain of command in each unit should be clear. To have a balance of power and strictness in the audit between each other, the Company has also set guidelines for its directors, executives, and employees and its subsidiaries as follows:

- 2.1 Directors, executives, and employees of the company are prohibited from committing or accepting any form of corruption, directly or indirectly, covering all relevant departments and having their compliance with the anti-corruption policy reviewed regularly.
- 2.2 Directors, executives, and employees of the company are required to report to the Company any corrupt acts related to the company by notifying their supervisors or responsible persons and cooperating in fact-checking.
- 2.3 The Company will provide fairness and protection to whistleblowers, including those who cooperate in reporting and in the corruption investigation process.
- 2.4 The Board of Directors, Executive Committee, and Executives shall act as role models in anti-corruption and have a duty to promote and support anti-corruption policy. Changes in business conditions, regulations, and legal requirements shall be accommodated to communicate with employees and all related parties, including reviewing the appropriateness of policies and measures.
- 2.5 Those who commit corruption will be subject to disciplinary action following the regulations set by the Company and, if illegal, may be punishable by law.
- 2.6 Communicate the anti-corruption policy to departments at all levels in the Company through various channels such as employee training, the Company's internal communication system for the relevant parties to know and implement the policy, etc.
- 2.7 The Company has set up whistleblowing channels by promoting communication through various channels so that employees and stakeholders can report suspicious clues and provide protective measures to the whistleblower. To avoid being punished or being transferred unfairly, the identity of whistleblowers is strictly protected. This includes the appointment of a person to monitor and follow up on every clue that has been reported. The Company encourages contract parties, trade partners, or other people who have to perform duties related to the Company to report violations of the anti-corruption policy to the Company.
- 2.8 The Company has a policy for recruiting or selecting personnel. Promotion, training, performance appraisal, and determination of the remuneration of employees and employees of the Company are fair and sufficient to prevent corruption within the organization and create collateral for employees and employees of the Company.
- 2.9 The Company provides disbursement and procurement regulations by setting a limit power of approval table. The objectives of the transaction and the recipient, which shall be accompanied by clear documentary evidence and the approval authority at each level, are appropriately set for clarity in the implementation of the matters. Corruption is a high risk in the following areas: the company's directors, executives, and employees. This personnel shall be treated with caution and their integrity shall be ensured.

¹ Determined following guidelines on social responsibility in the manual for preparing forms 56-1 and 69-1, which have 8 topics, but from the Office of the Securities and Exchange Commission. If it is not possible to formulate guidelines for all 8 topics, it is not a problem at all. However, the company shall disclose important topics related to business operations or affecting business operations.

- 2.9.1 The giving or receiving gifts and entertainment shall be transparent, lawful, customary, or customary at a reasonable value.
- 2.9.2 Giving or receiving donations or financial support shall be transparent and legal by ensuring that giving or receiving donations or such subsidies does not mask bribery.
- 2.9.3 In conducting business, contacting, negotiating, bidding, and other operations with government or private agencies shall be transparent and legally. In addition, directors, executives, employees, and employees of the Company shall not be given or receive bribes at any stage of the business operation.

3. Respect for human rights

The Company has the policy to support and respect the protection of human rights. Treating all stakeholders, such as employees, communities, and the surrounding society, with respect for human values, equality and equal freedom do not violate fundamental rights and do not discriminate in matters of race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status, including ensuring that the Company's business is not involved in human rights violations such as child labor, sexual harassment, etc. In addition, the Company has promoted surveillance for compliance with human rights requirements by providing participation in expressing opinions and channels for complaints about those who have suffered damage from rights violations arising from the Company business operations and taking appropriate remedies.

4. Fair labor treatment

The Company recognizes the importance of human resource development and treats workers fairly. This is a factor that will add value to the business and enhance the Company's competitiveness and sustainable growth in the future. The Company has established policies and guidelines based on the Labor Protection Act B.E. 2541, which includes social security, the compensation fund, and the provision of employee welfare at various levels. It covers health, protection, and insurance. In addition, the Company also promotes personnel development by organizing training courses and training seminars, including sending personnel to attend seminars and training in various fields, knowledge development, abilities, and potential of personnel, including instilling good attitudes, morals, ethics, and teamwork in personnel; Protection of employees who report such matters.

5. Consumer responsibility

The Company is committed to developing the Company's and its affiliates' products and services for the highest satisfaction and benefit of customers, and to treating customers with responsibility, honesty, and customer care in the following ways:

- 5.1 The Company takes into account the quality and standards of the products. It also focuses on selecting products that are safe and meet international standards, as well as developing a service management system for customers to use the products and receive quality and satisfactory services.

- 5.2 The Company has a project to continually recruit new products to meet the needs of customers so that customers can use a variety of products with quality and standards. The Company adheres to fair marketing with a policy to provide customers with accurate information about the Company's products and services without distorting, ambiguous, or exaggerating advertisements to provide customers with accurate and sufficient information to make decisions.
- 5.3 The Company takes the safety of customers into account and is committed to providing customers with quality products and services that are safe following international and legal safety standards and regulations, including designing, creating, and developing products and services so that customers can always be confident in the quality, standards, and safety of the company's products and services.
- 5.4 The Company provides a customer relationship system for effective communication with customers, including receiving complaints about the quality of products and services via the company's website, so that the needs of the customers can be promptly responded to.
- 5.5 The Company will keep the customer's information confidential and will not be subjected to misuse.

6. Environmental care

The Company attaches great importance to social responsibility in environmental care and the prevention of environmental impacts. The Company operates and controls to strictly comply with the laws related to environmental care to preserve and avoid destroying the environment. Additionally, the Company encourages and engages with other sectors of society in organizing activities to maintain and improve the quality of the environment.

7. Contributions to community or society development

The Company realizes its responsibility to the community and society to strengthen the community and give back to society through supporting social assistance activities, improving the quality of life of people in the community, continuously promoting volunteer activities related to community and social development, and instilling a sense of responsibility towards communities, society, and the environment for employees at all levels.

8. Innovation and dissemination of innovations derived from socially responsible operations, the environment, and stakeholders

The Company will support innovation at the level of work processes in the organization and at the level of cooperation between organizations, which means doing things in a new way. It could also mean a change in thinking and production to add value. The goal of innovation is a positive change, to make things change for the better to increase productivity to maximize benefits to society.

9. Operations and work processes

The Company will disclose information in compliance with social responsibility guidelines for the benefit of all stakeholders by preparing a report revealing social and environmental operations covering environmental business operations, safety, and social issues, including accurate data preparation and a variety of information dissemination channels for stakeholders' convenience.

Code of Conduct

To comply with the Good Corporate Governance Policy of nForce Secure Public Company Limited ("the Company"), the Company has established ethical standards for executives and employees to uphold and comply with. These are in addition to the Company's regulations and rules that ensure the transparency of management and operations are distinct, fair, efficient, and with honor and dignity, as well as trustful and reliable towards trade partners, customers, and employees. The contents are covered by the following matters:

1. Business Ethics

The Company will perform and supervise the employees involved in the business operation per the following business ethics:

- (1) Conduct the business with honesty and integrity and operate the business by taking social responsibility into account both legally and ethically, and commit to doing good to individuals, community groups, society and the environment.
- (2) Treat customers fairly and without discrimination in terms of products and services.
- (3) Conduct the business with a standardized operating system and good control by bringing knowledge and capability into best practice with carefulness and sufficient information as well as with referable evidence, including strictly adhering to relevant laws and regulations.
- (4) Perform non-disclosure of customer information that one knows from conducting business, which such information is normally reserved for confidential non-disclosure, unless it is the legal duty to disclose such information.
- (5) Allow customers to complain about the defective products and services.
- (6) Disclosure of information regarding products and services must be conducted accurately and comprehensively.
- (7) Fairly conduct business with customers per the terms and conditions. If it is impossible to comply with such terms or conditions, notify the customers promptly to seek a solution together.

2. Code of Conduct for Executives

Executives must conduct themselves in compliance with the rules, regulations, announcements, and orders of the company as well as orders of superior level supervisors, namely:

- (1) Must support the company's policies and conduct in compliance with rules, regulations, orders, agreements, announcements, or circular letters that are strictly announced to all employees.
- (2) Must perform duties honestly and fairly and promptly report any incidents that may affect the company's reputation or assets.
- (3) Must be courteous, honorable, and respectful toward co-workers.

² The Company will comply with the regulations issued by the Securities and Exchange Act, including rules, regulations, and announcements issued under the aforementioned law by relevant agencies, after the Company is listed on the Stock Exchange of Thailand,

- (4) Must perform duties with determination, diligence, and perseverance according to the Company's rules, regulations, and good governance to be a good role model for employees and the Company to progress and operate righteously.
- (5) Must maintain the interests and confidentiality of the customer's company or concerning any business. The dissemination of information about the Company's financial business and individuals must be done following the appropriate guidelines and with care and efficiency. In this regard, all employees agree to keep confidentiality both during and after their employment with the Company. If such information is disclosed, transmitted, or used for purposes other than carrying out Company duties, the employee agrees to be liable for all actual damages and to compensate the Company.
- (6) Perform to the best of their abilities to assist surveillance and protect the Company's assets from any person or disaster, including not bringing any of the Company's items, whether equipment or assets, for personal gain or the benefit of others that are unrelated to the Company's business operations.
- (7) Manage the business by adhering to morality and ethics, including promoting morality and ethics at all levels of the Company, as well as monitoring and managing conflicts of interest that may arise in the Company.
- (8) Closely supervise the subordinates in a fair and impartial manner.
- (9) Must be willing to work as a team and listen to others' perspectives.

Must strictly comply as well as support, control, and supervise the subordinate to adhere to the company's rules, discipline, and regulations in using the computer system, computer data, and company's traffic data for the usage of the company's computers to be following computer law, copyright law, or other relevant laws and to protect the company's reputation and image.

3. Prohibited Conduct for Executives

All executives must refrain from acting or behaving in ways that will bring disgrace to the Company and themselves, specifically:

- (1) Take advantage of the Company's time to do something else or for personal reasons.
- (2) Undertake any business of a similar nature and is a competitor of the Company's business, whether for personal benefit or others or being a shareholder who dominates management, which may directly or indirectly damage the Company.
- (3) Behave in a way that may disgrace the Company's position and dignity.
- (4) Report or use false statements or conceal facts that should be reported to the Company.
- (5) Working with negligence and committing any act that is inappropriate for the performance of good executive duties to complete the job properly and honestly.
- (6) Conceal or misrepresent the truth in order to gain benefits for oneself or others which may cause damage to the Company whether directly or indirectly.

- (7) Obstruct or interfere with the legitimate performance of the Company's authorities in any way, or issue orders for employees to act inappropriately or in an unethical manner.
- (8) Commit a civil or criminal law violation that causes harm to oneself or others, whether intentional or unintentional.
- (9) Disclose one's own or others' wages or salaries, including the rate of salary increase, whether intentional or unintentional.
- (10) Request or agree to receive any property or other benefit from any customer, merchant, trade partner, competitor, or other person doing business with the Company or entertainment that proves to be unreasonable. Except for traditional gifts or normal business entertainment or expenditures on business promotion, which bring a commercial reputation as traditionally exchanged, per the policy of giving or receiving gifts and disbursement of entertainment expenses.
- (11) Bribery, whether directly or through a third party and/or using improper influence on state representatives, customers, or trade partners, is considered a violation of the Company's policy.
- (12) Addition, deletion, or alteration of any record or data in any way to change or distort operating performance, as well as intentionally falsifying accounting records for any reason.
- (13) Make a payment or conduct business to make it known that a portion of the payment or business arrangements is for purposes other than those stated in the payment or business management documents.
- (14) Being an insolvent person or have reasonable cause to be believed as an insolvent person.
- (15) Failure to maintain the Company's intellectual property information or information obtained from employee performance.
- (16) Imitating others' work and intellectual property.
- (17) Any acts of exploitation performed for one's own or other people's benefit.
- (18) Allow non-purchasing agencies to reach out to vendors or trade partners for assistance. If such assistance is needed for the Company's benefit, various departments should consult with the procurement department to put them in charge. This excludes organizing joint marketing activities, for which the marketing and business development departments will be in charge.
- (19) Action that neglects or facilitates any person seeking benefits, or unlawfully or without permission from the company, accesses or disrupts the company's computer system, computer data, or computer traffic data, or intentionally encourages it to occur; or there is wrongdoing by the provider under computer law, copyright law, or other relevant laws.

4. Penalties for Executives

- (1) Non-serious violations: The executives will receive a written reprimand describing the nature of the violation, the grounds for the violation, and the opportunity to contest the allegations with their supervisors. If the problem is not resolved, it will be brought to the attention of the Board of Directors, whose decision is final. A warning letter will be issued in the event of a second violation occurring or the failure of the executives to correct the first violation's offense, which will result in severe disciplinary action, including dismissal.
- (2) Serious violations, which include the following: giving or accepting bribery, fraud, disclosure of confidential information or intellectual property of the company to third parties, as well as any action that deteriorates the company's reputation, conceals or fails to report any information, discussions, or important documents to the supervisor, the Company may consider terminating employment without pay and without issuing a written reprimand.

5. Code of Conduct for Employees

To enhance the quality and efficiency of work, employees should have guidelines as follows:

- (1) Employees should carry out their responsibilities with honesty, perseverance, and diligence, and they should strive to improve their work efficiency for the benefit of both themselves and the Company.
- (2) Employees should strictly adhere to the Company's rules and work regulations.
- (3) Employees should respect and obey their supervisors who issue orders per the Company's policies and regulations.
- (4) Employees should stand in solidarity and be generous in helping one another rather than engage in conflict, which will harm both other people and the Company.
- (5) Employees should respect each other's rights and dignity and refrain from criticizing or revealing other people's information or stories about their work performance or personal matters in a way that would be detrimental to both employees and the Company.
- (6) Employees should refrain from accepting any gifts that may cause them discomfort in the future while performing their duties. If it is unavoidable, notify the supervisor as soon as possible.
- (7) Employees should not take advantage of their position or the benefits that come with it to seek personal gain for themselves or their party, or conduct business competitively against the company.
- (8) Employees should treat customers and trade partners with honesty and equality.
- (9) Employees should strictly maintain customer, trade partner, and organization confidentiality.
- (10) Employees must immediately report any issues that have come to their attention to their supervisors if such issues have the potential to negatively impact the Company's operations or reputation.
- (11) Employees must take care of the company's benefits and assets in order for them to be in good condition and be fully utilized without being wasted, damaged, or deteriorated prematurely.

6. Employee Penalties

Employees who act in a way that creates a conflict of interest with the company must be considered per the organizational structure and work regulations of the company. In this regard, each department must first consider and summarize the matter before submitting it to high-level supervisors and related departments for determination of the offense and specification of the appropriate punishment. However, if the conflict of interest is severe and causes significant damage, excluding the scope of affiliated agency power, then bring the matter to the attention of the Company's administrative department so that they can consider making a decision and determine the next penalty.

Penalties

- (1) Verbal Reprimand
- (2) Written Reprimand
- (3) Cut Wages
- (4) Furlough
- (5) Dismissal without compensation under the Labor Protection Act
- (6) Legal action

The Board of Directors Charter

1. Objectives

The Board of Directors has an important role in overseeing the management of the Company, including setting the direction, policies, and business strategies for the Company in the best interests of its shareholders and monitoring the operations of the various Sub-Committees of the Company. In this regard, the Board of Directors has the authorities, duties, and responsibilities as stipulated in the law, regulations, objectives, and resolutions of the Shareholders' meeting as well.

2. Compositions

The composition of the Board of Directors is as follows:

- (1) The Board of Directors is not required to be shareholders of the Company.
- (2) The number of the Board of Directors shall be as specified by the Shareholder's meeting, but the number shall consist of at least 5 members and the number of the Board of Directors must not be less than half of the total number of the Directors residing in the kingdom.
- (3) The Board of Directors consists of independent directors at least one-third of the total number of Directors, but not be less than 3 people.
- (4) The Chairman of the Board shall not be the same person as the Chief Executive Officer or the Managing Director in order to balance the authority in the operation and to provide clear separation of roles and duties.

In this regard, the Board of Directors shall elect one director to be the Chairman of the Board of Directors, and in the event that the Board of Directors deems appropriate, they may consider electing one or more Directors to be the Vice Chairman of the Board of Directors.

The Board of Directors shall appoint the Company's Secretary; the Company's Secretary may be a director or other persons whom the Board of Directors deems appropriate to assist the Board of Directors' work regarding appointments, meetings, preparation of meeting agendas, delivering meeting documents, and recording the minutes of the meeting. Furthermore, the Company's Secretary shall follow the authorities, duties and responsibilities in accordance with the Section 89/15 Paragraph 1 and Section 89/16 of the Securities and Exchange Act B.E. 1992 (including any amendments).

3. Qualifications of Directors

The Company's Directors shall acquire qualifications as follows:

- (1) The directors shall be a person who has sufficient knowledge and abilities, honesty, business ethics and time to devote their knowledge and abilities and to perform duties for the Company.
- (2) The directors shall have full qualifications and must not have any prohibited characteristics under the Public Limited Companies Act, Securities and Exchange Act, and other relevant laws, including not having characteristics indicating a lack of suitability to be entrusted with managing a business that is held by public shareholders as specified in the notification of the Capital Market Supervisory Board.

- (3) The directors shall not be a person operating a business of the same nature and competing with the Company's business or becoming a partner or director in another juristic person operating a business of the same nature and in competition with the business of the Company whether doing it for the benefit of oneself or others unless notified to the Shareholders' meeting prior to the resolution of appointment.
- (4) The independent director shall have qualifications regarding independence as specified by the Company and the guidelines of the Notification of the Capital Market Supervisory Board. Furthermore, an independent director shall be a person who can take care of the interests of all Shareholders equally in order to prevent conflicts of interest. Additionally, an independent director must be able to attend the Board of Directors' meetings and express their opinions independently.

Therefore, the Company stipulates that directors who do not serve as Executives are directors who are independent from the management, the major shareholder and controlling person(s). Moreover, those who are qualified for the position must not have any business relationship with the Company in such a way as to limit their independent opinions and must have additional qualifications as follows:

- a) The independent director shall not hold more than one percent of the total number of the shares with voting rights of the Company, its parent company, subsidiaries, associated companies, major shareholders or any controlling person of the Company, including the number of shares held by their related person(s).
- b) The independent director shall not be a director who cooperates in management, an employee, a staff member or an advisor who receives a regular salary, or a controlling person of the Company, parent company, subsidiaries, or associated companies, unless the relationship has already ended for at least two years prior to the date of appointment as the Company's independent director. However, such prohibited characteristics do not include the case where the independent director used to be a government official or an advisor of a government agency that is a major shareholder or the person with the authority to control the company.
- c) The independent director shall not have any relationship, whether by blood or by legal registration, in the form of fatherhood, motherhood, spouse, sibling and child as well as child's spouse with the executives, major shareholders, controlling persons or persons to be nominated as executives or controlling persons of the Company or its subsidiaries.
- d) The independent director shall not have business relationship with the Company, its parent company, subsidiary, associate company, major shareholder or controlling person, in a manner that may interfere with their independent judgment, and hasn't ever been a significant shareholder or a controlling person of any person operating a business which has relationship with the Company, its parent company, subsidiary, associate company, major shareholder or controlling person, unless the relationship has ended no less than two years prior to the date of appointment as the Company's independent director

- e) The independent director shall not be nor have been an auditor of the Company, its parent company, subsidiaries, associate company or controlling person, and neither is nor has ever been a significant shareholder or controlling person or a managing partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, associate company, major shareholder or controlling person of the Company, unless the foregoing relationship already ended for no less than two years prior to the date of appointment as the Company's independent director.
- f) The independent director shall not be nor have been a professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiaries, associate company, major shareholder or controlling person of the Company, and must not be nor have been a major shareholder, controlling person of the Company or a managing partner of the professional advisor, unless the foregoing relationship already ended no less than two years prior to the date of appointment as the Company's independent director.
- g) The independent director shall not be appointed as a representative of the Company's director, major shareholder or shareholder who are related to the Company's major shareholder
- h) The independent director shall not undertake any business in the same nature and in significant competition with the business of the Company or its subsidiary, not be a significant partner in a partnership or director involving in management, employees, staff members or advisors who receive a regular salary or hold shares exceeding one percent of the total number of the shares with voting rights of another company which undertakes business in the same nature and in significant competition with the business of the Company or its subsidiary.
- i) The independent director shall not have any other characteristics hinder them of expressing their independent opinions regarding the business affairs.

4. Appointment and Tenure

- (1) Appointment of the Company's Directors shall be considered and approved by the Board of Directors' meeting and/or the shareholders' meeting (as the case may be). The Board of Directors' meeting and/or the shareholders' meeting (as the case may be) will consider from the knowledge, competence and experience related to the Company's business.
- (2) The tenure of the Board of Directors is 3 years per each term.
- (3) The shareholders' meeting shall select the Company's directors, but in the case of an election of a director to replace the vacant committee position for reasons other than the expiration of the term, the Board of Directors can select a qualified candidate who has all the qualifications as specified in Clause 3 above to assume the position of a director. In this regard, the person who is appointed as a director in such circumstance shall remain in the position for the remaining term of the previous director who has vacated office.

- (4) At every annual general meeting, one-third of the total number of directors shall vacate the proportion. If the number of directors cannot be divided by three, the number of directors closest to one-third shall vacate. Directors who are selected to vacate office may be re-elected to take up the position. The directors vacating from office in the first and second years after the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office the longest shall vacate office.

In addition to the case of vacating office by the aforementioned term, a company director may vacate office upon:

- (ก) Death
- (ข) Resignation
- (ค) Being disqualified as a director or having prohibited characteristics under Public Limited Companies Act, or having characteristics indicating a lack of suitability to be entrusted with the management of a business under the law of Securities and Exchange Act
- (ง) Removal by a resolution of the meeting of shareholders
- (จ) Removal by a court order

Any director wishing to resign from office shall submit their resignation letter to the Chairman of the Board.

- (5) In the case of a vacancy in the Board of Directors for reasons other than the termination of the term of office, the Board of Directors shall elect a qualified person who is not under any of the prohibitions under Public Limited Companies Act, B.E. 2535 (1992) and the Securities and Exchange Act B.E. 2535 (1992) (including any amendments) to become a director of the Company instead. Unless the remaining term of the director is less than 2 months, the director who replaces them shall hold office only for the remaining term of the Director whom they replaces.

5. Authorities, Duties, and Responsibilities

The Board of Directors, as a representative of shareholders, has the authorities, duties and responsibilities as follows:

- (1) Perform duties and supervise the Company's business in accordance with the law, objectives, regulations, resolutions of the Board of Directors' meeting as well as the resolutions of the shareholders' meeting with responsibility, carefulness, honesty to protect the rights and interests of the Company and have fair accountability to all shareholders.
- (2) Determine vision, strategy, business direction, policies, goals, business plans, budgets, management structures and the approval authority of the Company and its subsidiaries as presented by the management as well as to supervise the management and performance of the management or any person who is assigned to perform such duties and encourage the utilization of information technology to increase business opportunities and performance in order to effectively comply with the established policies under good corporate governance and Maximize Economic Value and Shareholders' Wealth.

- (3) Control and supervise the management to treat all stakeholders with ethics and equality.
- (4) Continuously and regularly monitor and evaluate the performance of the management's duties and be aware of legal compliance and the terms in the Company's related contracts by requiring the management to report on the performance as well as other important matters of the Company to the Board of Directors for acknowledgment in the Board of Directors' meeting every quarter in order to for the Company to operate effectively, to achieve the strategy, and to be in accordance with the plan and budget.
- (5) Approve the appointment and determine the roles and duties of the various sub-committees as appropriate and necessary to support the management of the Board of Directors, including determining the criteria and procedures for selecting directors, sub-committees and Chief Executive Officer with transparency and clarity as well as determining the remuneration and annually evaluate the performance annually, and monitor and supervise the process of preparing personnel to replace or succeed the Chief Executive Officer.
- (6) Consider and determine the Company's annual remuneration structure and the criteria for appropriate remuneration of directors, executives and employees, taking into account appropriate factors such as results of performance evaluation, position, scope of duties, responsibilities, qualifications, knowledge, competence and reasonable remuneration rates in the same industry.
- (7) Set organizational structure and determine the organization chart of the Company, including improvements and amendments as appropriate.
- (8) Establish a framework and mechanism for supervising subsidiaries or associate company. The Board of Directors considers the suitability of a person to represent the Company as a director of its subsidiary or associate company to control and supervise the operations of the subsidiary or associate company to comply with the Company's policy and to make various transactions lawfully. This includes disclosure of financial statement, performance, related party transactions and acquiring or disposing of significant assets completely and correctly.
- (9) Acknowledge the audit report of the Audit Committee and the Company's Sub-committees, supervise the business to ensure a mechanism for receiving complaints and taking action in case of whistleblowing.
- (10) Consider and approve the acquisition or disposition of assets (In case the transaction size does not need to be considered by the shareholders' meeting), investment in new business, and any operations to be in accordance with applicable laws, announcements and regulations.
- (11) Consider and approve the related party transactions (in case the transaction size is not required to be considered by the shareholders' meeting) to be in accordance with applicable laws, announcements and regulations.
- (12) Consider and approve the interim dividend payment to the Company's shareholders.
- (13) Review processes and the risk management policy and operations.

- (14) Ensure none of conflict of interest between the stakeholders of the Company and its subsidiaries. However, in the event that any director has conflict of interest transaction with the Company that increase or a decrease in shareholding in the Company and/or its subsidiaries, the director shall notify the company without delay.
- (15) Determine the good corporate governance policy, social responsibility policy and anti-corruption policy and provide for effective implementation of such policies.
- (16) Appoint the Company's secretary to assist the Board of Directors in performing various tasks to ensure that the Company's business operations are in accordance with applicable laws, announcements, and regulations.
- (17) Seek professional opinions from a third party if necessary to make an appropriate decision.
- (18) Prepare annual report and disclosure of the financial statements to reflect the financial status and operating results of the Company in the previous year for submission to the shareholders' meeting.
- (19) Arrange a shareholders' meeting as an annual general meeting within 4 months from the end of the Company's fiscal year.
- (20) Consider and approve various matters, taking into account the fair interests of shareholders and all groups of stakeholders of the Company.
- (21) Operate the Company to have an accounting system, financial reporting, internal control and internal audit with productivity and reliability.
- (22) Assign one or more directors or any other person to perform any act on behalf of the Board of Directors.

The delegation of authorities, duties and responsibilities of the Board of Directors will not be carried out in the form of power of attorney or delegation of authorities to enable the Board of Directors or the person who is authorized by the Board of Directors to approve the transactions that they or other persons who may have conflicts of interest (as defined in the Notification of the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board) may have an interest or may benefit in any way or may have any other conflict of interest with the Company or its subsidiary except for approval of transactions that comply with the policy and criteria approved by the shareholders' meeting or the Board of Directors.

- (23) Have authorities, duties and any other responsibilities as required by law and related rules, articles of association and the resolution of the shareholders' meeting.

6. Meeting

- (1) The Board of Directors' meeting shall be held at least once every 3 months, with the meeting date set in advance throughout the year and additional meetings may be held as necessary.
- (2) Calling the Board of Directors meeting, the Chairman of the Board of Directors or the assigned person shall send the invitation letter with the agenda and meeting documents to the meeting to the Board of Directors members at least 7 days before the meeting date so that the Board of Directors has enough time to review the data, except in an emergency to protect the Company's rights or benefits, the notification of the meeting shall be made by other methods or the date shall be set earlier.
- (3) A director who has an interest in any matter has no right to vote on that matter, and a director who has an interest shall leave the meeting while in the session of considering such matters to allow the meeting to provide an opportunity for free discussion.
- (4) The Board of Directors may invite Sub-committees (such as the Executive Committee, Audit Committee and Risk Management Committee, Executives, related person(s) or a person deemed appropriate) to attend the meeting on that agenda and request information as needed and as appropriate for the meeting agenda.
- (5) The Company's Secretary is responsible for recording meetings and preparing meeting minutes together with supporting documents for the meeting that must be prepared and presents to the Board of Directors before the meeting.

7. Quorum and Vote

- (1) In the Board of Directors' meeting, a quorum of the meeting must be attended by not less than half of the total number of directors of the Company. In the event that the Chairman of the Board of Directors is not present at the meeting or is unable to perform their duties and there is the Vice Chairman of the Board of Directors present at the meeting, the Vice Chairman of the Board of Directors shall act as the Chairman of the meeting. However, in the event that the Vice Chairman of the Board of Directors is not present at the meeting or is unable to perform their duties, the Board of Director members present at the meeting shall elect one of the Board of Director members to act as the Chairman of the meeting.
- (2) The decision of the meeting shall be made by a majority of votes.
- (3) Each member of the Board of Directors has one vote, except director who has the interest in a matter shall not express an opinion or vote on the matter. However, in the event that the votes are equal, the Chairman of the meeting has the right to cast one more vote as a casting vote.

The Audit Committee Charter

1. Objectives

The Audit Committee is an independent director established to support the Board of Directors in overseeing and auditing management, internal control and compliance with relevant laws. In addition, the Audit Committee is responsible for overseeing the matters as follows: (1) ensuring the reliability of the Company's financial statement (2) complying with the requirements and related laws (3) examining the independence and qualifications of the auditor; and (4) examining the performance of the internal audit department and auditors and creating reports as required by external regulators as well as reviewing the adequacy and efficiency of risk management of the Company and its subsidiaries to ensure that the Company's operations and information disclosure are transparent and reliable.

2. Glossary of Terms

"Independent Director" shall have the meaning as prescribed in the relevant Notifications of the Capital Market Supervisory Board (including those that have been amended).

"Act" means the Securities and Exchange Act B.E. 1992 (including any amendments)

"SEC Office" means the Office of the Securities and Exchange Commission.

"SET" means the Stock Exchange of Thailand.

"Juristic person with possible conflicts" means to have the meaning as prescribed in the Notification of the Capital Market Supervisory Board concerned (including those that have been amended).

3. Compositions

The Audit Committee consists of at least 3 independent directors, of which at least 1 member must have sufficient knowledge and experience in accounting or finance to be able to review the reliability of the financial statements.

In this regard, the Audit Committee shall elect one member of the Audit Committee to serve as the Chairman of the Audit Committee and appoint a secretary of the Audit Committee to assist the Audit Committee's operations regarding meeting appointments, preparation of the the agendas, submission of meeting documents and recording of meeting minutes.

4. Qualifications of the Audit Committee

The Audit Committee members shall have the qualifications as follows:

- (1) The Audit Committee shall be an independent director and have qualifications as required by the Securities and Exchange Act, including the announcements, regulations and/or regulations of the SEC and SET as specified.
- (2) The Audit Committee must not be a director who has been assigned by the Board of Directors to have decision-making authorities in the operations of the Company, its parent company, subsidiary, associate company, subsidiary of the same level, major shareholder or controlling person of the Company.

- (3) At least 1 Committee member must have sufficient knowledge, proficiency and experience in accounting or finance to review the reliability of the financial statements.
- (4) The Audit Committee shall not be a director of the parent company, its subsidiary or a subsidiary of the same level, only a listed company.
- (5) The Audit Committee shall have sufficient knowledge and experience to be able to perform duties as an audit committee and there must be at least 1 member of the Audit Committee who has sufficient knowledge and experience in accounting or finance to be able to review the reliability of the financial statements.

5. Appointment and Tenure

The Board of Directors or the shareholders' meeting shall appoint independent directors of the Company to be in the Audit Committee. The term of office of the Audit Committee member shall be in accordance with the term of office of the Company's director. However, the Audit Committee member who vacates office upon the expiration of the term may be re-appointed as the Audit Committee member.

- (1) In the event that the Audit Committee member completes the term of office or is unable to hold office until the expiration of the term, this will result in the Company having less than 3 members of the Audit Committee. The Board of Directors' meeting or the shareholders' meeting shall have a resolution to appoint a new Audit Committee member in order to have a complete number without delay to ensure continuity in the performance of the Audit Committee.

The Audit Committee member vacates office upon:

- (a) Term expiration
 - (b) Retiring from being a director of the Company
 - (c) Being disqualified or having prohibited characteristics as prescribed by law
 - (d) Resignation from being an audit committee member or the Company's director
 - (e) Death
 - (f) The Board of Directors or the shareholders' meeting has resolved to vacate the position.
 - (g) Being sentenced to imprisonment according to the final judgment or a lawful order to imprisonment except for an offense committed through negligence or a petty offense
 - (h) Being incompetent or appearing incompetence
 - (i) Being a bankrupt
- (2) Any member of the Audit Committee who wishes to resign before the expiration of the term must submit a resignation letter to the Board of Directors at least one month in advance so that the Board of Directors or the shareholders' meeting can consider appointing another person who meets all qualifications to replace them.

- (3) In the event that the Company's shares have been listed on the Stock Exchange of Thailand and in the event that an Audit Committee resigning or vacating office before the expiration of the term of office, the Company must notify the SET immediately, so that the Audit Committee member who resigns or is dismissed can provide explanation to the SET as well. The Company shall submit such information to the SEC in order to update the database of directors and executives to be truthfully accurate as well.

6. Authorities, duties and responsibilities of the Audit Committee

- (1) The Audit Committee shall review the Company's financial reporting (quarterly and annually) to be accurate, complete, adequate, reliable and timely by coordinating with the auditors and executives responsible for preparing financial reports and disclosing the Company's related information to the Board of Directors.

In doing so, the Audit Committee is responsible for overseeing, management is responsible for the preparation of the Company's financial statements, and external auditors are responsible for auditing the aforementioned financial statements. In this regard, the Audit Committee and the Board of Directors jointly acknowledge that the management, the internal auditors, and external auditors have more resources and time as well as knowledge of accounting, auditing, internal control systems and the Company's financial reporting process than the Audit Committee. Therefore, the supervisory role of the Audit Committee does not provide any special guarantee in the financial statements and financial information presented by the Company to shareholders and other person(s).

- (2) The Audit Committee shall review the Company's internal control system and internal audit system that are appropriate, sufficient and effective, consider the results of the audit and recommendations of auditors and the Internal Audit about internal control system, and propose to the management to improve as recommended, including following up on the implementation of that recommendation, reviewing activities and the structure of the internal audit section, and approving the Internal Audit Charter. The Audit Committee shall consider the independence of the internal audit unit as well as approve the appointment, transfer, and dismiss the head of the internal audit unit or any other department responsible for internal audits as well as review the internal audit plan with the internal auditors, especially plans concerning internal control systems and financial management processes. The Audit Committee shall consider providing opinions and notes on the budget and the personnel planning and design of the internal audit section to propose to the management for approval and consideration of the audit plan and the audit scope of the internal auditors and the Company's auditor, including the internal audit consultant (if any) to create a mutually supportive, non-duplicating relationship.
- (3) The Audit Committee has the duties to attend a meeting with the Management and Internal Audit Department to review sufficiency of the Company's risk management and control system.
- (4) The Audit Committee reviews the internal processes of the Company regarding the receipt of whistleblowers and receives complaints as specified by the Audit Committee.
- (5) The Audit Committee shall review the Company's compliance with the Securities and Exchange Act., Stock Exchange requirements and laws related to the Company's business.

- (6) The Audit Committee shall consider nominating and appointing an independent person and determine the auditor's remuneration of the Company, taking into account reliability, resource sufficiency, and the audit workload and the experience of personnel assigned to audit the Company's accounts, including the performance in the previous year. Moreover, the Audit Committee shall consider the dismissal of the auditor. The Audit Committee will propose such opinions to the Board of Directors for further approval. The Audit Committee shall coordinate with auditors regarding audit objectives, scope, guidelines, work plans, and problems encountered during the audit and the issues that the auditors deem important, including attending a meeting with the auditors without the management participating in the meeting at least once a year.
- (7) The Audit Committee shall review the scope and audit procedures proposed by the auditor, including considering the reasons for adjustment in the audit plan (in case there is a change in the audit plan later), including suggesting the auditors to review or check any transaction deemed necessary and important during the audit of the Company and its subsidiaries and reviewing the auditor's report, prepared and proposed to the management to improve and follow up on the implementation of the recommendations
- (8) The Audit Committee must consider adequacy and the efficiency of coordination between the auditors and internal auditors.
- (9) The Audit Committee shall consider the connected transaction or transactions that may have conflicts of interest to be accurate, complete and in compliance with Securities and Exchange Act as well as disclosing information on the stated transactions accurately and completely. This is to ensure that such transactions are reasonable and for the best benefit of the Company.
- (10) The Audit Committee shall report its performance to the Board of Directors' meeting for acknowledgment and consideration at least once a quarter.
- (11) The Audit Committee shall prepare a report on corporate governance results of the Audit Committee, which will be disclosed in the Company's annual report. The aforementioned report must be signed by the Chairman of the Audit Committee and contains the following information as follows:
- Opinions on the accuracy, completeness and reliability of the Company's financial reports
 - Opinions on the adequacy of the Company's internal control system
 - Comments on compliance with securities and stock exchange laws and Securities and Exchange Act and market terms
 - Securities or laws related to the Company's business
 - Opinions on the auditors' suitability
 - Opinions on transactions with possible conflict of interest
 - Number of Audit Committee Meetings and the attendance of each audit committee
 - Overall opinions or observations received by the Audit Committee in the performance of duties under the Charter.
 - Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.

- (12) The Audit Committee performs any other acts as assigned by the Board of Directors with the approval of the Audit Committee.

In the performance of duties under paragraph one, the Audit Committee is directly responsible to the Board of Directors, and the Board of Directors still remains responsible for the Company's operations to third parties.

- (13) The Board of Directors has the authority to amend, change the definition, qualifications, scope, authority, duties and responsibilities of the Audit Committee to comply with the rules of the SEC, the Stock Exchange of Thailand Capital Market Supervisory Board and/or other relevant legal provisions.
- (14) Review and update this Audit Committee Charter to be up-to-date and appropriate to the Company environment on a regular basis once a year.
- (15) Have duties as the Stock Exchange of Announcement of additional deadlines
- (16) In performing the duties of the Audit Committee, in case of finding or suspecting any of the following transactions or actions which may have a significant impact on the financial position and operating results of the Company, the Audit Committee shall immediately report to the Board of Directors to make improvements within the timeframe the Audit Committee deems appropriate.
- 1) Transactions with Conflict of interest
 - 2) Suspicion or assumption that there may be fraud, irregularity or a material defect in the internal control system
 - 3) Suspicion that there may be a violation of the rules of the SEC, the Stock Exchange of Public Company Law, Securities and Exchange Law or other criteria related to the Company and/or the Company's business

If the Audit Committee has reported to the Board of Directors regarding the matter that has a significant impact on the financial position and results of operations, and the Audit Committee has discussed with the Board of Directors and Executives for the improvements. If the Audit Committee finds that the Executives are ignore without justifiable reason, any member of the Audit Committee may report the findings to the SEC or the SET.

- (17) In the event that the auditors find suspicious circumstances that the Company's directors, executives or persons responsible for the Company's operations have committed an offense as specified by the law and have informed the facts about such circumstance to the Audit Committee, the Audit Committee shall report the results of the preliminary investigation to the SEC Office for acknowledgment within 30 days from the date that the auditor receives the notification. Such circumstances shall be in accordance with the rules of the SEC Office or other related rules.
- (18) Review to ensure that the Company has a process to develop good corporate governance continuously, including providing guidelines and suggestions necessary for development, and giving importance to encourage the company to set good corporate governance as a regular agenda item of the Board of Directors' meeting. The Chairman of the Audit Committee should receive a copy of the report on stake-holding under Section 89/14 of the Act from the Company's Secretary within 7 working days from the date the Company receives the aforementioned report.

7. Meeting

- (1) There shall be an Audit Committee meeting at least once every 3 months as according to the financial statement preparation period. The Chairman of the Audit Committee may call a special Audit Committee's meeting upon request from the directors, internal auditors, auditors, or the Chairman of the Company to consider issues that need to be discussed together.
- (2) The Audit Committee shall arrange, at least once a year, a meeting with the Company's auditors in the absence of Executives, which may be held as a special meeting in addition to the regular meeting or arrange a meeting with the auditors without management as part of the Audit Committee's regular meeting, which has other agenda items.
- (3) When calling the Audit Committee meeting, the Chairman of the Audit Committee or the assigned person shall send the invitation letter with the agenda and meeting documents to the meeting to all Audit Committee members at least 7 days before the meeting date so that the Audit Committee has enough time to review the data, except in an emergency to protect the Company's rights or benefits, the notification of the meeting shall be made by other methods or the date shall be set earlier.
- (4) The Secretary of the Audit Committee or the appointed person shall take the minutes of the meeting and prepare meeting minutes.
- (5) The Audit Committee has the authority to invite executive directors, executives, or other related person(s) to make statements or provide useful information, or to attend a meeting, as well as to invite lawyers, auditors, internal auditors, or outside consultants to meetings with the Audit Committee.

8. Quorum and Vote

- (1) In the Audit Committee's meeting and in order to constitute a quorum, the Audit Committee members shall be present at not less than half of the total number of Audit Committee members. In the event that the Chairman of the Audit Committee is not present at the meeting or is unable to perform their duties, the Audit Committee members present at the meeting shall elect one of the Audit Committee members to act as the Chairman of the meeting.
- (2) The decision of the meeting shall be made by a majority of votes.
- (3) Each member of the Audit Committee has one vote, except the Audit Committee member who has the interest in a matter shall not express an opinion or vote on the matter. However, in the event that the votes are equal, the Chairman of the meeting has the right to cast one more vote as a casting vote.
- (4) The Chairman of the Audit Committee shall report the meeting's results to the next Board of Directors meeting for acknowledgement.
- (5) The Secretary of the Audit Committee has no right to vote.

9. Audit Committee Assessment

The Audit Committee's performance should be assessed. at least once a year, and the result shall be presented to the Board of Directors for acknowledgement and consideration.

The Corporate Governance Committee Charter

The Corporate Governance Committee is approved by the Board of Directors. The goal is to support the Board of Directors' performance in determining the criteria and guidelines for good practice in various fields of the Company in accordance with the principles of good corporate governance in order to lead the organization to long-term success and business leadership with accountability to shareholders and all stakeholders.

1. Composition

- 1.1 The Board of Directors approves the appointment of the Corporate Governance Committee by selecting from the Company's directors who are qualified in the manner deemed appropriate by the Board of Directors.
- 1.2 The Corporate Governance Committee consists of at least three (3) members, most of whom shall be independent directors.
- 1.3 The meeting of the Corporate Governance Committee or the Board of Directors is responsible for electing one of its members to serve as Chairman of the Corporate Governance Committee. In addition, the Chairman of the Corporate Governance Committee should be a non-executive director.

2. Scope, authorities, duties and responsibilities of the Corporate Governance Committee

- 2.1 Consider developing good corporate governance policy that include anti-corruption policy as well as the code of conduct requirements within the framework of current laws, rules, regulations, and regulations of the Stock Exchange of Thailand and related agencies and presenting them to the Board of Directors for consideration, approval, and announcement as a guideline for good practice for Directors, Executives, and employees at all levels.
- 2.2 Supervise and recommend policies and guidelines for promotion to the Company's directors, executives, and employees in order for them to perform their duties and responsibilities in accordance with the framework and rules of the corporate governance policy and anti-corruption policy, as well as ensuring good practice in accordance with the code of conduct of the Company's Directors, Executives and employees.
- 2.3 Provide consultation, review, and improve good corporate governance policy and anti-corruption policy at least once a year (1 time) to ensure these policies are up-to-date and in accordance with the laws, rules, regulations, and recommendations of internal corporate governance organizations, including proposals from shareholders regarding good corporate governance.
- 2.4 Monitor and the performance's assessment of the Company's Directors and Executives in accordance with best practice guidelines as outlined in the corporate governance policy and anti-corruption policy, as well as process the annual corporate governance assessment and prepare the annual corporate governance assessment report for submission to the Board of Directors in addition to presenting the necessary opinions and suggestions

- 2.5 Review and update the Charter of the Corporate Governance Committee at least once (1) a year in order to be up-to-date and in accordance with the laws, rules, regulations and regulations
- 2.6 Be capable of consulting with a consultant or an expert in corporate governance and when necessary, the Company is responsible for any expenses incurred.
- 2.7 Provide an evaluation of the performance of the Corporate Governance Committee and report the assessment results to the Board of Directors at the end of each year.
- 2.8 Perform other related tasks as assigned by the Board of Directors

3. Tenure

The Corporate Governance Committee will serve for three years from the date of appointment. However, the retired Corporate Governance Committee member may be re-elected to the position.

In addition to the retirement by rotation, the Corporate Governance Committee will vacate office upon:

- 3.1 Death
- 3.2 Resignation (resignation is effective from the date the resignation letter reaches the company)
- 3.3 The meeting of the Board of Directors has resolved to dismiss.

4. Meeting

The Corporate Governance Committee shall be held at least once a year. The number of meetings can be determined by the Corporate Governance Committee as needed.

The Executive Committee Charter

1. Objectives

The Company's Executive Committee is formed to assist the Board of Directors in administering the Company's business in accordance with the policies, plans, regulations, and any orders, including the goals assigned by the Board of Directors and/or the shareholders' meeting.

2. Compositions

The Executive Committee shall have at least three members, and the Executive Director is not required to be a director of the Company.

In this regard, the Executive Committee shall elect one Executive Director to serve as Chairman of the Executive Committee and appoint an Executive Committee Secretary to assist the Executive Committee in meeting appointment performance, making scheduled meeting documents, and delivering minutes of meeting.

The Executive Committee appoints the Executive Committee Secretary, and this position could be a director or another person as determined by the Executive Committee to assist the Executive Committee in meeting scheduling, agenda preparation, delivering meeting materials and recording meeting minutes.

3. Qualifications of Executive Directors

The Executive Director must have qualifications as follows:

- (6) Being knowledgeable and trustworthy, with business ethics and sufficient time to devote their knowledge and abilities to performing duties for the Company
- (7) Having full qualifications and not having any prohibited characteristics under the Securities and Exchange Act and other relevant laws including any other announcements, rules, regulations, and regulations issued by the SEC and/or the related SET
- (8) Not being a person who operates businesses of the same nature as the Company's business, or becoming a partner or director in another juristic person(s) that operates businesses of the same nature as the Company's business, whether for the benefit of oneself or others, unless the Board of Directors' meeting is notified prior to the appointment.

4. Appointment and Tenure

The Board of Directors shall appoint the Executive Director who has all the qualifications outlined in Item 3 above. The Executive Director's term of office is 3 years, which corresponds to the term of office of the Company's Director. However, if the Executive Director is also a Director of the Company, the Executive Director who vacates office at the end of the term may be re-appointed as an Executive Director.

If the Executive Director completes their term of office or is unable to serve until the end of the term, the number of Executive Directors will be less than three. To ensure continuity in the performance of the Executive Committee's duties, the Board of Directors shall appoint new executive directors without delay.

Retirement

- (1) The Executive Director vacates office upon
 - (a) Due by rotation
 - (b) Lacking qualifications or having prohibited characteristics as prescribed by law
 - (c) Resignation
 - (d) Death
 - (e) The Board of Directors has resolved to vacate office.
- (2) Any executive director who wishes to resign from office shall submit a resignation letter to the Chairman of the Executive Committee or the Chairman of the Board of Directors at least one month in advance so that the Board of Directors can consider appointing a replacement for the resigned Executive Director.

5. Authorities, Duties, and Responsibilities

- (1) Prepare and set vision, policy, direction, strategy, business plan, budget, management structure and management powers to propose to the Board of Directors for approval and carry out actions as approved by the Board of Directors, including auditing and following up on such performance to ensure efficiency and effectiveness.
- (2) Determine the Company's investment finance policy and set the investment policy direction in accordance with the objectives and the policy of the Company and approve investment rules, including investment proposals as according to Company's regulations
- (3) Manages and supervises the business operations related to the general management of the Company
- (4) Approve entering into contracts and/or any transactions relating to the normal business operations of the Company (such as trading, investing, or joint ventures with other parties for the purpose of normal business transactions of the Company and for the benefit of the Company's operations and the objectives of the Company) within the amount specified in the authority limits or as specified by the Board of Directors
- (5) Approve the expenditure of funds for investment, procurement, and loan; as well as any request for credit from financial institutions or lending; and pledge, mortgage, or become a guarantor of the Company and its subsidiaries and other operations which are for the benefit of operating according to the Company's objectives within the limits specified in the authority limits or as specified by the Board of Directors.
- (6) Have the authorities to invite the management, executives or any person(s) related to the Company to give opinions attend the meeting or provide relevant information as necessary
- (7) Establish a framework and policies for salary, bonuses, compensation and gratuities for employees and executives (who hold positions lower than Chief Executive Officer)
- (8) Regularly report the performance of the Executive Committee to the Board of Directors.
- (9) Assess annually the overall performance of the Executive Committee and self-assessment and submit to the Board of Directors for consideration.
- (10) Review and propose to the Board of Directors to consider and amend the scope of authorities, duties, and responsibilities of the Executive Committee in accordance with the Company's business conditions.
- (11) Perform any other tasks as assigned by the Board of Directors or as according to the policy set by the Board of Directors
- (12) Report the performance to the Board of Directors with comments on the practice guidelines and suggestions for improvements as appropriate
- (13) Authorize one or more persons to perform any act on behalf of the Executive Committee.

The assignment of duties and responsibilities of the Executive Committee is not in the nature of assignments that cause the Executive Committee to or the person(s) authorized by the Executive Board to be able to approve the items that they may have a conflict of interest with (as defined in the Notification of the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board) may have an interest or may benefit in any manner or may have any other conflict of interest with the Company or its subsidiaries; however, with the exception of the approval of transactions that are in accordance with the policies and criteria approved by the Board of Directors' meeting.

6. Meeting

- (1) There shall be a meeting of the Executive Committee as the Chairman of the Executive Committee deems appropriate, but there shall be at least one meeting every three months.
- (2) When calling the Executive Committee meeting, the Chairman of the Executive Committee or the assigned person(s) shall send the invitation letter with the agenda and meeting documents to the meeting to all Executive Committee members at least 7 days before the meeting date so that the Executive Committee has enough time to review the data, except in an emergency to protect the Company's rights or benefits, the notification of the meeting shall be made by other methods or the date shall be set earlier.

7. Quorum and Vote

- (1) In the Executive Committee's meeting, the presence of Executive Directors must be present at not less than half of the total number of executive directors to constitute a quorum. In the event that the Chairman of the Executive Committee is not present at the meeting or is unable to perform his duties, the Executive Committee members present at the meeting shall elect one of the Executive Directors to act as the Chairman of the meeting.
- (2) The decision of the meeting shall be made by a majority of votes.
- (3) Each member of the Audit Committee has one vote, except for the Executive Committee member, who has the interest in a matter shall not express an opinion or vote on the matter. However, in the event that the votes are equal, the Chairman of the meeting has the right to cast one more vote as a casting vote.
- (4) The Chairman of the Executive Committee shall report the meeting results to the next Board of Directors' meeting for acknowledgment every time.

The Nomination and Remuneration Committee Charter

1. Objectives

The Nomination and Remuneration Committee was formed to recommend qualified individuals to serve as Directors and Top Executives of the Company and to propose to the shareholders' meeting for further consideration and approval (as applicable) in accordance with the good corporate governance policy and good corporate governance principles of Stock Exchange of Thailand in order to be transparent and fair to all stakeholders while also being effective for the organization.

2. Compositions

- (1) The Nomination and Remuneration Committee is made up of at least 3 directors, with at least half of them being Independent Directors, which are 2 people. The Nomination and Remuneration Committee shall select the person with qualifications to serve as the independent directors.
- (2) The Nomination and Remuneration Committee appoints the Secretary of the the Nomination and Remuneration Committee to assist the operation of the Nomination Committee in meeting appointments, preparing agenda, submitting documents for the meeting and recording the minutes of the meeting

3. Qualifications of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee member shall be a person who has qualifications as follows:

- (1) Being knowledgeable and trustworthy, having business ethics and enough time to devote their knowledge and abilities to performing duties for the Company.
- (2) Having full qualifications and not having any prohibited characteristics under the law governing public limited companies and other relevant laws

4. Appointment and Tenure

The Board of Directors shall appoint the Nomination and Remuneration directors who have all the qualifications outlined in Item 3 above. The Executive Director's term of office is 3 years per term, which corresponds to the term of office of the Company's Director. However, the Nomination and Remuneration member who retires by rotation may be re-appointed as a member of the Nomination and Remuneration Committee.

If the Nomination and Remuneration director does not complete the term of office or is unable to hold office until the term expires, the number of Nomination director will be reduced to less than 3. The Board of Directors shall appoint new Nomination and Remuneration director without delay to ensure continuity in the performance of duties of the Nomination and Remuneration Committee.

5. Authorities, Duties, and Responsibilities

Nomination

1. Determine policies, qualifications, rules and procedures for the nomination of directors. (including members of the Company's sub-committees) and the Company's executives. In this regard, "executives" mean Vice-President or higher.
2. Consider the selection and nomination of persons who are suitable in terms of knowledge, experience and expertise in accordance to the policies, qualifications, criteria and methods of nominating and related laws for the appointment of the Company's director, sub-committees and executives for the Board of Directors to consider appointing and/or to propose to the shareholders' meeting for consideration and appointment. (depending on the case)

Regarding the nomination of the Company's directors, the Nomination and Remuneration Committee shall consider at least one area of experience relating to the position (e.g. finance, business administration, marketing, HR, law, management, etc.) as well as the abilities to assist the Board of Directors in operating the business, the ability to make rational business decisions including the ability to think strategically and demonstrates leadership as well as a high level of professional expertise and integrity along with other suitable personal qualities.

3. Ensure that the board and sub-committees are appropriately sized. The Board of Directors and sub-committees shall consist of persons with knowledge, competency, skills and experience in various fields necessary for business
4. Consider the model and development's process for the Chief Executive Officer and executives. In accordance with the Company's business.
5. Review annually and summarize the succession plan and the continuity of the appropriate management for the executive positions and report to the Board of Directors for acknowledgment.

Remuneration

1. Determine policies, formats, criteria or methods for considering remuneration and benefits (whether in the form of cash, securities or else), including the remuneration for the director, sub-committees and executives to the Board of Directors' meeting for approval and/or to present to the shareholders' meeting for further approval. (as the case may be) The process shall be clear, transparent, appropriate and fair according to the good practice, the relevant laws and comparison with the same industry which based on experience, scope of duties and responsibilities.
2. Ensure that the Company's Directors, sub-committees and executives receive the appropriate remuneration to their duties and responsibilities.

Others

1. Review and propose to the Board of Directors to consider amending the scope of powers duties and responsibilities of the Nomination Committee in accordance with the circumstances
2. Evaluate and report on the performance of the Nomination Committee and propose to the Board of Directors for consideration, including preparing a report of the Nomination Committee and disclosed in the Company's annual report.
3. Perform any other actions as assigned by the Board of Directors or the policies set by the Board of Directors.

6. Meeting

the Chairman of the Nomination and Remuneration Committee shall be held the meeting at least once a year.

When calling the Nomination and Remuneration Committee's meeting, the Chairman of the Nomination and Remuneration Committee or the assigned person(s) shall send the invitation letter with the agenda and meeting documents to the meeting to all Nomination and Remuneration Committee members at least 7 days before the meeting date so that the Nomination and Remuneration Committee has sufficient time to review the data, except in an emergency to protect the Company's rights or benefits, the notification of the meeting shall be made by other methods or the date shall be set earlier.

7. Quorum and Vote

- (1) In the Nomination and Remuneration Committee's meeting, there shall be Nomination and Remuneration Committee members present at the meeting for not less than half of the number of members of the Nomination and Remuneration Committee to constitute a quorum. In the event that the Chairman of the Nomination and Remuneration Committee is not present or is unable to perform duties, the Nomination and Remuneration Committee who attend the meeting select one of the Nomination and Remuneration Committee to act as the Chairman of the meeting.
- (2) The decision of the meeting shall be made by a majority of votes.
- (3) Each member of the Nomination and Remuneration Committee has one vote, except the Nomination and Remuneration Committee member who has the interest in a matter shall not express an opinion or vote on the matter. However, in the event that the votes are equal, the Chairman of the meeting has the right to cast one more vote as a casting vote.
- (4) The Chairman of the Nomination and Remuneration Committee shall report the meeting results to the next Board of Directors' meeting for acknowledgment.

The Risk Management Committee Charter

1. Objectives

The Board of Directors places a high value on adhering to the good corporate governance policy. As a result, it is decided to form the Risk Management Committee to serve as a guideline for group practice in developing the policy and risk management framework and to support for risk management training, risk collection, and risk monitoring in order to raise awareness and understanding of the importance of risk management and how to implement to instill trust and credibility among stakeholders, as well as to add value and promote long-term growth for the Company.

2. Compositions

- (1) Risk Management Committee consists of at least 3 members, with at least 1 independent director.
- (2) The Board of Directors shall appoint one Risk Management Committee member to be the Chairman of the Risk Management Committee and the Risk Management Committee Chairman shall appoint the Secretary of the Risk Management Committee to assist the Risk Management Committee's operations with regard to meeting appointments, preparing the agenda, submission of meeting documents and recording meeting's minutes.

3. Qualifications of the Risk Management Committee

The Risk Management Committee member shall be a person with qualifications and has no prohibited characteristics as follows:

- (1) Be knowledgeable, capable, and having experience that will be beneficial to the performance of the duties as a Risk Management Committee member and be able to devote sufficient time to the performance of duties in order to achieve the objectives of the Risk Management Committee
- (2) Have qualifications and do not having any prohibited characteristics under the law governing public limited companies Securities and Exchange Act and other related laws

4. Tenure

- (1) The tenure of the Risk Management Committee has 3 years from the date of appointment or by holding a position as a director of the Company and at the end of the term may be re-appointed as the Risk Management Committee member.
- (2) In addition to vacating office according to the aforementioned terms, the Risk Management Committee may retire when:
 - a) Death
 - b) Resignation
 - c) Retirement from the position of director due to a lack of qualification as a director of the Company or having prohibited characteristics as prescribed by law
 - d) The Board of Directors' meeting has resolved to vacate the position.
- (3) Any member of the Risk Management Committee who wishes to resign from the position must submit a resignation letter to the Chairman of the Board at least 1 month in advance so that the Board of Directors can consider appointing a replacement for the resigned Risk Management Committee member.

- (4) If the position of Risk Management Committee becomes vacant for any reason other than retirement, the Board of Directors may appoint qualified person(s) with no prohibited characteristics by law for being a Risk Management Committee member. Unless the term of the Risk Management Committee is less than 2 months, the vacating Risk Management Committee will be in office only for the remaining term of the Risk Management Committee member whom they replaces.

5. Meeting

- (1) The Risk Management Committee shall meet at least twice a year, depending on the necessity and appropriateness of the situation. The Chairman of the Risk Management Committee may call additional meetings for special agendas as deemed necessary.
- (2) When calling the Risk Management Committee's meeting, the Chairman of the Risk Management Committee or the assigned person shall send the invitation letter with the agenda and meeting documents to the meeting to all Risk Management Committee members at least 7 days before the meeting date so that the Risk Management Committee has enough time to review the data, except in an emergency to protect the Company's rights or benefits, the notification of the meeting shall be made by other means or the date shall be set earlier.

The secretary of the Risk Management Committee may instead deliver the invitation letter and meeting documents to all directors of the Company via electronic mail. As evidence, the Secretary of the Risk Management Committee shall keep a copy of the meeting invitation and meeting documents, which may be stored in electronic form.

- (3) A quorum of the Risk Management Committee shall consist of at least half of the total number of Risk Management Committee members to constitute a quorum.

In this regard, the Risk Management Committee meeting could be a virtual meeting. According to the notification of the Ministry of Digital Economy and Society Re: Security Standards for Meetings via Electronic Media, B.E. 2563, the aforementioned meeting shall be held via a control system with security procedures and other related rules, including providing video and audio recordings, electronic traffic information throughout the meeting by image and audio, recorded electronic traffic data to be considered as part of the minutes of the meeting.

- (4) The Chairman of the Risk Management Committee shall act as the Chairman of the meeting. However, in the event that the Chairman of the Risk Management Committee is not present at the meeting or is unable to perform his duties, the Risk Management Committee members present at the meeting shall elect one of the the Risk Management Committee member to act as the Chairman of the meeting.
- (5) The Secretary of the Risk Management Committee or a person is assigned by the Risk Management Committee to prepare the minutes of the meeting. The Chairman of the Risk Management Committee is responsible for reporting the meeting results to the Board of Directors' meeting for acknowledgment.
- (6) The Risk Management Committee has the authority to invite the Company's directors, executives, employees or related person(s) to attend the meeting to clarify, discuss or answer questions as it deems appropriate

6. Quorum and Voting

- (1) The Risk Management Committee shall be represented at the meeting by at least half of the total number of Risk Management Committee members. In the event that the Risk Management Committee Chairman is unable to attend the meeting or is unable to perform his or her duties, the Risk Management Committee members who attend the meeting shall elect one of the Company's Directors to act as the Chairman of the meeting.
- (2) The decision of the meeting shall be made by a majority of votes.
- (3) Each member of the Audit Committee has one vote, except for the Risk Management director who has the interest in a matter shall not express an opinion or vote on the matter. However, in the event that the votes are equal, the Chairman of the meeting has the right to cast one more vote as a casting vote.

7. Authorities, Duties, and Responsibilities

- (1) Set policy framework and overall risk management guidelines of the Company, which will cover various types of important risks, as well as requiring the management to have preventive measures and limiting risks appropriately
- (2) Develop a risk management policy in regards to overall risk management which covers main risks that are consistent with the entity's objectives, key goals, strategies, and acceptable risks as a framework for the operation of the risk management process for everyone in the organization to be in the same direction to propose to the Board of Directors for consideration by supervising the Company and its subsidiaries to have risk identifications by considering both external and internal factors that may cause the Company and its subsidiaries to fail to achieve the stated objectives
- (3) Review to ensure that the Company has an appropriate and efficient business risk management policy as well as prepare a report of the Risk Management Committee for submission to the Board of Directors' meeting
- (4) Determine strategies to be employed in risk management in accordance with the business risk management policy approved by the Board of Directors' meeting, analyze, evaluate, and monitor compliance with the established risk management policies of the business.
- (5) Monitor, evaluate, and supervise the management's risk management process to an appropriate level and in accordance to what has been stipulated
- (6) Supervise and support risk management to be successful at the Enterprise-Wide Risk Management by focusing on the management and employees to focus on risk awareness and to provide an appropriate risk culture for decision making in resource utilization and various actions appropriately and adequately and to support the work of the Risk Management Working Group and/or the Risk Management Committee
- (7) Review the adequacy of the policy, the Company's risk management system, and subsidiaries, including the effectiveness of the system and compliance with specified policies

- (8) Give suggestions on matters that require improvements to the Board of Directors to be in line with the policies and strategies set by the Board of Directors
- (9) Provide opinions and suggestions in cases where the Company has a need to outsource some of its functions where the Company has specialized personnel and/or insufficient knowledge and expertise to perform duties in order to achieve the planned results. However, such employment shall be from time to time only.
- (10) Communicate and exchange information and coordinate the risks and internal control with the Audit Committee at least once a year
- (11) Consider, review and update the Risk Management Committee Charter at least once a year to ensure that the content of the Charter is consistent with the purpose operational strategy and changes in the current law and present to the Board of Directors for approval
- (12) Perform any other acts as assigned by the Board of Directors' meeting with the approval of the Risk Management Committee.

8. Reporting of the Risk Management Committee

The Chairman of the Risk Management Committee is responsible for reporting to the Board of Directors on the activities of the Risk Management Committee, meeting results, and any other reports that are important to shareholders and general investors, as well as preparing a Risk Management Committee report to be disclosed in the Company's annual report and the report shall be signed by the Risk Management Chairman.

9. Performance Appraisal

The Risk Management Committee will conduct its own annual self-evaluation of the Board's performance annually both as a whole and individual basis for reviewing the previous year's performance results, problems, and obstacles as well as reporting the assessment results to the Board of Directors for acknowledgement in order to increase operational efficiency for the benefit of shareholders and the organization.



Attachment 5

Audit Committee's Report

The Audit Committee of nForce Secure Public Company Limited (“the Company”), consists of 3 independent directors. In the year 2021, the Company has organized a total of 7 Audit Committee meetings. Wherein the details, names, and the attendance frequency of each committee members are as follow:

Name	Position	Number of meeting attendance
Asst. Prof. Dr. Pattanant Petchchedchoo	Chairman of the Audit Committee	7/7
Dr. Smitti Darakorn Na Ayuthaya	Member of the Audit Committee	7/7
Mr. Piyasak Chotipruk	Member of the Audit Committee	6/7

All members of the Audit Committee are fully qualified and are able to perform independently withing the scope of duties and responsibilities in accordance with the charter approved by the Board of Directors, while complying with market requirements and best practices of SET and SEC. The Audit Committee invited the executives, auditors, internal auditors and related persons to attend all the meetings and provide additional information on important issues to make auditing more effective. As well as reporting considerations and opinions to the Board of Directors on a quarterly basis in order to appropriate action to be taken. In substance, the matters concerning the performance of the duties of the Audit Committee may be summarized as follows.

1. Financial Statement Review and Disclosure

The Audit Committee reviewed the quarterly and the financial statements for the year 2021, which have been reviewed by the Auditor. The Audit Committee reviewed essential information, including clarification from the auditor about the significant adjustment to accounting transactions that affect the financial statements. These include accounting estimates, appropriateness of accounting methods including accuracy, completeness, and sufficient disclosure of information in the financial statements, scope of Auditor, independence and various observations of the auditor. This ensures that the preparation of the Company's financial statements is in accordance with the requirements of the law, accounting standard and financial reporting standards. In order to establish the reliability of the Company's financial statements so that they are timely and beneficial to the users of the financial statements as much as possible.

2. Internal Audit and Internal Control System Review

The Audit Committee reviewed the independence, duties, responsibilities of internal auditors and internal audit results by considering the summary report and follow-up from the internal auditors in accordance with the approved audit plan, which covers the Company's important work system to possess the adequacy, appropriateness and effectiveness of the internal control system. The Audit Committee also considers the results of the assessment of the Company's internal control system, in accordance with the Committee of Sponsoring Organizations of the Treadway Commission (COSO); by using the internal control system sufficiency assessment form prescribed by SEC. The Audit Committee reported the results of the internal control audit to the Board of Directors on a quarterly basis and give useful suggestions for the Company's internal control system; in order to continually make corrections according to the internal audit report. The Audit Committee and internal auditors did not find any material issues or deficiencies that may affect the Company.

3. Review of Good Corporate Governance

The Audit Committee has arranged to promote and provide relevant recommendations to ensure that the Company has appropriate management and corporate governance system according to good governance and the Company also has a regular review of corporate governance policies and follow ups on various issues received through complaints and whistleblowing channels (Whistleblowing), in which the Chairman of the Audit Committee is responsible for receiving complaints and reporting on wrongdoings (Whistleblowing). The Company has disclosed the details under the heading "Corporate Governance Policy" in this report.

4. Review of compliance with Relevant supervisory authorities

The Audit Committee reviewed compliance with securities and exchange laws, Securities and Exchange Commission Regulations, the Requirements of the Stock Exchange of Thailand and any other laws relating to the Company's business operations, including the obligations the Company has with third parties. The Audit Committee discovered no substantial issues with the operation that were in violation of the law or rules.

5. Review of Related Transactions or Transactions That May Have Conflicts of Interest

The Audit Committee has reviewed and commented on related party transactions, juristic persons, or transactions that may involve a conflict of interest with the Company. Including the disclosure of such items in accordance with the regulations of SET and SEC. The Audit Committee ensure that the transactions are reasonable, and the Company has conducted itself fairly and compliance with normal business conditions. Material transactions have been disclosed and presented properly and completely in the financial statements and notes to the financial statements.

6. The Appointment of Auditors and Audit Fees

The Audit Committee has considered the independence assessment, knowledge and the performance of the auditors in the year 2020, with the opinion that the auditors are independent in their work knowledgeable, and the overall performance quality are satisfactory

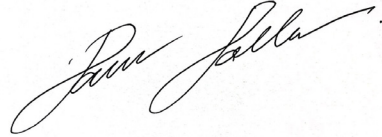
For the year 2021, the Audit Committee has decided to propose to the Board of Directors for approval and further present at the general meeting of shareholders; to consider and approve the appointment of Ms. Nopanuch Apichatsatien, Certified Public Accountant No. 5266 and/or Mr. Boonrueng. Lerdwisewit, Certified Public Accountant No. 6552 and/or Mr. Paiboon Tunkoon, Certified Public Accountant No. 4298 of the Company's Office PricewaterhouseCoopers ABAS Company limited as the Company's auditor for the year 2021 and approve the audit fee in the total amount of 3,180,000 baht.

7. Maintaining the Quality of the Audit Committee

The Audit Committee has performed its duties as stipulated in the Audit Committee Charter; and consider reviewing the Audit Committee Charter in accordance with the current situation and good corporate governance principles. This will be presented to the Board of Directors for approval on an annual basis. In addition, the Audit Committee has conducted an evaluation of its own performance; under the Audit Committee Charter and have used their knowledge and ability to continually provide useful opinions and suggestions with independence. This will effectively enhance the operation system and good corporate governance.

Overall Opinions and Observations

For the year 2021, the Company has an accurate, reliable accounting and financial reporting system with adequate and appropriate internal control with good corporate governance, compliance with the laws, rules and regulations related to the Company's business operations. The Audit Committee has made use of their knowledge, abilities, experience, and prudence in performing their duties in accordance with the Charter. The Audit Committee, which is fully and independently approved by the Board of Directors, without limitation in obtaining information, resources with cooperation from management, employees and related parties, as well as giving opinions and suggestions honestly for the equal benefit of all stakeholders.



(Asst. Prof. Dr. Pattanant Petchchedchoo)

Chairman of the Audit Committee



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