

APCS



FORM 56-1 ONE REPORT

รายงานประจำปี ANNUAL REPORT
2566 | 2023



APCS

Vision

Asia Precision Public Company Limited commits to being a leader in engineering, procurement, and construction (EPC) as well as service provision, consultancy on project management in Thailand and Southeast Asia.

Mission

1. To become a leader in modern construction technology and manage effectively in the project costs.
2. To have a variety of business partners and the most covers our business.
3. To build relationships and manage relationships with trade partners both in Thailand and Abroad
4. To create satisfaction for employees.



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APCS



Message from the Chairman

In 2023, It was the great challenges of Asia Precision Public Company Limited (“the Company”) The Company has significant changes and development which the Company sell investment in ordinary shares of Asia Precision A.T. Co., Ltd. (“APAT”) that there is Automobile business, it is not core business.

The Company has adjusted the business structure and shareholder structure in 2 subsidiaries from A2 Technologies Co., Ltd. (“A2”) which is Asia Waste Energy Co., Ltd. (“AWE”) to support future expansion of the power plant business and A2 Water Management Co., Ltd. (“A2W”) to support water management business that focuses on the extension of the Company’s business operations in Engineering Procurement Construction (“EPC”) business, so the company is holding direct in AWE and A2W. However, the Company aims to continuously develop EPC business to become the core business. In the other hand, EPC business in 2023, they are not going to goal due to the war situation, it has affected the economic slowdown. The interest rate has been adjusted many times as a result, the currency exchange rate fluctuates and causes higher costs of product. Moreover, the company had many prices competition from competitors in the EPC market.

In the past year, the COVID-19 pandemic has continued and there is no definite end to the pandemic, but it has decreased damage and then there is a possibility of mutation. The Company predicts COVID-19 pandemic, it has not effective with the company’s business. Overall, Thai economy in slowdown period and the rapid changes in the Electric Vehicle (EV) industry, technological innovations, and the new digital society that they were challenges in adapting and developing the company’s potential, so it is one reason which is the company divest Automobile business in early year 2022. The company creates measures to prevent and solve emergency situations or potential risks that may occur both in the short term and the long term to be safe in a timely manner with the fluctuating economy or any other situation.

The Company and its subsidiaries have be aware of Environmental, Social, and Governance (ESG) with all stakeholders and still being committed to sustaining and maintaining which is to deliver the work and the highest quality service to customers so that the Company can be trusted and ready to be an organization with sustainable growth including The Company and its subsidiaries reviewed the personal data protection policy to be more consistent with the law and complete. The Company has strict compliance and regulations of public companies as well as having reviewed the Charter of the Board of Directors and sub-committees the corporate governance policy, the anti-corruption policy and communicate to directors, executives, and employees to strictly adhere.

Finally, on behalf of the Board of Directors, I would like to thank those involved and all stakeholders for trusting and believing in the Company and its subsidiaries throughout the past and thank you all executives and employees who are always committed and dedicated to working well. The Company sincerely hopes to receive such good support in the future to help develop and create sustainability for the Group Company which are under the consideration of all stakeholders and the principles of good corporate governance and then generate appropriate returns to shareholders. Wishing you all prosperity and good health in the year 2024



(Mr. Narong Varongkriengkrai)
 Chairman



Important terms and abbreviations

Group Company (Group)	: Asia Precision PLC. and Subsidiaries
Company (APCS)	: Asia Precision PLC.
A2	: A2 Technologies Co., Ltd
APT	: APCS Technologies Co., Ltd.
A2W	: A2 Water Management Co., Ltd.
A2V	: A2 Technologies Vietnam Co., Ltd.
A2M ¹⁾	: A2 Technologies Mongolia LLC.
CK	: Cholkij Sakol Co., Ltd.
GEM	: Green Energy Mining Co., Ltd.
AWE	: Asia Waste Energy Co., Ltd.
APAT ²⁾	: Asia Precision A.T. Co., Ltd.
AST	: Asia Precision Tech Co., Ltd.
Consortium	: Consortium
Holding	: Investment Business and Holding Other Companies
EPC	: Engineering and Construction Service Business
Digital	: Digital Assets Business
SEC	: The Securities and Exchange Commission
SET	: The Stock Exchange of Thailand

¹⁾ A2 Technologies Mongolia LLC. (A2M) has established on 23 August 2023

²⁾ The Company transferred the ordinary shares of Asia Precision A.T. Co., Ltd. (APAT) amount of 32,999,997 shares to TNA Company Limited. Therefore, APAT was no longer be a subsidiary of Asia Precision PLC. since 4 January 2023 onward.



1

Business Operations and Performance

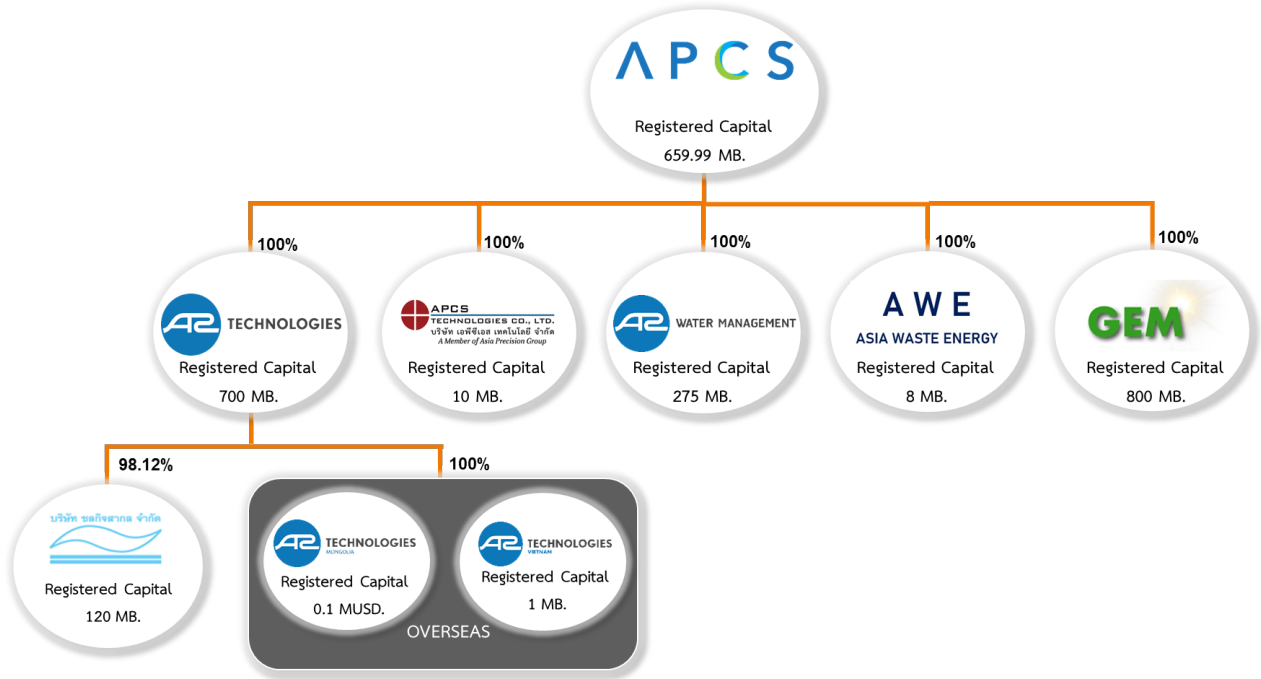


Section 1

Business Operations and Performance

1. APCS Business Structure and Operations

Business Structure as of 31 December 2023



1.1 Business Overview and Policy

Asia Precision Public Company Limited (“Company” or “APCS”) was established on March 14, 1995, and started out as a precision metal parts manufacturer. In 2016, the Company recognized the paramount opportunities in the alternative energy and utilities industries, and therefore expanded its operations into Engineering, Procurement, and Construction (EPC) business operates under A2 Technologies Co., Ltd. (“A2”), and Raw Water Distribution business, operates under Cholkij Sakol Co., Ltd. (“CK”). The Company intends to transform EPC business into the main business of the group. In 2022, The Company established a new subsidiary of Construction Business for electricity generation projects from waste energy and renewable energy from biomass fuel, Asia Waste Energy Co., Ltd. (“AWE”). In addition, The Company acquires 100% of shares of Green Energy Mining Co., Ltd. (“GEM”) for the digital asset business operates on the bitcoin mining business.

The Company Group’s engineering and construction services (EPC) business has grown continuously until the present time, In 2023, the Revenue is equal to 80.00% of sales and service revenue. Moreover, the engineering and construction service business is likely to continue to expand.

In order for more efficient management and to cater for future growth, the Company formally restructured our business operations. APCS operates as a holding company through investment in subsidiaries. As of 31 December 2023, the company and subsidiaries have 3 business operations as follow :

1. Engineering Procurement Construction (“EPC”)



2. Water distribution business
3. Digital asset business operates on the bitcoin mining business

The Board of Directors' Meeting No. 10/2565 dated 2 December 2022, which resolved to approve the disposal of assets of all ordinary shares of Asia Precision A.T. Company Limited ("APAT") which is the Company's subsidiary of precision metal parts manufacturing business. The Company sold 32,999,997 shares which is equivalent to 59.99% of APAT's total paid-up shares to TNA Company Limited ("TNA") at Baht 15.37 per share, totaling Baht 507,209,954 (the "Share Sale Transaction"). As a result, APAT will no longer be a subsidiary of the Company on 4 January 2023.

Business Operations:

APCS's business operations in 2023 is divided as follows:

For the year	HOLDING*		EPC		WATER		MINING		CONSOLIDATED		CHANGE	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022***	AMT	%
Total Revenues	230.2	121.4	1,205.6	1,732.0	61.4	38.2	246.1	49.0	1,687.4	1,823.9	(136.5)	(7.5%)
Profit (loss) from operating	207.4	103.8	15.4	(159.5)	24.8	8.2	(13.2)	(31.3)	177.1	(198.8)	375.9	(189.1%)
Gain (loss) on exchange rates	-	-	0.6	(14.1)	-	-	(0.1)	0.8	0.5	(13.4)	13.9	(103.7%)
Financial costs									(57.5)	(26.6)	(30.9)	116.2%
Tax (expenses) income									(20.8)	25.4	(46.2)	(181.9%)
Profit from discontinued operations**									-	110.5	(110.5)	(100.0%)
Profit (loss) for the period									99.3	(102.9)	202.2	(196.5%)
Attributable to Non-controlling interests									0.2	9.4	(9.2)	(97.9%)
Profit (loss) attributable to Owners of parent									99.1	(112.3)	211.4	(188.2%)

* HOLDING : Invest in other companies / EPC : Construction / WATER : Water management / MINING : Bitcoin mining

** Profit from discontinued operations, Board of Director No. 10/2565 dated 2 December 2022, which resolved to approve the disposal of assets of all ordinary shares of Asia Precision A.T. Company Limited ("APAT") which is the Company's subsidiary. The Company sold 32,999,997 shares which is equivalent to 59.99% of APAT's total paid-up shares to TNA Company Limited ("TNA") at Baht 15.37 per share, totalling Baht 507,209,954 (the "Share Sale Transaction"). As a result, APAT had no longer be a subsidiary of the Company since 4 January 2023

*** Included discontinued operations

Operating Results:

Overall operating results of the Company and its subsidiaries in the consolidated financial statement for the year ended 31 December 2023 compared with same period of the previous year, Revenue decreased by 136.5 million baht (7.5%) are as follows:

EPC	WATER	Digital Assets
Revenue increased from the same ending date of the past year due to side effect of the Coronavirus 2019 pandemic that the result of Economic slowdown As well as the continuous adjustment of interest rates by the US Federal Reserve in 2022 until 2023, causing capital to flow out of Thailand. And this	Revenue increased from the same ending date of the past year due to higher demand for water usage. However, in 2023, the seasonal rainwater volume was insufficient to support the purchasing orders from customers. So, the cost of raw water distribution business was increased.	In 2022, the Company acquires 100% of shares of Green Energy Mining Co., Ltd. ("GEM") for the digital asset business operates on the bitcoin mining business. Revenue from this business occurred in the second half of year 2022 is 43.4 million Baht. In 2023, the company had income of

<p>consider increasing interest rates as well. Therefore, it causes currency exchange rates to fluctuate during 2023, affecting product prices and company costs to increase significantly. Including the price competition of competitors, prices have been reduced to take on various projects. In addition, there has been a slowdown in the opening of project operation. However, when the company comebacks to normal situation which resulting in resuming this business operation effectively and more investment from entrepreneurs who are interested in renewable energy that may increase from the next year, especially receiving projects in the renewable energy power plant group from biofuels, Rooftop power plants and power station projects from government and private agencies.</p>		<p>company had operated for full accounting period and bitcoin price was increasing.</p>
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Asia Precision Public Company Limited is a holding company which conducts business of investing and holding shares in other companies (Holding Company) follow to the business restructuring plan for preparing in future growth into 3 business units:

1. Engineering, Procurement and Construction (EPC)

Asia Precision Public Company Limited expanded its line of business beyond to Engineering, Procurement, and Construction (EPC), which operates under the companies: A2 Technologies Co., Ltd. (“A2”), APCS Technologies Co., Ltd., A2 Water Management Co., Ltd., A2 Technologies Vietnam Co., Ltd., and A2 Technologies Mongolia LLC. These companies engage in the business of design, engineering, consultation, construction, maintenance, and sale of construction related equipment, for various power plant projects such as renewable power plants, power sub-stations, and raw water distributing facilities, both domestically and internationally, as follows:

- 1.1 Construction project of renewable energy power plant from solar energy - ground mounted, rooftop and floating.



- 1.2 Construction project of renewable energy power plants from waste energy, such as from municipal waste, industrial waste, and from waste sorting facilities
- 1.3 Construction project of high voltage substation and high voltage transmission line system
- 1.4 Construction project of water production and distribution plant

In 2022, The Company established a new subsidiary, Asia Waste Energy Co., Ltd. (“AWE”), to operate businesses as follow:

1. Construction Business for electricity generation projects from waste energy and
2. Provide engineering service, project construction service and maintenance service for renewable energy power plants from biomass fuel electricity generation projects from waste energy and renewable energy from biomass fuel

As of 31 December 2022, AWE is in preparation to operate business.

2. Raw Water Distribution

Asia Precision Public Company Limited also expanded its line of business beyond manufacturing of precision metal parts to distribution of raw water business, which operates under Cholkij Sakol Co., Ltd. (“CK”). The investment in this division is through A2. CK has a total of 5 raw water reservoirs, which has a combined volume capacity of 18 million cubic meters. All of the 5 reservoirs are located in Chonburi province.

3. Digital Asset Business

In 2022, the Company acquired 100% of ordinary shares of Super Green Mining Company Limited (“SGM”) for the digital asset business that operates on the bitcoin mining business. Then it proceeded to change the name of SGM from Super Green Mining Company Limited to Green Energy Mining Company Limited (“GEM”) and increased the registered capital to 8 0 0 million Baht. GEM invested in digital asset miners with operating places in Phetchaburi and Chachoengsao Province.

1.1.1 Vision, Strategies and Business Directions of APCS Group

Vision

Asia Precision Public Company Limited commits to being a leader in engineering, procurement, and construction (EPC) as well as service provision, consultancy on project management in Thailand and Southeast Asia.

Mission

1. Become a leader in modern construction technology and manage effectively in the project costs.
2. Have a variety of business partners and the most covers our business.
3. Build relationships and manage relationships with trade partners both in Thailand and abroad
4. Create satisfaction for employees

To comply with the Company’s vision “A World-Class Expert”, APCS determines to continuously improve companywide management system, including management, production, and human resource, to keep abreast with the changing world and technological advancement. APCS has applied modern sophisticated technology and encouraged



people training for employees to have the required skills and knowledge to produce products that meet customer requirements and commits to being a leader in engineering, procurement and construction (EPC) as well as service provision, consultancy on project management in Thailand and South East Asia.

Business goals and future projects

The Company goals are to expand business operations into the following industries:

1. Engineering, Procurement, and Construction (EPC)
 - Power Plant Unit – the company has completed construction of waste-to-energy power plant (Municipal waste management facility to convert into energy, size 800 tons per day, at On-nut Solid Waste Disposal Center. The company received a 20-year continuation operation and maintenance contract, and also expanded its business to other types of renewable energy power plant such as biomass power plant to support important projects in accordance with the government policies. The Company is currently in the process of constructing an alternative energy power plant from municipal solid waste in Nong Khai Province, which is expected to be completed in 2022, the company may be expanded in the future.
 - Solar Energy Unit – The Company focuses on construction of solar power plants, especially solar farm type which is installed on ground. However, the public sector does not have a policy to buy electricity at the moment; therefore, the main clients in focus are large industrial corporates that have high energy usage level and looking to reduce electricity bills. These customers will cater towards solar rooftop and solar floating. which in 2021, the Company has procured and installed the solar energy generating system, land installation type at the size of 48.91 MW for the solar energy generating plant project together with the bio-gas energy (SPP Hybrid Firm) which is consider another big project in 2021 that expects to complete in 2022
 - Water Management Unit – The company plans to expand construction and procurement of water production and distribution system for companies that distribute raw water to industrial estates, especially projects in Eastern Economic Corridor which have very high demand for water. which in 2021, the Company has contracted the improvement and expansion construction project, Provincial Water Authority, Sri Sa Ket Branch, which expects to complete within 2024 and then the company will operate a water supply system construction contractor in 2022. Project to provide complete water services to U-Tapao International Airport Area that it is expected that the operation will be completed within 2024.
 - Power Sub-Station Unit – Electricity is considered as one of the key public infrastructures that has high growth following economic expansion. Demands are from public and private sectors, especially the 3 electricity authorities of Thailand that have clear power sub-station projects in the pipeline. During 2021 to 2022, the Company completed and submitted the construction works of power stations, except Ban Phai Power Station, and Khon Khaen 2 Power Station which will deliver within Q1/2023. Up to now, our customers, such as Sri Trang Agro Industry PLC and Provincial Electricity Authority (PEA) etc., entrust the company in good quality of the construction works.
 - The subsidiary has a policy to expand power plant EPC business abroad, namely to Vietnam and Mongolia. Vietnamese economy is rapidly growing, and therefore has an increase in demand for power and then the



company's business partners or alliances conduct business in Mongolia. The company therefore plans to invest and expand in the EPC business.

- Moreover, Vietnamese government has a policy to expand the alternative energy between 2011 and 2020 and vision to continue to 2030 to support its long-term energy plan. Currently, the company has been successfully established. The Company provides management services for the construction of high voltage substation projects, construction of high voltage transmission lines for renewable energy power plants from solar and renewable energy power plants from wind power.

2. Raw Water Distribution Business

- The company invested in raw water distribution business, which has a very bright prospect with rapid growth and little competition. Our subsidiaries will handle a full-fledged water business – raw water, tap water and wastewater by gaining a concession from public or reliable private sector. Today the public sector stimulates the economy through private investment. It's a good chance for private investors. With the AEC, investment in such neighboring countries as Myanmar, Laos and Cambodia has bright prospects.
- The subsidiary will expand low-cost raw water reservoirs to cope with uncertainties from natural raw water and increase revenue from customer growth.

3. Digital Assets Business

The trend of digital assets over the past decade is an interesting phenomenon. It also reflects demands and behaviors of financial service users. Blockchain is the technology that can achieve the demands of user with higher efficiency transactions that are faster, more convenient. Thus, it can create new business opportunities. The Company's executives have foreseen the change and potential in various transactions such as finance, investment, digital assets etc. They have paid attention and invested in the digital asset business with innovations and experts with our goal "Become a leader in digital asset business".

Strategy

- The organization grows and diversifies in the energy and utility system businesses. It commits to revenue generation from engineering service, procurement and construction (EPC) and providing construction consultancy. It is a leader in managing the project costs efficiently and creates confidence to employers with quality project delivery.
- Create confidence to customers in terms of quality, delivery and services as well as customer responsibility.
- Create efficient production system, control appropriate costs so as to be competitive and look for opportunity in new industries.

1.1.2 Significant changes and developments

- On December 19, 2019, APAT increased its registered capital from 150,000,000 Baht to 300,000,000 Baht
- On March 23, 2020, a subsidiary: A2 Technologies Vietnam Co., Ltd. was established and operated in EPC business in Vietnam. Its registered capital is 1,000,000 Baht.



- On July 20, 2020, A2 Technologies Co., Ltd. purchased shares in Cholkij Sakol Co., Ltd. from the previous owner, resulting in shareholding percentage increase from 53.33 to 98.12%
- On September 2, 2020, A2 increased its paid-up registered capital from 500,000,000 Baht to 600,000,000 Baht
- On September 9, 2020, APAT increased paid-up registered capital from 300,000,000 Baht to 550,000,000 Baht
- On September 17, 2021, A2 Technology Co., Ltd. purchased shares of A2 Teeravat Joint Venture Company Limited back from Teerawat Surin Construction Ltd., this resulted in A2 Technology Co., Ltd. to hold shares in A2Teeravat Joint Venture Company Limited by 100%.
- On February 22, 2022, A2 Teeravat Joint Venture Company change the name to A2 Water Management Company Limited
- On June 30, 2022, the Company sold 22 million shares which is equivalent to 40% of APAT's total paid-up shares to TNA Company Limited ("TNA")
- On July 1, 2022, the Company purchased the ordinary shares of Super Green Mining Company Limited ("SGM") (registered capital of 136 million Baht, paid-up capital of 64 million Baht) in the amount of 13,599,998 shares, representing 100% of the total number of shares with voting rights of SGM from Super Energy Corporation Public Company Limited ("SUPER" or "Seller") with a total purchase value of Baht 66 million.
- On August 17, 2022, GEM (Super Green Mining Company Limited ("SGM") changes the name to Green Energy Mining Company Limited ("GEM") on July 7, 2022) increase the registered capital from 136 million Baht to 800 million Baht (shares 80.00 million, at a par value of Baht 10)
- On September 16, 2022, The Company established a new subsidiary, Asia Waste Energy Co., Ltd. ("AWE"), with a registered capital of 1 million Baht for construction service for renewable energy power plants from biomass fuel.
- On January 4, 2023, The Company sold 32,999,997 shares which is equivalent to 60% of APAT's total paid-up shares to TNA Company Limited ("TNA"). APAT will cease to be a subsidiary of the Company.
- On May 2, 2023, the company invested in A2 Technologies Co., Ltd., amounting to 100 million baht, by investing in 10 million shares, priced at 10 baht per share.
- On October 1, 2023, the company invested in A2 Water Management Co., Ltd. "A2W" by purchasing 100% of shares from A2 Technologies Co., Ltd., with the investment value being a total amount. 75 million baht, resulting in as of October 1, 2023, A2W is a subsidiary of the company.
- On October 1, 2023, the Company invested in APCS Technology Co., Ltd. "APT" by purchasing 100% of shares from A2 Technology Company Limited with a total investment value of 4 million baht, resulting in As of October 1, 2023, APT is a subsidiary of the Company.



1.1.3 Use of Proceeds

- None

1.1.4 Obligations that the Company promises in the Data Clarification Sheet

- None

1.1.5 Company Information

Company Name	:	Asia Precision Public Company Limited (the Company or “APCS”)
Abbreviation	:	APCS
Listed date	:	September 29, 2011
Type of shares	:	Common shares
Registered Capital	:	Baht 659,999,962.00
Paid-up Capital	:	Baht 659,999,862.00
Paid-up Share Unit	:	659,999,862 shares
Par value	:	1.00 Baht
Type of business	:	Core business - Construction (EPC) Construction, engineering consultation, maintenance of renewable energy power plant. Sales of materials, equipment, spare parts used in power plant and energy construction projects. - Raw Water – Distribution of raw water - Digital Assets Business operates on the bitcoin mining business
Industry category	:	Construction services (CONS)
Head Office	:	223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict, Bangna, Bangkok 10260.
Company Registration No.	:	0107554000011
Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496
Homepage	:	www.apcs.co.th



Juristic persons which the Company holds at least 10% of their shares Subsidiaries Company

• A2 Technologies Co., Ltd. ("A2")

Registered Capital	:	Baht 700,000,000.00
Paid-up Capital	:	Baht 700,000,000.00
Number of paid-up shares	:	70,000,000 common shares.
Par Value (Baht)	:	10.00 per share
Type of Business	:	Provide engineering service and automation solution and provides construction and maintenance services of renewable energy power plants
Head Office	:	Amata Nakorn Industrial Estate, 700/331 Moo 6, Donhualor, Muang Chonburi, Chonburi 20000
Branch Office	:	223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict, Bangna, Bangkok 10260.
Company Registration No.	:	0205553022311
Head Office Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496

• APCS Technology Co., Ltd. ("APT")

Registered Capital	:	Baht 10,000,000.00
Paid-up Capital	:	Baht 10,000,000.00
Number of paid-up shares	:	10,000 common shares.
Par Value (Baht)	:	1,000.00 per share
Type of Business	:	Procurement and distribution of equipment for the power generation systems and alternative energy power production .
Head Office	:	223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict , Bangna, Bangkok 10260.
Company Registration No.	:	0205560020808
Head Office Tel No	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496



A2 Water Management Co., Ltd. (“A2W”)

	Preferred Shares	Common Shares	Total
Registered Capital	: 36,750,000.00 baht	238,250,000.00 Baht	275,000,000.00 Baht
Paid-up Capital	: 9,187,500.00 baht	59,562,500.00 Baht	68,750,000.00 Baht
Number of paid-up shares	: 3,675,000 shares	23,825,000 shares	
Par Value (Baht)	: 10.00 Baht	10.00 Baht	
Paid up par value	: 2.50 Baht	2.50 Baht	
Voting rights	: 10,000 votes per share	1 vote per share	
Type of business	: Construction of buildings, housing, roads, bridges, tunnels, and all other construction types		
Head office	: 223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict , Bangna, Bangkok 10260		
Company Registration No.	: 0105561082832		
Tel No.	: (662) 361-5494-5		
Fax No.	: (662) 361-5496		

• **A2 Technologies Vietnam Co., Ltd. (“A2V”)**

Registered Capital	: Baht 1,000,000.00 (Equivalent to 750,000,000 VND)
Paid-up Capital	: Baht 1,000,000.00 (Equivalent to 750,000,000 VND)
Number of paid-up shares	: 100,000 common shares.
Par Value (Baht)	: 10.00 per share
Type of Business	: Engineering, Procurement, and Construction services for alternative energy power plants.
Head Office	: 68 Nguyen Hue, Ben Nghe Ward, District 1, Hochi Minh City, Vietnam
Company Registration No.	: 0316214921
Branch Tel No.	: None
Fax No.	: None



• **Cholkij Sakol Co., Ltd. (“CK”)**

Registered Capital	:	Baht 120,000,000.00
Paid-up Capital	:	Baht 120,000,000.00
Number of paid-up shares	:	1,200,000 common shares.
Par Value (Baht)	:	100.00 per share
Type of Business	:	Production and distribution of raw water.
Head Office	:	223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict , Bangna, Bangkok 10260
Company Registration No.	:	0105549083841
Branch Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496

• **Green Energy Mining Co., Ltd. (“GEM”)**

Registered Capital	:	Baht 800,000,000.00
Paid-up Capital	:	Baht 800,000,000.00
Number of paid-up shares	:	80,000,000 shares (10 Baht per share)
Par Value (Baht)	:	10.00 per share
Type of Business	:	Trading, mining, cryptocurrency exchange
Head Office	:	223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict , Bangna, Bangkok 10260
Company Registration No.	:	0105558098561
Branch Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496

• **Asia Waste Energy Co., Ltd. (“AWE”)**

Registered Capital	:	Baht 1,000,000.00
Paid-up Capital	:	Baht 1,000,000.00
Number of paid-up shares	:	10,000 common shares.
Par Value (Baht)	:	100.00 per share
Type of Business	:	Engineering, Procurement, and Construction services for alternative energy power plants.
Head Office	:	223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai Subdistrict , Bangna, Bangkok 10260
Company Registration No.	:	0105565151910
Branch Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496



• **A2 Technologies Mongolia Co., Ltd. (“A2M”)**

Registered Capital	:	USD 100,000.00
Paid-up Capital	:	USD 100,000.00
Number of paid-up shares	:	100,000 common shares.
Par Value (USD)	:	1.00 per share
Type of Business	:	Engineering, Procurement, and Construction services for alternative energy power plants.
Head Office	:	Ayud tower 1104, Olympic street 5, khoroo 1, Sukhbaatar District, Ulaanbaatar, Mongolia
Company Registration No.	:	000283128



Company	Abbrev.	Business Description	Segment	Registration Date	Registered Capital (Baht)	Paid up capital shares (shares)	Par value per share (Baht)	Paid up capital per share (Baht)	Shareholding (Shares)	Shareholding Proportion (%)
1. A2 Technologies Co., Ltd. ⁴⁾	A2	Engineering Service, Automation Solution, and construction, operation and maintenance of power plants	Construction	19 October 2010	700,000,000.00	70,000,000	10.00	10.00	69,999,997	Owned by APCS 100.00
2. APCS Technologies Co., Ltd. ⁷⁾	APT	Distributing materials, tools, equipment, spare parts for the construction of power plants, other energy businesses, water business as well as factories producing steam, pure water and chemicals to sell to the petrochemical industries or engineering services, designing and consultation, services to construction projects as well as maintenances.	Construction	28 June 2017	10,000,000.00	10,000	1,000.00	1,000.00	9,997	Owned by APCS 99.97
3. A2 Water Management Co., Ltd., ^{1), 6)}	A2W	Construction of enhanced water station	Construction	15 May 2018	75,000,000.00	Preferred shares 3,675,000 Common shares 3,825,000	10.00	2.50	3,674,997	Owned by APCS 100.00
4. Chokkij Sakol Co., Ltd.	CK	Distribution of raw water	Raw Water distribution	14 July 2006	120,000,000.00	120,000	100.00	100.00	1,177,497	Owned by A2 98.12
5. Green Mining Energy Co., Ltd. ²⁾	GEM	Mining and cryptocurrency exchange	Mining	17 June 2015	800,000,000.00	80,000,000	10.00	10.00	79,999,998	Owned by APCS 100.00
6. Asia Waste Energy Co., Ltd.	AWE	Engineering, Procurement, and Construction services for alternative energy power plants.	Construction	16 September 2022	8,000,000.00	80,000	100.00	100.00	79,997	Owned by APCS 100.00
7. A2 Technologies Vietnam Co., Ltd.	A2V	Offer engineering service and automation solution, EPC, O&M of all types of renewable energy power plant	Construction	23 March 2020	1,000,000.00	100,000	10.00	10.00	100,000	Owned by A2 100.00
8. A2 Technologies Mongolia LLC ⁵⁾	A2M	Engineering Service, Automation Solution, and construction, operation and maintenance of power plants	Construction	23 August 2023	100,000.00 USD	100,000	1.00 USD	1.00 USD	100,000	Owned by A2 100.00

¹⁾ On February 22, 2022, A2 Teeravot Joint Venture Company change the name to A2 Water Management Company Limited

²⁾ On July 1, 2022, the Company purchased the ordinary shares of Super Green Mining Company Limited ("SGMP") afterward change the name to Green Mining Energy Co., Ltd.

³⁾ On January 4, 2023, The Company sold 32,999,997 shares which is equivalent to 68% of APAT's total paid-up shares to TNA Company Limited ("TNA"). APAT will cease to be a subsidiary of the Company.

⁴⁾ On May 2, 2023, the company invested in A2 Technologies Co., Ltd., amounting to 100 million baht, by investing in 10 million shares, priced at 10 baht per share.

⁵⁾ On Aug 23, 2023, A2 Technologies Co., Ltd. invested in A2 Technologies Mongolia LLC, by investing in 100,000 shares, priced at 1 USD per share.

⁶⁾ On Oct 1, 2023, the company invested in A2 Water Management Co., Ltd., representing 100% of the total number of shares from A2 Technologies Co., Ltd. with a total purchase value of Baht 75 million. On Oct 1, 2023, A2W became a subsidiary of the company.

⁷⁾ On Oct 1, 2023, the company invested in APCS Technologies Co., Ltd., representing 100% of the total number of shares from A2 Technologies Co., Ltd. with a total purchase value of Baht 4 million. On Oct 1, 2023, APT became a subsidiary of the company.

1.2 Characteristics of Products

1.2.1 Structure of Revenue

The Group Company's revenue structure is classified by business unit and entity as follows:

(Unit : Million Baht)

Revenue by Product/ Business Unit	Handled by	Shareholding (%)	Consolidate Financial Statement ¹					
			2021		2022		2023	
			Revenue	%	Revenue	%	Revenue	%
1. Engineering, Procurement, and Construction service (EPC)	A2 Technologies Co., Ltd	100.00%	1,324.75	60.97	1,736.24	95.53	1,198.40	79.96
	A2 Water Management Co., Ltd.	100.00%						
	APCS Technologies Co., Ltd.	100.00%						
	A2 Technologies Vietnam Co., Ltd.	100.00%						
	Asia Waste Energy Co., Ltd.	100.00%						
	A2 Technologies Mongolia LLC. ³	100.00%						
2. Raw Water Distribution	Cholkij Sakol Co., Ltd.	98.12%	34.78	1.60	37.73	2.08	60.87	4.06
3. The Digital Assets	Green Energy Mining Co., Ltd.	100.00%	-	-	43.40	2.39	239.48	15.98
Precision Metal Parts Manufacturing (Discontinued Operation)	Asia Precision A.T. Co., Ltd. ²	100.00%	813.13	37.43	-	-	-	-
	AsiaPrecisionTech Co., Ltd.	100.00%						
			2,172.66	100.00	1,817.37	100.00	1,498.75	100.00

Note : 1. Intercompany revenues have been eliminated from the consolidated financial statement.

2. On June 30, 2022, the Company sold 22 million shares which is equivalent to 40% of APAT's total paid-up shares to TNA Company Limited ("TNA")

On January 4, 2023, The Company sold 32,999,997 shares which is equivalent to 60% of APAT's total paid-up shares to TNA Company Limited ("TNA").
APAT will cease to be a subsidiary of the Company.

3. The resolution of the Company's Board of Directors Meeting No. 3/2023 on June 29, 2023, it was approved A2 Technologies Company Limited (A2) a subsidiary of the Company established a subsidiary which is A2 Technologies Mongolia LLC. (Mongolia), with the objective of supporting the EPC business plan in Mongolia.
The establishment of A2 Technologies Mongolia LLC. has been completed on August 23, 2023.

Structure and Business Operations of APCS

Asia Precision Public Company Limited is a holding company which conducts business of investing and holding shares in other companies (Holding Company) follow to the business restructuring plan for preparing in future growth into 3 business units:

Business Group	Company in the business group
Engineering, Procurement, and Construction (EPC)	A2 Technologies Co., Ltd (A2) A2 Water Management Co., Ltd. (A2W) APCS Technologies Co., Ltd. (APT) A2 Technologies Vietnam Co., Ltd. (A2V) Asia waste energy Co., Ltd. (AWE) A2 Technologies Mongolia LLC. (A2M)
Raw Water Distribution	Cholkij Sakol Co., Ltd. (CK)
The Digital Assets	Green Energy Mining Co., Ltd. (GEM)



The operations of each division are as follows:

1. Engineering, Procurement, and Construction service, including design, maintenance, equipment, and spare parts, of all renewable energy power plants, power sub-station, and water management system.
2. Distribution of raw water.
3. Digital Assets business operates in the bitcoin mining business.

1.2.2 Product Data

1.2.2.1 Engineering, Procurement, and Construction Business (EPC)

EPC business operates under A2 Technology Co., Ltd and engages in engineering, design, procurement, construction, and consultation for the construction of renewable-energy power plants, distributing materials, tools, equipment, and spare parts for the construction of power plants, and other energy businesses. The business is divided into 2 segments – construction and construction unit and sales of construction equipment unit.

1.2.2.1.1 EPC Business Unit

This unit engages in engineering, procurement, and construction of projects, which uses advanced technology to service both domestic and international markets. The service includes design, procurement, construction, system testing, consultation, maintenance, and after-sale service. The unit is operated under A2 , A2W, A2V, AWE and A2M.

(A) Products or services and business innovation development

In 2019, A2 operated and continuously expanded its scope of construction projects; currently, it has covered all types of renewable energy power plants including, solar power plants, waste-powered power plants, power sub-station, and water management facilities. Key customers are largely private sector companies and public sector e.g. PEA.



Solar Plant – installed on rooftop, on ground, and floating on water (from left to right)



Waste-powered Power Plant



Power sub-station



High voltage transmission line



Water management facility



Production and production procedures

(1.1) Construction procedures for a solar-cell power plant

The Business Development Department and Management team will first contact a client and obtain initial information about the client's requirements and make an initial decision on whether to make a proposal to handle that project. If yes, the management will appoint a project manager to oversee the proposal.

The project manager, appointed by the management, will assign an engineer to survey the site conditions where construction will be made to gather initial information to prepare a proposal and assess risks as well as plan measures to cope with those risks if they are high-risk scale.

(1.2) Project construction procedures

Receiving the project from the management, the project manager will figure out a project organization and appoint a site manager, who will be responsible for site operation. The project manager with the engineering manager and the site manager will review the client's needs in different aspects together. Information acquired will be shared with the entire teamwork as initial information for design and construction.

The project manager will assess the costs of operations and propose the budget to the management team.

After the data conclusion, the engineering manager and site manager will start purchasing materials, and machinery and hire subcontractors to handle different portions of the project. In terms of engineering, once a conceptual design is made, the site manager and the staff concerned will proceed with a detailed design, which will be used for construction, supervision, and procurement. In terms of subcontractors, the site manager and project engineer shall monitor the construction to make sure that they proceed according to the drawings and engineering principles and standards, and they are also in charge of construction inspection, machinery, and equipment installation as well as testing and commissioning.

Upon construction completion, the project must pass the QC Test and Commissioning Procedure and final inspection jointly with the client before final project delivery to the client, depending on the terms and conditions in the contract.

(B) Marketing and competition

From the government's policy to support the production of electricity from renewable energy. and more solar energy and other supporting factors such as electricity costs according to the automatic electricity rate adjustment formula (Ft) that are likely to increase. tax benefits, etc., making it possible for both domestic and foreign companies to Including the industrial sector and household sector There is a trend of installing electricity generation systems from renewable energy greatly increasing and grow further in the future. As a result, there will be several entrepreneurs who provide engineering, procurement, and construction (EPC)



services and construction-related procurement and distribution services for renewable energy power generation systems. will continue to increase in the future and there is more intense price competition.

Overview of the electricity generation business in Thailand

In 2023, the private power generation business can still expand as demand for electricity increases in almost every industry. Especially the increase in the industrial and business sectors. After the COVID-19 situation, all economic activities can return to normal operations. In the first 6 months of 2023, there was a total electricity consumption of 101,043 gigawatt hours, an increase of 2.2% that results from the continuous expansion of electricity use in business fields related to tourism and services. From the policy of opening the country in many countries However, most of the electricity used, 42 percent, is still in the industrial sector. As for electricity use in the household sector, the proportion was 28% and electricity use in the business sector, which accounted for 24%, respectively.

In addition, the country's power development plan (Power Development Plan or "PDP") and the alternative and alternative energy development plan (Alternative Energy Development Plan or "AEDP") also show the direction of growth of the electricity generation business from Renewable energy and solar energy in Thailand in the future. As of October 2023, Thailand has a total contracted power generation capacity in the power system of 49,513.79 megawatts, of which 32.79% is produced by EGAT, 35.65% by IPP, 18.97% by SPP, and imported and Exchange from Lao PDR and Malaysia 12.59%.

Ministry of Energy has introduced AEDP2018, approved by the Cabinet on October 20, 2020. The goal is to increase the proportion of renewable and alternative energy in the form of thermal electricity and electric energy from biofuels, with a ratio to the final energy consumption of 30% in 2037. This resulted in a forecast for the final energy demand in 2037 at 126,867 ktoe.

Target of new capacity of community power plants for the foundation economy following PDP-2018 Rev.1

Production Capacity (MW)	2020		2021		2022		2023		2024	
	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
Biomass	200	200	100	300	100	400	100	500	100	600
Biogas(wastewater/waste)	100	100	50	150	33	183	-	183	-	183
Biogas (energy crops)	200	200	100	300	100	400	100	500	100	600
Solar (Hybrid)	200	200	100	300	90	390	80	470	80	550
Total	700	700	350	1,050	323	1,373	280	1,653	280	1,933

Source: Department of Alternative Energy Development and Efficiency (2020) and AEDP2018

Overview of the power development plan of Thailand 2018 – 2037 Revision 1 (PDP2018 Rev.1): The target for new power plant capacity from renewable and alternative energy including community power plant projects for the foundation economy is set to a total of 18,696 MW from different types of fuels as follows:



Alternative	Contracted capacity (MW)	Operated As of 31 May 2023 (MW)
Solar	12,139	3,136
Biomass	5,790	3,873
Wind	2,989	1,545
Large Hydroelectric Power Plant	2,920	2,918
Floating solar and hydroelectricity power plant	2,725	45
Biogas (Wastewater/Waste /Energy crops)	1,565	652
Communal waste	900	361
Industrial waste	75	44
Small hydro	308	192
Total	29,411	12,767

Sources: Energy Policy and Planning Office (EPPO), Ministry of Energy, Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy.

From the policy, the private sector has turned to investment in alternative energy. And those private investors are customers' targets to provide consultation services for the construction of power plants from alternative energy to licensees, especially turnkey projects – solar-cell power plants and power plants from different kinds of waste. This business may turn into a core business in the future.

In addition to the power development plan of Thailand that the government has laid down the policy framework, the government sector has also encouraged small-medium enterprises to invest more in a power generation system from renewable energy, through the tax incentive. More investment is expected in the future.

(C) Marketing policy and features

- **Competition strategies**

Personnel: EPC's key executives are seasoned engineers with long experience in the business of construction of renewable-energy power plants, especially solar-cell power plants, waste-fueled power plants, and electricity substation construction. They're well-recognized by designers, engineering consultants, and project developers. They're well qualified to deal with clients. In addition, the EPC business has a team specialized and experienced in designing, planning, and construction as planned as well as complicated and delicate procedures in obtaining licenses. The EPC team has a full team, well qualified and acquainted with delicate procedures – EPC's significant competition strategies.

- **Customer features and target customers**



Our main target customers are companies and organizations both in the public and private sectors which operate in energy and utility e.g. the 3 Electrical Authorities of Thailand. These customers have strong investment capabilities with reliable sources of funding and a clear business development strategy.

- **Channels of distribution**

EPC team enters bidding on government construction projects, focusing mainly on projects related to utility. For the private sector, the EPC team gets involved with those invested in energy and helps develop and propose projects for its customers. Projects include various renewable energy power plants, power sub-stations, and utility facilities. All the revenue generated in 2021 from domestic projects and some part of abroad. Nevertheless, EPC has plans to expand its construction and consultation service for investors who are interested to go invest in energy abroad e.g. Vietnam, Mongolia.

- **Pricing policy**

The pricing policy is a cost-plus contract – costs according to the requirements and quantity of work as agreed upon, and competition in the alternative energy business.

- **Certificates and International Standards**

The company focuses on developing efficiency in production and management in order to be recognized by customers. The company has received international standard certificates in various fields as follows:

	Standards	Certified period	Details
1.	ISO 9001: 2015  	November 28, 2019 to November 28, 2022	The company has been certified for quality management system ISO 9001: 2015 UKAS Quality Management. UKAS = United Kingdom Accreditation Service is the accrediting body of the United Kingdom that is recognized internationally, Accredited companies demonstrate fairness and the ability to perform the task and management that meet international quality standards. Obtaining this standard of quality system certification will be the cornerstone that is a valid tool in the continuous development of the organization and to create of standardized products and services.

(D) Procurement of materials

EPC business will procure materials for the construction according to the Bill of Quantity (BOQ), featuring costs of materials and labor costs. Most clients have given EPC BOQ, featuring materials they require for the EPC team to calculate the material cost. In case a client has not identified materials, the EPC team will figure out materials and their costs from the drawings.



In terms of construction, the EPC team will select subcontractors in a bid or direct employment. Only subcontractors who have power plant construction references. The EPC team project engineer will be assigned to supervise the construction until completion.

(E) Environmental impact

The EPC team strictly follows procedures in the Code of Practice (CoP), issued by ESA to prevent and reduce possible environmental impact.

(F) Assets used in Business

The main characteristics of the main fixed assets The Company and its subsidiaries use it for business operations. As of December 31, 2023, the main fixed assets The Company and its subsidiaries used to operate the business consisted of

Type / Asset Nature	Ownership Type	Net book value less depreciation (Million Baht)	Obligations
Land, Buildings, and Equipment (Consol)	Company-owned	1,039.97	Land valued at 271 million baht is mortgaged with a financial institution.
Land, Buildings, and Equipment (Separate)	Company-owned	13.40	None

(G) Projects not yet delivered to the clients

As of 31 December 2023, the number of projects provided to the subsidiary's construction as follows:

(Unit: Million Baht)

No.	Description	Project	Project Value	Recognized as revenues during the year 2021	Recognized as revenues during the year 2022	Recognized as revenues during the year 2023	Balance
1	Construction projects completed in 2023	19	887.71	487.86	321.75	78.10	-
2	Projects under construction	57	4,208.38	503.40	1,171.54	1,120.90	1,412.54
3	Projects whose contracts have been signed but construction has not yet started	4	37.87	-	-	-	37.87
	Total		5,133.96	991.26	1,493.29	1,199.00	1,450.41

1.2.2.1.2 Procurement and Distribution of Equipment for Construction

This unit engages in the procurement and distribution of construction projects including renewable energy power plant systems and equipment, power sub-stations, and utility facility systems. The unit operates under APT.

(A) Products or services and business innovation development

To procure and distribute equipment related to power generation from solar cells, other alternative energies, and utility facility construction. Examples of products are solar panels, inverters, switch gear systems, transformers, monitoring systems, etc.



(B) Marketing and competition

- **Industry conditions**

Based on the economic growth rate, demand for alternative energies saw an increase, thus the opportunities to sell equipment for alternative energy power production seemed to grow accordingly.

- **Industrial and competition trends**

APT aimed to market and distribute quality components for alternative energy. The demand for such components depended on the demand for alternative energies.

(G) Marketing policy and features

- **Competition strategies**

The alternative energy business required high investment and was quite competitive, which served as a key factor in the Company's success. A key marketing strategy to ensure success and competitiveness is to have quality products, well-screed by APT specialists.

- **Target customers**

Target customers are customers with construction projects on hand. Projects include power plant construction and utility facility construction. Customers are both private and public sectors who are project owners.

- **Channels of distribution**

APT sells directly to project owners or contractors and designers.

- **Pricing policy**

APT worked out its prices from the cost-plus margin,

- **Certificates and international standards**

-None-

- **Benefits and conditions received from sending investment messages**

-None-

(D) Procurement of materials

APT only procures materials and products upon receiving purchase orders from the customers. APT has no policy to stock any products, and therefore reduces inventory cost. In 2018, materials were procured from within the country and from abroad.

€ Assets used in Business

-None-

(F) Projects not yet delivered

-None-

(G) Environmental impact

-None-



1.2.2.3 Raw Water Business Unit

The unit engages in the distribution of raw water.

(A) Type of Products

Cholkij Sakol Co., Ltd. (CK) is involved with raw water distribution. It's quality raw water at the standards of inland water, category 3. Cholkij has 5 reservoirs with a total capacity of 18 million cubic meters in Nong Tamlueng Sub-district and Nong Hong Sub-district, Phan Thong District, Chon Buri Province.

(B) Marketing and competition

- **Industrial conditions**

CK's main source of income comes from the sale of raw water to customers, which distributes to the industrial sector and waterworks authority in Chon Buri and Chachoengsao provinces. Demand for raw water depends on the industrial growth in Chon Buri and Chachoengsao provinces. Continuous industry growth was seen in 2022. Water usage has slowed due to the Covid-19 epidemic.

- **Trends of the industry and competition**

The outlook for the Thai industrial sector in 2024 is expected to expand in the range of 2.7 - 3.7%, with supporting factors from the return of export expansion. Favorable expansion of private consumption and investment. and the continued recovery of the tourism sector. However, from the forecast of the ENSO phenomenon, it is found that there is a tendency to maintain a strong El Niño condition until March 2024 continuously before it weakens until it enters the Weak El Niño state and is likely to enter a normal state (Neutral) in June 2024, there will be an expected impact on Thailand From the beginning of November 2023 to the end of March 2024, the rainfall throughout the country will be lower than normal. There will be an average rainfall amount of 11.3 - 95.7 millimeters and has a median value of 43.3 millimeters (normal value 20.6 - 92.8 millimeters and median value 51.1 millimeters), which may cause problems in adjusting the amount of water in natural water sources. Especially the area outside the irrigation area, which is up to 75.0 percent of the entire country's agricultural area. Most of which are in the northeastern region. and the problem of decreasing the amount of water in reservoirs and dams throughout the country. Resulting in the amount of water that can be used (Usable Water Supply) it was insufficient for actual water demand (Useable Water Demand), making Thailand more clearly at risk of experiencing drought. Therefore, allocation of water resources is very important. especially towards agricultural production which accounts for more than 80 percent of the country's total water use, while the service sector and the industrial production sector with proportions of 12.0% and 8.0%, respectively. (Source: Thai economic situation in the third quarter of 2023 and outlook for 2023 - 2024, published on 20 November 2023)

(C) Marketing policy and features

- **Competition strategies**

The raw water of CK is of high quality and meets the standards of inland water, category 3, and the standards required by customers. CK has installed a system to check the quality and quantity of water so clients



to be confident in the raw water supplied by CK. In addition, CK is studying other water sources for future business expansion.

- **Customer features and target customers**

CK's customers are those who procure and distribute raw water or procure water to process and distribute for household or industrial consumption. Our target customer is the industrial sector, water management companies that distribute to the household and industrial sector, etc.

- **Channels of distribution**

CK sells raw water to domestic customers. Our customers are the industrial sector, and water management companies that distribute to the household and industrial sector.

- **Storage and distribution**

The current situation is Thailand is in a drought state. However, the company has prepared the water so that it can sell the water to meet the contract. This caused the cost of raw water distribution business to increase due to labor costs and depreciation.

(D) Raw materials

The quality of CK's inland water, category 3, has been monitored today and for the future.

- **Pricing policy**

The raw water prices are agreed upon by the buyer and seller.

(E) Environmental impact

CK collects only rainwater from its 5 reservoirs in the rainy season (August-November). Therefore, there is no environmental impact but CK's operation helps relieve floods in downstream areas.

(F) Assets used in Business

The main characteristics of the main fixed assets CK used in business as of December 31, 2023, consist of;

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Water tank land (total 43 title deeds, area 438-2-97.5 rais)	The Company owns	273,606,965.15	The company has taken the land at a cost of 271 million baht to guarantee credit with commercial banks. and the Company has entered into a Negative Pledge Agreement with a commercial bank as collateral for long-term loans.
Land improvement	The Company owns	1	None
Total land and land improvements		273,606,966.15	
Buildings and building improvements	The Company owns	9,202,922.42	None



Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Machinery and equipment	The Company owns	37,714,579.00	None
Furnishings and office supplies	The Company owns	9,771.42	None
Asset under Construction	The Company owns	-	None
Total		320,534,238.99	

(G) Projects not yet delivered

- None -

1.2.2.4 Trading, Mining, and Exchanging Digital Assets

(A) Characteristics of the Product

Digital Assets

(B) Marketing and Competition

A new generation of investors, especially Gen X and Gen Y, are highly interested in the digital asset market as they believe it is an investment in tangible assets. The global digital asset market has a market cap of approximately \$0.98 trillion, of which 38.7% comes from Bitcoin.

Source: <https://www.sec.or.th/TH/PublishingImages/Pages/WeeklyReport/DAWeeklyReport20220909.jpg>

- **Industry Trends**

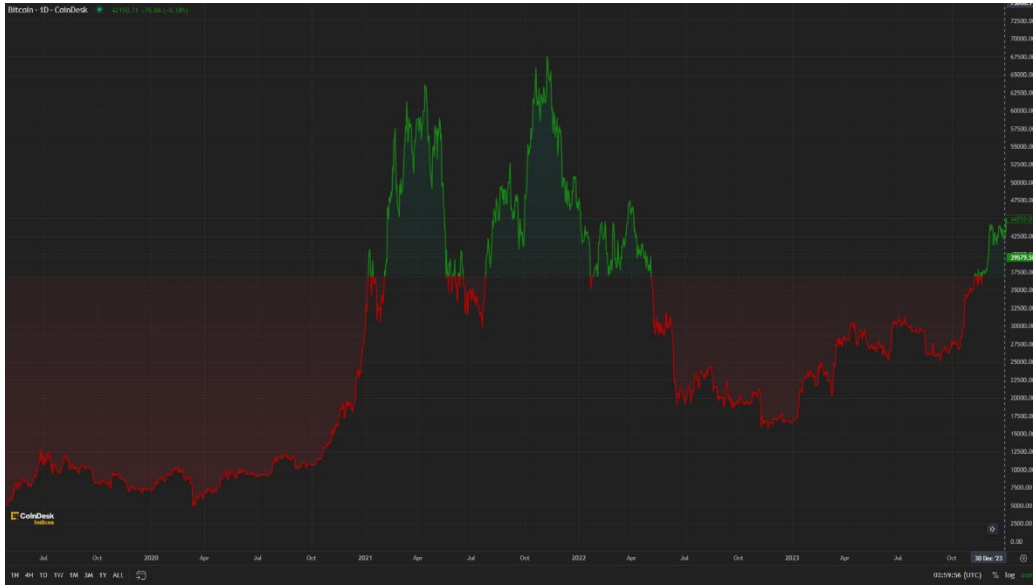
Digital assets are electronic units that express their value like ordinary assets and are centralized transactions using blockchain technology to help record transactions. This makes ownership trading possible at any time and Bitcoin is the digital asset with the highest market value in the world. In addition, digital assets are considered a type of inflation hedge because Bitcoin is a limited digital asset, and investors can be confident that this digital coin will have market value.

In addition, digital assets are considered a type of inflation hedge because Bitcoin is a limited digital asset, and investors can be confident that this digital coin will have market value.

Industry Trends and Competition

Currently, the network's daily maximum Total Hash Rate (TH/s) is 508,792,533.09 Hash rate TH/s as of December 31, 2023 (referenced from <https://www.blockchain.com>) from statistical data provided by the company and data compiled over the past 3 years (during 2021 - 2023), it was found that The network's total number of hashes has seen a 3-year average growth rate that has continued to increase. When investing in a Bitcoin mining system, new miners and additional investments by existing miners affect the total hash amount and price of Bitcoin. This is because as the total number of hashes increases, the share of mining coins per Bitcoin miner decreases. This makes Bitcoin more difficult to mine and affects its price as well. In addition, the price of Bitcoin has grown in the past 2022 - 2023 and has a tendency to increase in the future.





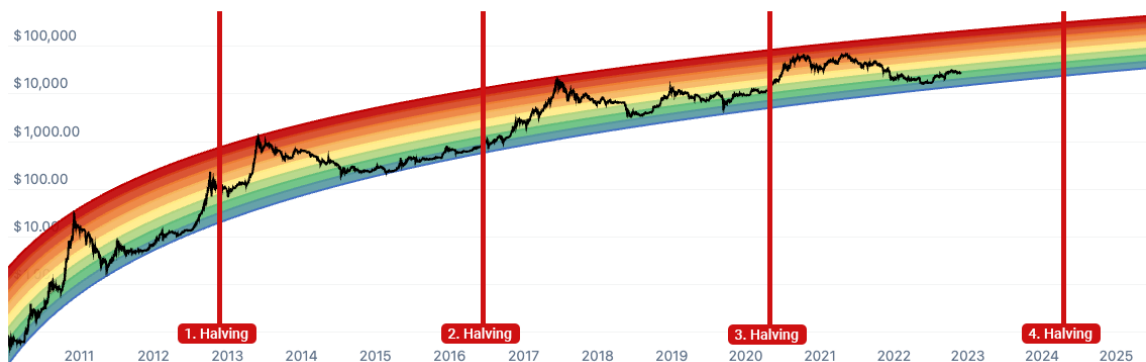
Source <https://www.coindesk.com> as of December 31, 2023

(C) Policies and Characteristics of Marketing

- **Competitive Strategy**

In mining Bitcoin Orders are embedded in blockchain technology. By specifying that When 210,000 new blocks are found, the system will cut the Bitcoin reward in half, which is called the Bitcoin Halving phenomenon. It occurs every four years to prevent Bitcoin inflation. This causes the price of Bitcoin to grow cyclically. It is also related to the rules of Demand and Supply. When there are fewer new coins, but the number of people interested in Bitcoin is increasing. As a result, prices soared. And when the price goes up Some investors who have accumulated bitcoins will sell them to get money out. until causing the price to decrease which when the price drops Investors who had previously left the market returned to Bitcoin and continued to re-enter the market.

Therefore, For forecast, the Bitcoin coin will have a halving. Around April 2024 and every halving phenomenon will cause the price of Bitcoin coins to increase every time. This may cause the coin price growth period to increase in the second half of 2024 (source: coincodex website)



However, Bitcoin mining requires the computer's processing power to decode the software as quickly and as possible to be rewarded with Bitcoin coins. This causes us to increase our processing power (Hash Rate) as much as possible. The company has controlled the risk of energy prices and electricity prices, and the cost of the excavator and other related work systems efficiently



The Company plans to mine digital assets for collection. The Company will only sell digital assets when the purchase price of digital assets is within reasonable criteria. If the price of such digital assets decreases, the Company will only sell it to meet operating expenses to generate working capital in the Company.

- **Characteristics of Customers and Target Customers**

A new generation of global investors, especially Gen X and Gen Y, and customers who are interested in digital assets.

- **Distribution Channels**

The Company plans to distribute digital assets obtained from mining in domestic and international channels.

(D) Procurement of Products

Mining digital assets that the Company has invested in the form of crypto coins.

- **Pricing Policy**

The Company has the policy of setting the selling price of digital assets when the purchase price of digital assets is within reasonable criteria.

(E) Impact on the Environment

The Company uses a very high number of units of electrical energy, but the Company has foreseen the impact on the environment. Therefore, alternative energy such as solar energy is introduced and used in business as well.

(F) Assets used in Business

The main characteristics of the main fixed assets GEM used in business as of December 31, 2023, consist of

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Land improvement	The Company owns	9,380,242.58	None
Buildings and building improvements	The Company owns	22,463,948.19	None
Cryptocurrency Mining and Equipment	The Company owns	488,979,445.16	None
Furnishings and office supplies	The Company owns	425,888.76	None
Asset under Construction	The Company owns	67,988,860.88	None
Total		589,238,385.57	

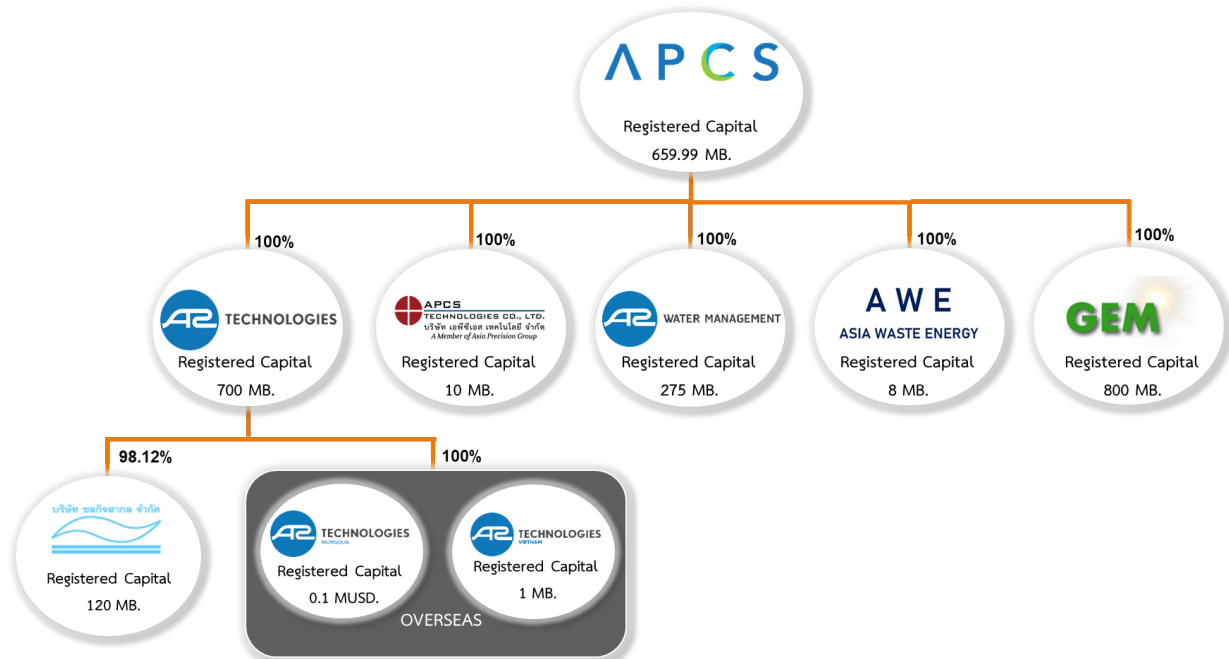
(G) Products not yet delivered

- None -



1.3 Shareholding Structure

1.3.1 Shareholding Structure (As of 31 December 2023)



1.3.2 Persons who may have conflicts of interest and hold shares in subsidiaries or associates more than 10 percent of the number of shares with voting rights.

- None -

1.3.3 Relationship with the business group of major shareholders.

- None -

1.3.4 Company shareholders

(1) Number of Registered Capital and Paid-up capital

As of 30 December 2021	No. of Common shares	Amount per share (Baht)	Amount (Baht)
Registered Capital	659,999,962	1.00	659,999,962.00
Paid-up Capital	659,999,862	1.00	659,999,862.00



(2) Shareholders of the top-ten major shareholders of the Company according to the latest book closing date on January 2, 2024

	Name	Number Shareholder	No. of Common shares	% of total shares all issued
1.	Advance Web Studio Co., Ltd. ¹⁾	1	146,000,000	22.12
2.	Super Energy Corporation Public Co., Ltd	1	90,225,632	13.67
3.	Bank Of Singapore Limited	1	64,700,000	9.80
4.	Karoonkornsakul Group ²⁾	5	32,719,210	4.96
5.	Ms.Daranee Attanand	1	21,604,031	3.23
6.	Mr.Annop Limprasert	1	17,904,000	2.72
7.	Mr.Somchai HongRatanavijit	1	15,550,000	2.36
8.	Ms.Janyaporn Valyasevi	1	15,074,300	2.28
9.	Mr.Chanchai Gulthavorakorn	1	12,271,800	1.86
10.	Mr.Sirote Sangthawaiporn	1	10,722,100	1.62
11.	Minor Shareholders	1,235	426,771,073	64.66
		1,249	659,999,862	100.00

- Thai Shareholders 1,241 persons (Total number of Common shares 593,210,165 shares which is equivalent to 89.88% of total paid-up shares) and
- Foreign Shareholders 8 persons (Total number of Common shares 66,789,697 shares which is equivalent to 10.12% of total paid-up shares)

Note: ¹⁾ See detail Advance Web Studio Co., Ltd. at no.3

²⁾See detail Karoonkornsakul Group at no.4

(3) Portion shareholders of Advance Web Studio Co., Ltd. as follows; (as of 2 January 2024)

	Name	No. of Shareholders	No. of Common shares	% of total shares all issued
1.	AWS Asset Management Co., Ltd. ³⁾	1	29,998	99.9933
2.	Minority shareholders (2 persons)	2	2	0.0067
		3	30,000	100.0000

Remark: ³⁾ See detail AWS Asset Management at no. 6

(3.1) Portion shareholders of AWS Asset Management Co., Ltd. as follow; (as of 2 January 2024)

	Name	No. of Shareholders	No. of Common shares	% of total shares all issued
1.	Mrs. Pimparuda Pitakteeratham	1	9,998	99.98
2.	Minority shareholders (2 persons)	2	2	0.02
		3	10,000	100.00

(4) Portion shareholders of Karoonkornsakul Group as follows (as of 2 January 2024)

Name		No. of	% of total shares all issued
		Common shares	
1.	Mr. Apichart Karoonkornsakul	13,778,448	2.09
2.	Mr. Pete Karoonkornsakul	15,342,476	2.32
3.	Mrs. Ratana Karoonkornsakul	2,677,414	0.41
4.	Mr. Pat Karoonkornsakul	665,913	0.10
5.	Ms. Wachirayan Karoonkornsakul	254,959	0.04
		32,719,210	4.96

1.3.4.1 Shareholding Structure of Subsidiaries - A2 Technologies Company Limited

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of Common shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	70,000,000	10.00	700,000,000.00
Paid-up Capital	70,000,000	10.00	700,000,000.00

(2) Shareholders of A2 Technologies Company Limited

Name	No. of	% of total shares all issued
	Common shares	
1. Asia Precision Public Company Limited	69,999,997	99.99999
2. Minority shareholders (2 persons)	3	0.00001
	60,000,000	100.00000

1.3.4.2 Shareholding Structure of Subsidiaries - APCS Technologies Company Limited

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of Common shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	10,000	1,000.00	10,000,000.00
Paid-up Capital	10,000	1,000.00	10,000,000.00

(2) Shareholders of APCS Technologies Company Limited

Name	No. of	% of total shares all issued
	Common shares	
1. A2 Technology Company Limited	9,997	99.97
2. Minority shareholders (3 persons)	3	0.03
	10,000	100.00



1.3.4.3 Shareholding Structure of Subsidiaries - A2 Water Management Company Limited

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of Common shares (Shares)	No. of Preferred Shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	3,825,000	3,675,000	10.00	75,000,000.00
Paid-up Capital	3,825,000	3,675,000	2.50	18,750,000.00

(2) Shareholders of A2 Water Management Company Limited

Name	No. of Common shares (Shares)	No. of Preferred Shares (Shares)	% of total shares all issued
1. A2 Technology Company Limited	23,825,000	3,674,997	99.99999918
2. Minority shareholders (3 persons)	-	3	0.00000082
	23,825,000	3,675,000	100.00000000

Voting rights in shareholders meeting of A2 Water Management Company Limited

Types of shares	Voting rights		
1. Common shares	1 Share	:	1 vote
2. Preferred Shares	1 Share	:	10,000 votes

1.3.4.4 Shareholding Structure of Subsidiaries - Cholkij Sakol Company Limited

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	1,200,000	100.00	120,000,000.00
Paid-up Capital	1,200,000	100.00	120,000,000.00

(2) Shareholders of Cholkij Sakol Company Limited

Name	No. of shares	% of total shares all issued
1. A2 Technology Company Limited	1,177,497	98.12475
2. Ms.Nobbawan Chantarasiri	22,500	1.87500
3. Minority shareholders (3 persons)	3	0.00025
	1,200,000	100.00000

1.3.4.5 Shareholding Structure of Subsidiaries - A2 Technologies Vietnam Company Limited

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	100,000	10.00	1,000,000.00 (equivalent to 750,000,000 VND)
Paid-up Capital	100,000	10.00	1,000,000.00 (equivalent to 750,000,000 VND)

(2) Shareholders of A2 Technologies Vietnam Company Limited

Name	No. of shares	% of total shares all issued
1. A2 Technologies Company Limited	100,000	100.00
	100,000	100.00

1.3.4.6 Shareholding Structure of Subsidiaries - Green energy mining Co., Ltd.

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital (Old)	80,000,000	10.00	800,000,000.00
Paid-up Capital (New-Current)	80,000,000	10.00	800,000,000.00
Registered Capital			800,000,000.00
Paid-up Capital			800,000,000.00

(2) Shareholders of Green energy mining Co., Ltd.

Name	No. of shares	% of total shares all issued
1. Asia Precision Public Company Limited	79,999,998	99.9999970
2. Mrs. Pimparuda Pitakteeratham	1	0.0000015
3. Advance Web Studio Co., Ltd.	1	0.0000015
	80,000,000	100.00000



1.3.4.7 Shareholding Structure of Subsidiaries - Asia waste energy Co., Ltd.

(1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	80,000	100.00	8,000,000.00
Paid-up Capital	80,000	100.00	8,000,000.00

(2) Shareholders of Asia waste energy Co., Ltd.

Name	No. of shares	% of total shares all issued
1. Asia Precision Public Company Limited	9,997	99.97
2. Minority shareholders (3 persons)	3	0.03
	10,000	100.00

1.3.4.8 Shareholding Structure of Subsidiaries - A2 Technologies Mongolia LLC. (1) Number of Registered Capital and Paid-up capital

As of 31 December 2023	No. of Common shares (Shares)	Amount per share (Baht)	Amount (Baht)
Registered Capital	200,000	5.00	1,000,000.00
Paid-up Capital	200,000	5.00	1,000,000.00

(2) Shareholders of Asiaprecisiontech Company Limited

Name	No. of Common shares	% of total shares all issued
1. Asia Precision A.T.Company Limited	199,997	99.9985
2. Minority shareholders (3 persons)	3	0.0015
	200,000	100.0000

1.4 Issuing other securities

1.4.1 Convertible securities

-None-

1.4.2 Debenture

As of December 31, 2023, the company has bonds that have not yet matured in the amount of 691.70 million baht from a credit limit of 2,000 million baht. The company spends money received from issuing and offering bonds for the purposes specified in the registration form. Complete information on the offering of bonds is as follows:

No.	Bond	Period (Year)	Outstanding Amount (Million Baht)	Interest Rate per Year	Type
1	APCS246A II/HNW	2	385.10	6.00%	Name-specified debentures, A Representative for bondholders, non-subordinate type and without guarantee
2	APCS24NA II/HNW	2	306.60	6.20%	Name-specified debentures, A Representative for bondholders, non-subordinate type and without guarantee
Total			691.70		

1.5 Dividend Policy

Company dividend policy

The Company has a dividend policy to payout no less than 40 percent of net profit after tax in separate financial statements and after Legal Reserves. However, the Company may choose to payout dividends less than the aforementioned rate depending on the operational performance, financial position, cash flow, working capital requirement, business expansion, and other factors that affect business operation; subject to the approval of the board of directors and/or shareholders.

In this regard, the Company's Board of Directors Meeting No. 1/2024, held on February 27, 2024, resolved to refrain from paying dividends for the 2023 annual operating results due to the Company's need to reserve cash as working capital and to accommodate the uncertainty of the economic condition, in 2024 and will be presented to the Company's 2024 Annual General Meeting of Shareholders.

Dividend Payout	Separated Financial Statements		
	2021	2022	2023
Par Value (Baht)	1	1	1
Shares (million shares)	660	660	660
Net profit/(loss) (million Baht)	(1.88)	69.48	128.55
Dividend per share	-	-	-

Subsidiaries dividend policy

The Company has a dividend policy to payout no less than 50 percent of net profit after tax in separate financial statements and after Legal Reserves. However, the Company may choose to payout dividends less than the aforementioned rate depending on the operational performance, financial position, cash flow, working capital requirement, business expansion, and other factors that affect business operation; subject to the approval of the board of directors and/or shareholders.

Dividend payment of A2 Technologies Company Limited

Dividend Payout	Separated Financial Statements		
	2021	2022	2023
Par Value (Baht)	10	10	10
Shares (million shares)	60	60	70
Net profit/(loss) (million Baht)	(11.21)	(153.01)	(39.49)
Dividend per share (Baht)	-	-	-

* The Board of Directors meeting No.1/2023 on February 27, 2023, resolved to refrain from paying dividends

2. Risk Management

Risks identified in this document. Based on current data and future expectations as far as can be determined. The risk factors of some significance. The text in the forecasts presented in the statement of this, such as using the words "believe," "anticipate," "estimate," "expect," "plans" or "intends", etc. or expectations regarding the performance of the business expansion. Changes in the laws relating to the business of the Company and other state policies concerning anticipated future events. As an actual result may differ significantly from expectations or predictions.

Risk management is an important procedure in reinforcing the Company to achieve its objectives and goals. If the risks can be identified accurately in advance, it will help to mitigate the impacts and open an opportunity to seek more business running guidelines. Moreover, efficient risk management is a crucial component in investment decision making. It led to create innovation and value added to the organization, shareholders and stakeholders as well as help the Company to sustainably grow.

2.1 Risk Management Policy and Plan, Scope of Risk Management

The Company has established the Enterprise Risk Management Framework to be up-to-date and in compliance with the international standards, the risk management strategies of the Company, and communicate to all departments to acknowledge and put into practice based on the clearer objectives and risk appetite. This is to ensure risk management go in the same direction and present the risk management result in the form of Risk Dashboard which shows high/medium/low risks together with solutions to the Risk Management Committee, the Audit Committee, and the Board of Directors.

The Board of Directors / the Risk Management Committee

The Board of Directors determines the policy and supervises risk management to be efficient and effective by having the Risk Management Committee to be responsible for verification to ensure that the Company has the comprehensive risk management procedures in compliance with the international standards and the Charter of the Risk Management Committee to evaluate the risk management of the Risk Management Working Group independently. Emphasis will be placed on actual practices and monitoring the results by determining the Risk Warning Signal or Red Flag to be followed whether the risk is more than the acceptable level or no communicate and control the Company to establish a measure to solve the situation in an appropriate and timely manner.

Internal Audit

The Internal Audit is responsible for examination, evaluation and providing recommendations with respect to efficiency and effectiveness of the risk management system based on the Charter of Internal Audit which is approved by the Audit Committee. It also encourages the Company to have universal risk management, being able to identify important risks and set up appropriate indicators. Risk Warning Signal will be set up and can manage risks efficiently while reporting the evaluation result to the Audit Committee for consideration and approval. In addition, opinions and recommendations from the Audit Committee are communicated back to the Risk Management Working Group and routine operators to develop and improve the risk management procedures of the Company.



Risk Management Framework

The Company classifies risks into 4 types (S, O, F, C) as follows:

1. **Strategic Risk: S** Risks appeared from inappropriate strategic planning and implementation. Including inconsistencies between policies, goals, strategies, and organizational structures. competitive situation, etc.
2. **Operational Risk: O** Risks appeared from every step of operations It covers factors related to the process. technological equipment and personnel in operations, etc.
3. **Financial Risk: F** Risks related to preparing financial information and various important information to be accurate, clear, and build trustworthiness including financial reporting. Examples: reporting company operating results, MD&A.
4. **Compliance Risk: C** Risks appeared from inability to comply with regulations Relevant laws, regulations, and existing laws are inappropriate. or is an obstacle in the performance of work, etc.
5. **Corruption Risk: C** Risks appeared from will actions including giving and/or accepting bribes, Conflicts of interest, threats, or any other actions to obtain illegal benefits for the organization, oneself or another party, etc.

Risk Evaluation Methods

The Company evaluates risks with the same standards throughout the whole organization (Common Risk Metrics) which has the procedures as follows:



Degree of Risk: in assessing the chance to have a risk (Likelihood), impact of the risk and risk manageability, and comparing the assessment result with the Risk Limit which is in line with the Risk Appetite. If the Risk Owner finds the Residual Risk higher than the Risk Limit, then a set of measures to deal with/solve the risks must be determined and reported to the Risk Management Committee until the risk is within the acceptable level.

Risk Management Culture

The Company understands risk management culture is an important component to the success of risk management in addition to having tools and standards for good risk management. If everyone in the organization understands the risk management framework differently or understands the acceptable level of risk differently or having the conceptual framework inconsistent with the risk management guideline of the Company, this may lead to errors in decision making. Therefore, the Company has established a guideline in building risk management culture as follows:

- Obtain communications from executives that risk management is important (Tone at the Top) and the executives are a role model for risk management.
- Develop a risk management system that can create value to the Company by ensuring progress monitoring and improving the risk management system in place.
- Build a way to put into practice with empirical evidence by setting up a risk management working group to supervise risk management operations, ensure use of common language for risks, determine the risk appetite, and set up a risk management system in the same format, determine roles and responsibility of a person responsible for each risk issue (Accountability)
- Build mutual agreements between key related persons through meetings/enquiries/opinions on a occasional basis.

2.2 Risk Factors Facing APCS's Businesses

2.2.1 Risks in construction industry (EPC)

2.2.1.1 COVID-19 Risk from the COVID-19 pandemic.

In 2022, the world encountered the COVID-19 pandemic situation, including Thailand that had a severe pandemic as well which affected a lot of businesses to close or come into a halt.

- The COVID-19 pandemic n subsidiaries as well since customers slowed down construction in order to prevent the spread in the customer's area resulting in delayed work delivery. However, subsidiaries had managed the risk from delayed delivery by negotiating the deadline of work delivery and sent a letter requesting an extension of delivery time to the employer. This is to prevent the subsidiary from being called for penalty by the employer. In addition, a measure on site entrance – exit management was in place in order to mitigate the spread in the construction site, temperature was measured before entering the area while ATK examined in order to separate high-risk groups as well as welfare was provided in the form of COVID-19 insurance and vaccinations for all employees. This result in the construction sites where the subsidiary enters to work have not yet found any cases of COVID-19 spreading. Due to the situation with COVID-19, the Ministry of Public Health has announced that the names and important symptoms of dangerous communicable diseases will no



longer be published. As a result, COVID-19 will no longer be classified as a dangerous contagious disease and will instead be placed in the group of communicable diseases to watch out for, starting from October 1, 2022.

In 2023, the COVID-19 pandemic situation has subsided. However, the company controlled it with measures to maintain cleanliness and the adjustment of personnel within the organization. Resulting in being less affected by Covid infection. and may cause operations within the organization to continuously, therefore, no impact on operations or accepting any projects of the company.

2.2.1.2 Risks from fluctuation in construction material price

The gross profit for each project is based on accurate project cost estimates and cost control within a predetermined budget. Building materials are the primary costs used in cost estimates. If the price of construction materials fluctuates due to the economic conditions and market demand, this will affect the profit of the Company. Nevertheless, the subsidiary is well aware of this risk. In the past, the subsidiary has negotiated for the seller to stand the price for a longer period. There is a demand planning for building materials for each period. And the market price is continuously monitored to be used for negotiating prices with sellers to get the best prices.

2.2.1.3 Risks from delay in construction project

If the construction operation is delayed, this will result in delay of delivery of the project to the client. As a result, the subsidiary will be charged a penalty due to project not delivered on the date specified in the contract, and resulting in additional other expenses. Nevertheless, the subsidiary Company places great importance on delivering the project to the client on time as stated in the contract. The Company determines thorough work plans from the beginning of the project until the end of the project. The project is controlled in accordance with the plan closely. Progress is reported to the client according to the meeting schedule specified by the client or according to the contract specified. In the event of an unexpected event, that may result in the project not able to be delivered to the client on schedule. The subsidiary Company will report to the client immediately and make a letter requesting to extend the delivery period to the client. This is to jointly prepare a memorandum of agreement for extending the project delivery period and prevent the subsidiary from being charged a fine from the client. In the past, the subsidiary Company has never experienced any delay in delivering the project which causes the subsidiary to have to pay a penalty to the client.

2.2.1.4 Risks from dependency on engineers and personnel

The subsidiary with rapid expansion that is in construction business requires people with expertise and experience in designing, planning, operating as well as construction of projects as planned. They are engineers at the level of assistant managing director, project managers and project engineers or foremen. If A2 loses these engineers and personnel, it will affect the Company's ability to win projects and perform well in the future.

The Company realizes the importance of personnel, which is an important factor in business operations and therefore determines measures to prevent such risks. In the past the Company continuously strived to develop the capabilities and competencies of personnel so that employees can perform their work



efficiently and achieve goals. A talent management policy was established to support continuous and sustainable growth by creating a new generation of executives for the future. This is done through a process of determining the potential personal characteristics of both managerial and operational competence and performance. This includes Succession Planning to prepare plans for succession and replacement of important positions in the organization, to prepare the person to be responsible to systematically inherit the duties of overseeing businesses and organizations.

This also includes a clear human resource management policy through thorough care of the personnel, provide compensation for work and provide welfare for all employees in line with the competition and labor market, treat employees with fairness, equality within the framework of Company regulations, labor laws and good traditions in society, ensuring employees have good quality of life and health, have safe working conditions, create a good working environment and promote teamwork.

2.2.1.5 Risks from the other contractual party failing to comply with the agreements.

The subsidiary faces risks with the clients failing to comply with the agreements, especially payment according to the work progress, thus most likely causing damage to the subsidiary. The subsidiary has come up with such preventive measures as financial analysis of the client before taking a project, finding additional information about that client from other sources or demand advance payment as well as collection according to the work progress. The Company will carefully select customers whose government owns part of the shares or reliable state enterprises.

2.2.1.6 Risks from high competition

Currently, the construction business is increasingly competitive, including a rising number of competitors. As a result, there were more contestants to bid on a project, causing some contractors to lower the bid price to win the bidding. The price reduction also resulted in a decrease in the profit of the Company. Nevertheless, the subsidiary mitigates this risk by bidding for jobs that the subsidiary has expertise and can control costs. This also includes the development of the capabilities of the personnel to be able to perform their work with quality. This makes the subsidiary gain trust from government and private sectors. Therefore, the subsidiary is always given the opportunity to participate in bidding for new projects.

2.2.1.7 Risks from foreign currency exchange rate fluctuation

The subsidiary Company imports construction materials from abroad, such as solar panels and inverters. The value of ordered construction materials is quite high. The fluctuation in foreign currency exchange rate fluctuation results in risks to the Company. Nevertheless, the Company uses Forward Contract to mitigate this risk at an appropriate time.

2.2.1.8 Risk from natural disasters

Risk from natural disasters can arise, whether it is flood, fire, earthquake, and other natural disasters; all of these may cause damage to the project property. Nevertheless, the Company has mitigated such risk by purchasing an insurance policy that covers natural disasters throughout the construction period for all construction projects and performs a safety system practice every year. The Company has studied the



environment of the construction project location from the beginning to prevent the chance of natural disasters and damage to the project property.

If a natural disaster causes damage to the data of the subsidiary, the subsidiary has an established data protection measure: by making a copy of data from server system 1 and storing it in sever system 2, which will be stored in a secured place. For the second place, the Company will store data using Cloud Storage, which is an online storage space, to reduce the risk of data loss due to natural disasters. The subsidiary has tested the backup system at least 3 times by separated into Business Continuity Plan of Information Technology (BCP-IT) 1 time and testing the integrity of backed up data 2 times for a year to ensure complete backups of the system.

2.2.2 Risks in distribution of raw water business

2.2.2.1 Risks from weather conditions

The subsidiary that is involved with raw water production and distribution faces risks with weather conditions and world climate change – not raining even in the rainy season and El Nino that makes rain less than it should have been.

The risks are mitigated as follows: the volume of raw water collected is double the size of the annual sales for the first 3 years. Water will be sufficient for 3 years though some years may be dry. In the 4th year, the volume of water collected will be increased by 60 percent of the reservoir capacity. Additional reservoirs nearby will be in case of drought for 2 consecutive years.

2.2.2.2 Risks from chemical contamination in water

The subsidiary that is involved with raw water production and distribution faces risks of chemical contamination in the raw water, thus affecting the quality of ground water due to such upstream activities as wastewater release from industrial plants, livestock farming, chemical application in farm activities, etc.

The risks are mitigated as follows: getting tools to check water quality prepared to check water quality in the stream before releasing to the reservoirs, monitoring community activities and upstream activities that may release wastewater to the stream by coordinating with the people and communities that may cause contamination.

2.2.2.3 Risks from the other contractual party terminating water sales agreements

The subsidiary that is involved with raw water production and distribution faces risks with the clients terminating water sales agreements or failing to comply with the agreements. The subsidiary has come up with such measures as specifying concise terms and conditions, working together to reduce possible disputes or misunderstandings, having a joint meeting to address issues concerned and find a common solution. In addition, the subsidiary will expand its customer base in order to spread risk.

2.2.2.4 Risks as a result of fluctuating microbiological substances in the reservoir

Given that raw water in the reservoir comes from rain flowing through natural water channel, therefore there will be microbiological substances contaminated in the water such as dead plants and animals. These microbiological substances act as food for bacteria and fish in the reservoir. These degraded



substances by bacteria can cause high BOD level and low dissolved oxygen level. The growing population of fish that cannot escape the reservoir can cause high Ammonia and Nitrate levels. These may result in raw water being out of specifications.

The risks are mitigated as follows: periodically remove fish from the reservoir or monitor and limit the growth rate of fish, install oxygen filling machine to expedite the substance degrading process, plan and install drainage low quality water during off season period.

2.2.2.5 Risks from reliance on key customers

Risk from reliance on only a few key customers is partially mitigated since the subsidiary has good relationship and received trust from the customers. The subsidiary has plans to expand its customer base in the future to mitigate this risk.

2.2.3 Risk of trading, mining, exchanging digital assets

2.2.3.1 Risk from environmental impact from digital asset mining

Currently, digital assets are new assets built on the principle of decentralization to be used as a medium of exchange without intermediaries, which ensures security in transactions. However, digital asset transactions require large amounts of processing to verify their authenticity and ensure security, preventing counterfeiting. This requirement leads to a significant demand for electricity, and as most electricity generation uses fossil energy, the environmental impact of digital asset mining can be significant. According to The Cambridge Bitcoin Electricity Consumption Index (CBECI) of the University of Cambridge, worldwide bitcoin mining has consumed a total of 395.54 terawatt-hours (TWh) of electricity in 2022, with 70.4 terawatt-hours (TWh) of electricity used for bitcoin mining as of August 2023. As a result, a large amount of fuel must be burned to produce enough electricity to meet demand, resulting in more carbon dioxide emissions, which is one of the causes of greenhouse gas emissions.

As of December 31, 2023, the Company's subsidiary had 2,239 mining machines for digital asset mining. Based on the method for calculating carbon dioxide (CO₂) emissions of the Environmental Management Committee, EGAT 1/1, it was found that the current number of Bitcoin mining machines used by the subsidiary was 2,239 units (as of December 31, 2023), emitting 24,349.31 tons of CO₂ per year (calculated by multiplying the amount of electricity used by the coefficient of greenhouse gas emissions. The coefficient used is 0.5821 based on the method for calculating CO₂ emissions of the Environmental Management Committee, EGAT 1).

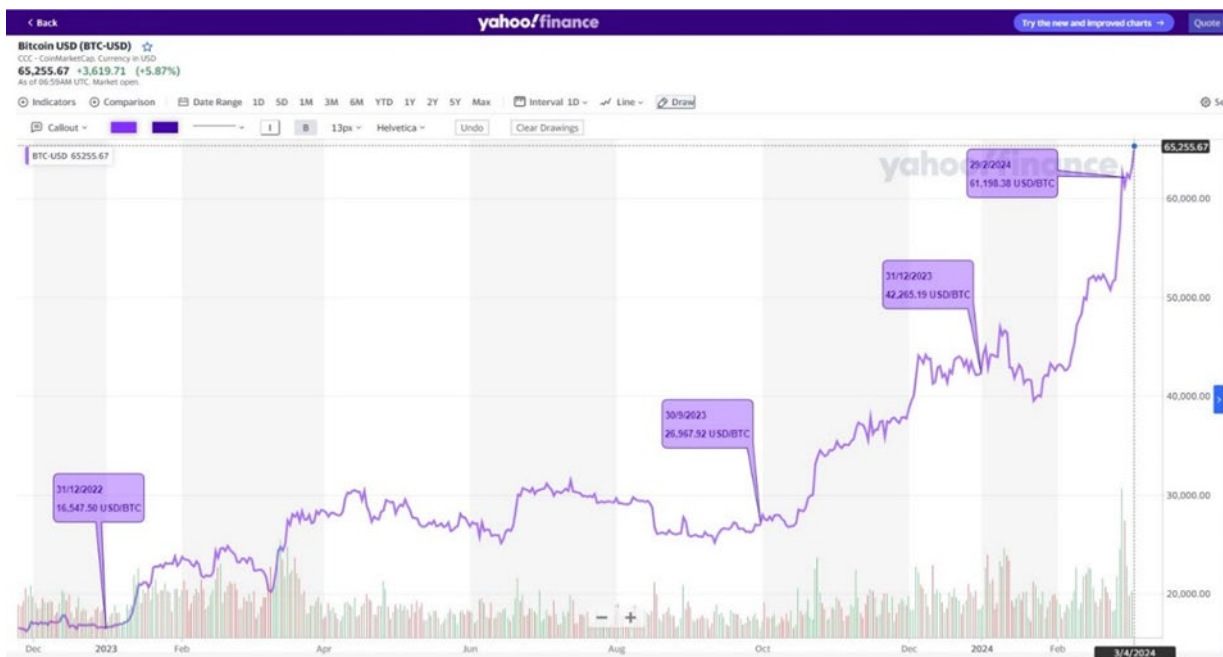
However, the Group Company is aware of the environmental impact arising from the digital asset mining business. By considering the management guidelines as follows:

In this regard, the Company has a way to reduce environmental impact by using renewable energy to reduce carbon dioxide (CO₂) emissions, which the Company can reduce more than 15% of carbon dioxide (CO₂) emissions. There is a plan to expand the use of renewable energy to reduce the impact on the environment. In 2023, the company's carbon dioxide emissions (from mining machines) decreased by 7,719.40, or 24.04%, compared to the previous year.



2.2.3.2 Risk from digital asset price volatility

Digital asset prices are the first important factor in operating a digital asset mining business. Cryptocurrency is considered the only main income. Therefore, the price of digital assets is something that significantly affects the income and cash flow of a business. In the past period, the prices of digital assets are constantly changing, and it is something that cannot be predicted in the future, but the company may be able to reduce the risk. By considering price trends Sold at an appropriate price according to the trading price conditions at that time. However, the price of Bitcoin has moved downward during 2022 (in the past), in 2023 the price of such digital assets will likely increase. The Company still believes that digital assets will be able to grow even more in the future. This can be seen from the changes in digital asset prices from 2022 until now as follows;



Digital asset prices are the first and foremost factor in the digital asset mining business, Cryptocurrency which is regarded as the only main income. Therefore, the price of digital assets significantly affects the income and cash flow of a business. Although the past data shows that the price of digital assets is constantly changing and it is something that cannot be predicted in the future, the Company may be able to reduce the risk by considering the price trend. The operator sells at a reasonable price according to the condition of the trading price at that time. Also, the price of Bitcoin has been growing in the past 2020 – 2021. However, in 2022, Price of the digital asset may slow down due to the war of Ukraine. However, the Company has confidence that such digital assets will tend to increase in the future.

An important event that will happen in 2024, the 4th Bitcoin Halving, which is expected to occur around April 2024, as well as pushing for the creation of the Spot Bitcoin ETF fund, according to the Office of the SEC. The United States has postponed a decision on granting funds to January 2024.

2.2.3.3 Risks from technological changes

Bitcoin mining requires computer processing power to decrypt the software quickly and earn rewards with bitcoins. The Company increases Hash rate as much as possible by purchasing state-of-the-art miners from Bitmain, the world's largest mining rig and application-specific integrated circuit (ASIC) manufacturer for Bitcoin mining.

However, technological innovations may emerge with more processing power, making existing mining machines less efficient than newer ones, resulting in lower expected returns. Nevertheless, the Company will follow up on the development of emerging innovations by studying the best performing mining equipment, and the Company can provide studies on technology change trends.

2.2.3.4 Risks of cyber theft

The mining business, Cryptocurrency, and investing in digital assets are transactions through the Internet, which may be subject to cyber theft incidents. If such events happen to the Company, it will significantly affect the Company's position, financial situation, and profitability. To prevent such risks, the Company is considering cyber theft prevention methods such as storing digital assets that can be mined in a Hardware Wallet without an internet connection and storing it in the Company's safety deposit box. The withdrawal of use must be approved by the person assigned by the Board of Directors of the subsidiary.

2.2.3.5 Risks related to laws and regulations of government agencies or regulatory agencies.

Currently, digital assets are still a new matter, and the rules and regulations governing the digital asset business of government agencies or regulators can be adjusted at any time, issuing new regulations governing the digital asset business. It may affect the operations and results of the Company, including investment limitations or taxation. However, the Company gives priority to such risks and closely follows relevant laws to adjust the business to be efficient and maximize benefits to the Company.

2.2.3.6 Risks of energy crisis

The digital asset mining business consumes a lot of energy to run its operations because the mining machines must be active all the time without any breaks. These mining machines use electric power to operate, and with the current popularity of mining digital assets, a large amount of electrical energy is lost to mining. This could lead to an energy shortage crisis, prompting the government to take measures to control power consumption. In such a situation, the subsidiary may not be able to operate its digital asset mining business at full capacity, potentially affecting the Company's performance. However, the subsidiary has a plan to reduce the electricity consumption of its digital asset mining business, such as using renewable energy from solar power as an additional source of energy, to mitigate the impact of a possible energy shortage crisis.

2.2.3.7 Risks of unstable power or power outages

The digital asset mining business requires a lot of energy and high voltage systems to always perform processing. Currently, the Company's subsidiaries use electricity from the Provincial Electricity Authority. In the event of a power failure or outage, it will affect the continuity of digital asset mining and



result in a loss of opportunities to earn money from mining digital assets. However, the Company's subsidiary has a plan to reduce dependence on energy from the Provincial Electricity Authority by using renewable energy from solar power plants as a source of energy for mining. This is a diversification of the source of electricity used in the digital asset mining business. Additionally, the Group specializes in constructing solar power plants and developing a backup power system from solar energy (BESS: Battery Energy Storage Systems) to reduce the risk of power outages.

2.2.3.8 Risks from changes in equations, regulations, or digital asset mining environment

The mining of digital assets is now considered one of the causes of environmental impact due to the large amount of energy consumption and greenhouse gas emissions. As a result, there is a risk that the subsidiary's digital asset mining business may be affected by changes in regulations or the mining environment. Recently, the world has been focused on reducing its impact on the environment, and Ethereum's The Merge upgrade has changed its consensus mechanism to Proof-of-Stake (PoS), which consumes less power than Proof of Work (PoW). Currently, the Company's subsidiaries mine Bitcoin, which operates on a PoW system and uses a blockchain technology data storage system (Blockchain), making every transaction transparent and difficult to conceal information. Any changes in the system of equations would need to be made by a referendum of the Bitcoin mining operators or participants in the creation of the blockchain, mainly all miners at that time and nodes, who will need to accept the change and participate, calculated from a 51.00% Majority Vote. If such changes occur, they may affect the mining of Bitcoin by the subsidiaries in terms of how to unscramble equations to get coins, operation of the Bitcoin mining system, etc., which may affect the Company's expected returns from its digital asset mining business.

However, The Company has established a working group to monitor and address any potential changes or issues that may arise. The working group is equipped to plan and respond to such problems in a timely manner, and the Company expects that any such events will not have a significant impact.

2.2.3.9 Risks from an increase in digital asset mining operators

Bitcoin mining is a network-based activity, and the number of bitcoins that can be mined is divided according to the processing power (Hash Rate) that a mining operator has in the network. As more operators enter the market, the total network hash rate will increase, which makes it harder to mine bitcoins as the system will create more difficult equations. Moreover, Bitcoin payouts have a Halving period, with payouts halving when 210,000 new blocks are mined in the system. The subsidiary expects another halving to occur in 2024, which will decrease the return on Bitcoin mining from \$6.25 per block to \$3.125 per block. This reduction happens every 4 years, which means that the revenue from mining coins that the subsidiary will receive may decrease. To mitigate the risks posed by an increase in digital asset mining operators, the subsidiary has accelerated its bitcoin mining operations. This will allow the subsidiary to operate at its full capacity and the opportunity to receive the highest possible returns. The Company is aware of the challenges posed by the increase in competition and is taking steps to maintain its position in the market.



2.2.4 Financial Risks

2.2.4.1 Risk from debt collection from trade receivables.

As of 31 December 2021, 31 December 2022 and as of 31 December 2023, the company has trade receivables. (unrelated businesses) totaling 645.88 million baht, 611.85 million baht, and 935.82 million baht, respectively. If considering the aging of outstanding debt, it will be found that the group has a significantly increased proportion of overdue debtors. There are debts that are past due as of 31 December 2021, 31 December 2022, and 31 December 2023, totaling 73.72%, 85.70%, and 87.89%, respectively, while debtors who are not overdue was 26.28%, 14.30%, and 12.11%, respectively. The Group is therefore at risk of debt collection from trade receivables. In the case of being able to collect money late, it may affect the company's liquidity. And if money cannot be collected, it may affect the company's financial status and ability to repay.

The reason for increasing of overdue receivables is due to the increase in the construction business. The company has followed up and collected trade debtors and taken appropriate action.

2.2.4.2 Risks from holding shares in other companies (Holding Company)

The company operates its business by holding shares in other companies (Holding Company). It does not directly operate a business that generates its own main income. The company's cash flow comes from dividends received from the Company's subsidiaries. Therefore, the operating results and cash flow management of the company depend on the operating results and ability to pay dividends of the subsidiaries. The Company may have risks related to its business operations and the ability to pay dividends of its subsidiaries. If the subsidiary encounters problems or obstacles in business operations that may affect the company's cash flow and the Company's ability to repay debts. Moreover, the right to repay the Company's debt may be inferior to the subsidiary's debt which is secured by a financial institution.

2.2.4.3 Risk from changes in the business structure and income of the business group.

Over the past 1-2 years, the group has changed its business structure. During 2022, the company invested in the digital asset business, which was operated by Green Energy Mining Co., Ltd., and later on January 4, 2023, the Company transfer all ordinary shares of Asia Precision A.T. Company. Co., Ltd., which operates a business of high-precision metal parts. As a result, The Company Group's income structure has changed from before. In 2023, the Company Group will have no income from the precision metal parts business. Make the group of companies The main proportion of income from the construction contracting business. Digital asset business and water production business and make the company There is more concentrated risk in the construction business and increased risks from the digital asset business The prices of digital assets are quite volatile. In the event that the operating results of the business group of the subsidiary are not as expected or cannot generate cash flow for the Company that may affect the Company's ability to repay debt.

2.2.4.4 Risk from investments that cannot perform to the business goals set.



The Company may take risk from investments that are not able to perform to the business goals set. In 2022, the Company has expanded its business into the digital asset business which is not related to the main business of the group of companies. Future operating results may not be in accordance with the Company's operating results. Including investors' expectations from the risks of the digital asset business, this may cause the Group to lose its investment in the Digital Assets business. It can affect the operating results and financial status of the group of companies.

The company is aware of such issues and the company plans to mine digital assets to collect. The company will sell digital assets only when the purchase price of the digital assets is within the appropriate criteria. If the price of such digital assets decreases, the company will sell them only to cover operating expenses to create working capital in the company.

2.2.5 Risk from Bonds

2.2.5.1 Credit Risk

The risk that bondholders may not receive interest or principal payments. If the business and operating results of the bond issuer are not as expected or property of the bond issuer There is not enough to pay the debt. If the bond issuer becomes bankrupt or defaults on bond payments other creditors of the bond issuer will have preferential rights over the bondholders of the bond issuer.

The Company, the issuer of the debentures, has not been rated as Credit Rating. Therefore, investors should study the operating results, financial status, and ability to repay debt of the issuer of the debentures specified in the prospectus. In assessing the credit risk of bonds and should continually follow the news and information of the bond issuing company. Because Issuer of the bonds is a company listed on the Stock Exchange of Thailand. Investors can follow information from the websites of the Stock Exchange of Thailand and the Securities and Exchange Commission.

2.2.5.2 Price Risk

The market price of bonds changed depend on many factors. For example, Interest rate levels in financial markets Policy of the Bank of Thailand, Overall economic, Inflation rate, the maturity of the bonds or the excess or lack of demand for the bonds. Therefore, Bondholders may be affected by fluctuations in bond prices. In the case where instruments are traded before the redemption date, such as when bondholders wish to sell their bonds before the bond's redemption date. Bonds may sell for less than their face value or purchase price. This is a result of changes in market interest rates. If the market interest rate increases price of bonds will decrease. Prices of bonds with longer remaining maturities are more affected by changes in market interest rates.

2.2.5.3 Liquidity Risk

When the bondholder wishes to sell the bond in the secondary market before the bond is due for redemption. Bondholders may not be able to sell bonds immediately at their desired price. This is because there may not be much trading in instruments on the secondary market. Bondholders can buy and sell bonds in the secondary market with commercial banks. Securities company bond trader or any other juristic person



that has a license to trade securities which are debt instruments. In addition, bondholders will not be able to sell their bonds to any person in general because the company has registered transfer restrictions with the SEC to limit the transfer of debentures only within groups of institutional investors and/or large investors in meaning of the announcement of the Securities and Exchange Commission regarding definitions in announcements regarding the issuance and offering of all types of debt instruments.

2.2.5.4 Reinvestment Risk

Bondholders are at risk of not being able to predict the exact cash inflows from their bonds and a risk of losing the opportunity to receive high returns from investing in the bonds offered if the issuer exercises the right to redeem the bonds (reinvestment) before the maturity date of the bonds in period of low market interest rates lower than the interest rate on bonds.



3. Driving Business for Sustainability

3.1 Policy and Goal of the Sustainability Management

The Company has the policy to run a sustainable business according to the ESG guideline, namely Environmental, Social, and Governance, in order to grow on the sustainability principle. It is also aware that such a business running with all-around impact considerations while having a management measure to avoid or mitigate the impacts that may arise to the community, society, and environment, shall ensure the Company with confidence and trust from all groups of stakeholders. All along, the Company has committed to running the business and encouraging participation with the community and society at the same time to develop the economy, quality of life, education, and environment for the community and society, which are consistent with the management strategy on social responsibility of the Company towards truly sustainable development.

Nevertheless, the Company has identified important sustainability issues in line with the affiliated companies which have established a framework for the sustainable development driving goal with 3 strategies, namely consistently creating opportunities (Acting Progressively), responsible uses of resources (Consuming Responsibly), and access to stakeholders' demand (Focusing on People). These three strategies together with the United Nations' Sustainable Development Goals (SDGs), lead to the organizational development principle towards sustainability and the determination of the 10 main sustainable development goals of the Company.

The Company's sustainable strategies and 10 sustainable development goals

Acting Progressively	Consuming Responsibly	Focusing on People
Resilient Properties Promote flexible and adaptable capability for all types of business changes.	Materials & Supply Chain Achieve sustainable management and efficiently selected use of resources through the supply chain.	Community Connectedness Emphasize the social value creation for a sustainable community.
Risk-based Management Assess risk management with respect to the environment, occupational health, and work safety.	Energy & Carbon Increase energy use efficiency and promote sustainable use of circular energy.	Health & Well-being Create confidence in working for good health, work-life balance, and a good environment.
Responsible Management Integrate important development issues concerning society, environment, and corporate governance, in the evaluation	Waste Sustainably reduce waste by preventing creating waste and adhering to 3R principles namely Reduction, Recycling, and Reuse.	Diversity & Inclusion Reinforce cohabitation potential in society by non-discrimination with respect to age, gender, disability, nationality, religion, economic status, etc.
	Water Improve efficient use of water resources and recycle water in a safe way.	



Sustainable development issue of the Company based on the UN's Sustainable Development Goals: SDGs and international standards.

Sustainability strategy	Sustainable development issue	ESG development issue
<p>Consistently creating opportunities (Acting Progressively)</p> 	Business resilient properties	Creating economic value for stakeholders
		Business value creation for stakeholders, business ethics
		Anti-corruption
	Risk-based management	Risk management
		Business continuity management
		Occupational health and safety
	Responsible management	Customer, product, and service responsibility
		Observance of laws on society, environment, and, corporate governance
<p>Responsible uses of resources (Consuming Responsibly)</p> 	Materials & supply chains	Supply chain management
	Bio-diversity	Bio-diversity
	Energy and carbon	Greenhouse gas
		Energy management
	Waste	Waste management
	Water resource	Water management
	<p>Access to stakeholders' demand (Focusing on People)</p> 	Community connectedness
Health & well-being		Employee care
Diversity & inclusion		Human right

3.2 Management of impact on stakeholders in the business supply chain

3.2.1 Supply chain management

Sustainable business running requires efficient supply chain management while taking into consideration the environment, society, and corporate governance in order to reduce contingent risks throughout the supply chain such as fluctuating raw materials, changes in behaviors, and demand for goods and services. Thus, the Company commits to



managing its supply chain covering from upstream, namely client and business partners, to downstream activities including services, product delivery, and creating customer satisfaction, to ensure the achievement of the Company’s objectives towards management transparency and fairness.

3.2.2 Analysis of Stakeholders in the business supply chain

The Company Group is aware of the significance of stakeholders’ participation with confidence that good relationships based on trust as well as opinions and recommendations of stakeholders towards the organization are valuable assets that will affect the achievement of a sustainably developed and grown organization. Moreover, stakeholder management will help the organization in efficiently responding to stakeholders’ demands as well as reducing risks that will damage the image and opportunity to halt the business. Such management can also create maximum benefits for stakeholders in all parts. The Company Group communicates with stakeholders on a regular and consistent basis in order to ensure understanding of various issues of interest and integrate the opinions of stakeholders with the decision-making process and business planning of the Company Group.

In 2022, the companies in the Group considered reviewing activities with stakeholder participation including more fully identifying and prioritizing key stakeholder groups of the organization throughout the business chain. In addition, they looked for means to respond to expectations and issues on which stakeholders place importance efficiently and appropriately, in order to utilize such information in planning to establish a means to create stakeholder participation.

The Company Group categorizes stakeholders into 7 main groups as follows:

- 1) Shareholders
- 2) Government agencies and related agencies
- 3) Employees
- 4) Clients and contractors
- 5) Business partners
- 6) Customers
- 7) Communities and the society

Communication formats and stakeholder participation will differ with different groups with details as follows:

Stakeholder	Channel of participation	Stakeholder’s issue of interest	The Company Group’s operations
Shareholders (Major and minority shareholders)	<ul style="list-style-type: none"> ● Annual meeting of shareholders ● Availability of communication channels including Website, electronic mail, telephone, letters, and others ● Visit the Company’s business once a year ● Arrangement of building and maintaining relationship activities with shareholders ● Ensure shareholders exercise their rights fully and equally in attending the annual meeting of shareholders such as asking questions and casting votes, etc. ● Present investment information (Investor Relations activities) 	<ul style="list-style-type: none"> ● High level of good turnovers, share price, and dividend ● Continuous expansion of the Company’s business ● Transparency in business operations and good corporate governance ● Joint-venture risk management and innovation development to improve the Company’s operational efficiency ● Disclosure of the Company’s performance information concerning financial, environmental, and social aspects as well as corporate governance or ESG 	<ul style="list-style-type: none"> ● Risk management ● Ethics in business operations ● Innovation management ● Security in stability and readiness of production and service operations



Stakeholder	Channel of participation	Stakeholder's issue of interest	The Company Group's operations
	<ul style="list-style-type: none"> ● Arrange the activity for registered companies to meet investors (Opportunity Day) ● Annual Report 	<ul style="list-style-type: none"> ● Ensure shareholders exercise their rights fully and equally in attending the annual meeting of shareholders ● Equal access to information 	
Government agencies and related agencies	<ul style="list-style-type: none"> ● Reporting of business performance and operating results to related government agencies at a specified frequency ● Consistent participation in activities and projects arranged by government agencies ● Join a working group on issues raised by government agencies for the corporation ● follow up policies, rules, regulations, and requirements stipulated by regulatory/approving agencies ● Comprehensively reporting of operational performance required by law ● Provide support for activities and responses to policies determined by the government ● Availability of communication channels with the government agency group such as Websites, electronic mail, telephone, letters, and others ● Join as a member of the Industrial Council in order to share opinions with government agencies 	<ul style="list-style-type: none"> ● Observance of rules, legal regulations, and good corporate governance policy including disclosure and delivery of correct information and reports ● Social and environmental responsibility ● Sustainable cohabitation with the community ● Good environmental and safety management system ● Corporate and support government agencies' projects ● Corporate and support government agencies' activities ● Strictly observe rules, regulations, and relevant laws ● Pay taxes, license fees, etc. 	<ul style="list-style-type: none"> ● Risk management ● Ethics in business operations ● Increase business opportunities ● Environmental management including air pollution control and emission ● Sustainable cohabitation with the community and social responsibility ● Strictly observe rules, regulations, and relevant laws as well as pay taxes and fees
Employees (Executives / Employees)	<ul style="list-style-type: none"> ● Annual survey of employees' organizational commitment ● Gathering of information on various aspects and complaints via the Complaint System of the Company through various channels ● Internal communication through various channels ● Perspective survey and interview an employee representative ● Welfare committee in the establishment ● Meetings between executives and employees ● Annual employee meeting 	<ul style="list-style-type: none"> ● Encourage employee potential development in line with the strategic direction of the Company ● Care for employee's quality of life as well as health and safety in the working environment ● Good remuneration and welfare, opportunity and career advancement ● Fair performance evaluation ● Income Security ● Fair treatment ● Leadership development ● Talent Retention 	<ul style="list-style-type: none"> ● Personnel development including training, encouraging diversity and equality in the organization. Ensure good quality of life and good physical and mental health for personnel ● Human right ● Occupational health and safety ● Good corporate governance ● Challenges and opportunities ● Business ethics and anti-corruption ● Innovation and process development
Clients and contractors (Contractors / Suppliers)	<ul style="list-style-type: none"> ● Annual Supplier Day ● Perspective survey and interview client and contractor representatives ● Annual client assessment by notifying the result with recommendations ● Channels for complaints and communication 	<ul style="list-style-type: none"> ● Fair, non-discriminative competition ● Relationships and corporations grow together ● Efficient, transparent, and accountable Procurement system ● Development of clients (contractors/suppliers) to have good practices and grow well together 	<ul style="list-style-type: none"> ● Risk management ● Business ethics ● Supply chain management ● Procurement system



Stakeholder	Channel of participation	Stakeholder's issue of interest	The Company Group's operations
	<p>channels with the Company, clients, and contractors such as Websites, electronic mail, telephone, letters, and others</p> <ul style="list-style-type: none"> ● Key client relations activities to build participation such as social activities, etc. 	<ul style="list-style-type: none"> ● Fair, clear, transparent, and accountable procurement policy ● Follow determined agreements and do not take advantage of clients ● Simple procurement requirements 	
Business partners	<ul style="list-style-type: none"> ● Communication channels via media such as meetings, trading business negotiations, websites, electronic mail, telephone, and others ● Perspective survey and interview business partners ● Business Memorandum of Understanding ● Invite business partners to join the Company's activities relating to such particular partners ● Jointly arrange activities for the Company's partners 	<ul style="list-style-type: none"> ● Supply chain from partner corporation in the value chain ● Building trust, relationships, and good corporation in order to develop business potential and efficiency ● Mutually create competitiveness and sustainable business value addition ● Mutual business running based on fairness ● Jointly create innovations and business models that generate value for new business opportunities as well as personnel development for the business 	<ul style="list-style-type: none"> ● Open business opportunities ● Innovation management ● Jointly create business value
Customers (long-term customers / short-term customers)	<ul style="list-style-type: none"> ● Annual survey of customer satisfaction ● Customer relations activities in different durations including monthly, quarterly, and annually such as Annual Golf and seminars, etc. ● Monthly or quarterly meetings in order to follow up and report on Demand Plan, Preparedness Plan, and Maintenance Plan as well as monitor and troubleshoot ● Channels for complaints and communication between the Company and customers such as Websites, electronic mail, telephone, letters, and others ● Executives visit customers occasionally such as dining together ● Perspective survey and interview a customer representative 	<ul style="list-style-type: none"> ● Deliver quality products and services according to the contract conditions at fair prices in line with the requirements of a relevant regulatory agency ● Respond to customer demand in a fast and timely manner with expert teams who can solve problems promptly ● Equal treatment to all groups of customers under relevant laws ● Customer communication channels are convenient, fast, and easily accessible ● Development of technology to mitigate environmental impacts ● Seek new business opportunities together 	<ul style="list-style-type: none"> ● customer relationships management ● Stability and readiness security of the production process
Communities and the society (communities surrounding a new project/communities surrounding the project / local administrative agencies / NGOs /	<ul style="list-style-type: none"> ● Annual survey of customer satisfaction ● Hold community relations / visit community representatives and persons who may be affected directly and indirectly on a constant basis, as well as encourage and provide support in monetary and non-monetary terms ● Open for the community to visit the project area ● Arrange a public hearing platform with respect to the preparation of the Environmental Impact 	<ul style="list-style-type: none"> ● Manage the mitigation of social and environmental impact that may arise from the Company's operations ● Safe and environmental-attentive business operations ● Build an understanding of the Company's operations in the community ● Create jobs, and incomes and reduce expenses to the community 	<ul style="list-style-type: none"> ● Risk management ● Business ethics ● Water resource and wastewater management ● Sustainable cohabitation and social responsibility



Stakeholder	Channel of participation	Stakeholder's issue of interest	The Company Group's operations
local associations/mass media (central and local)	<p>Assessment (EIA), process practice principles</p> <ul style="list-style-type: none"> ● Provide communication channels for public relations and complaints from communities such as Websites, electronic mail, telephone, letters, local media, and others ● Perspective survey and interview community and society representatives including holding monthly meetings (administrative agencies, private agencies, local community) 	<ul style="list-style-type: none"> ● Support joint activities with the community on a regular basis ● Provide opportunities for members of the community to work with the Company ● Use the knowledge, skills, and expertise of the Company to develop communities surrounding the plan or project ● Use resources worthily ● Develop business together with the community, society, economy, and environment to grow sustainably, both directly and indirectly 	

3.3 Sustainability management with respect to the environment

The Group Company commit to long-term growth and high returns sustainably to shareholders. The Company and its subsidiaries adhere to three principles of sustainable development: environment, society, and good governance. The Group Company pay attention to sustainable development and support organizations to invest in technology with training to have expertise that can improve quality of life, community, social and environmental development.

Environmental policy

The Group Company that operate in the EPC and Digital Assets business believe that success in business depends on sustainable development in the environment, community, and economic cycle. The Company and its subsidiaries realize that business operations affect the environment both directly and indirectly. Thus, The Company commits to managing environmental impacts, risks, and opportunities to reduce business costs, increase return to shareholders, and commits to protect the environment and conduct business with honesty under regulation. In accordance with the principles of good corporate governance, the Company takes actions as follows:

1. Compliance with environmental regulations

1.1 The Company complies with the laws and environmental standards related to investment.

1.2 The Company integrates environmental aspects into investment decision-making such as pollution prevention and minimizing resource consumption.

1.3 The Company manages the consumption of energy and utilities to achieve lower levels of consumption effectively.

1.4 The Company will reduce the amount of waste by making efficient use of limited resources by reusing, reducing the amount of use or reuse.

1.5 The Company will prevent pollution caused by the Company's activities and products that affect the environment.

2. **Procurement** by the companies in the EPC and Digital Assets groups that support environment-friendly products and services.



3. Communication and awareness raising

3.1 The Company will consistently communicate this policy and the results of the implementation of this policy to those involved both internally and externally.

3.2 The Company will encourage employees to be aware of their responsibility to the environment.

Commitment and Goals

The Company is aware of its responsibility towards the environment and natural resources. Therefore, it places importance on the efficient use of resources and good environmental management to prevent and reduce potential impacts. The Company has prepared "Environmental Policy" to be used as a guideline to reduce environmental impact and has continuously instilled the concept of responsibility for the environment in employees to understand the importance of caring for the environment as a whole and realize that the work of employees all affects the environment, so employees must always take into account the responsibility for the environment along with the performance of their duties. The Company has always given importance to the environment both inside and outside the Company in relation to business partners. The Company has considered environmental management as one of the selection criteria as well as promoting and supporting good and appropriate environmental management for internal environmental operations. The Company educates employees and executives about the Company's environmental policy and campaigns for awareness of efficient use of resources through raising awareness in various areas such as reducing energy consumption, reducing the use of various resources, etc.

Environmental Performance

1. Reducing energy consumption

The Company has campaigned for cost-effective use of energy to reduce energy consumption by encouraging employees to participate in reducing energy consumption from operational processes. For example, turning off and unplugging lights after use, electrical equipment, turning off air conditioners during lunch breaks, reducing the hours of turning on the air conditioner, adjusting the temperature of the air conditioner properly, inspecting and cleaning appliances regularly to enable electrical appliances to work efficiently, use energy-saving bulbs, and organize long-distance meetings via Teleconference to replace traveling to meetings, etc.

2. Reducing the use of resources

The Company has the policy to purchase products and services that are environmentally friendly by considering standardized products to reduce the use of resources and reduce the impact on the environment.

- The Company chooses to use paper that is produced with environmentally friendly pulp and production method that reduces the cutting of trees and campaigns to reduce the use of paper by reusing.
- Office furniture that the Company chooses to use is furniture that has been manufactured with consideration of environmental impact reduction.
- The Company chooses to use photocopiers that have been certified with the green label and use ink cartridges qualified according to health, safety, and environmental protection requirements. The Company has operated and organized various activities to promote the reduction of resource use or the use of resources worth.



- The Company uses the Board Portal system, which transmits meeting information through the IT system instead of printing documents. Including the delivery and storage of necessary documents in electronic form instead of paper.

3. Reducing Greenhouse Gas Emissions

As of December 31, 2023, the Company's subsidiary had 2,239 mining machines for carbon dioxide (CO₂) emissions reduction. Referring to the Environmental Management Committee's EGAT 1/1 method for calculating carbon dioxide (CO₂) emissions, the current Bitcoin mining machines used by the subsidiary amounted emitting 24,349.31 tons of CO₂ per year. The amount of carbon dioxide (CO₂) emissions is calculated by multiplying the number of units of electricity used by the greenhouse gas emissions coefficient, which is based on the Environmental Management Committee's EGAT 1 method for calculating carbon dioxide (CO₂) emissions, with a coefficient of 0.5821.

However, the Company Group acknowledges the negative environmental impact caused by digital asset mining and is taking However, the Group is aware of the environmental impact of digital asset mining. By considering ways to reduce the environmental impact of renewable energy, because the subsidiary has a project to expand the number of mining machines. It will result in an increase in the amount of carbon dioxide (CO₂) emissions in the future. Therefore, the company has a plan to find activities to compensate for carbon credits or purchase carbon credits in the next time. The company has plans to increase renewable energy, which is use of technology and clean energy to further reduce the impact on the environment. In 2023, the company's carbon dioxide emissions decreased by 7,719.40, or 24.04%, compared to year ago.

3.4 Sustainability Management with Respect to the society

3.4.1 Social Policy and Guidelines

The Group Company within the Group recognize the importance of conducting business operations in a socially responsible and sustainable manner. They focus on conducting business with morality, ethics, and a code of conduct, aiming to benefit the public and achieve growth for the Company in parallel. The Company has developed a Corporate Social Responsibility policy, which is divided into 7 categories, as follows:

(1) Operating business with fairness

The Group Company prioritizes conducting business with honesty, fairness, ethics, and commitment. They compete in accordance with the principles of business ethics, laws, and principles of fair-trade competition. The Company rejects any behavior that interferes with fair competition, such as seeking confidential information about trade competitors, demanding, and receiving benefits that are dishonest in trade, and setting abnormally low prices to remove competitors from the market. In addition, the Company respects the intellectual property rights of others. The Company has a policy for personnel to obey the law or requirements relating to intellectual property rights, such as the legal use of copyrighted computer programs. The Company also has the campaign to promote and instill a socially responsible mindset among personnel at all levels.

(2) Respect for human rights

The Group Company has the policy to support and respect the protection of human rights by treating those involved, including employees, communities, and surrounding societies, with respect for human values. The companies consider always sector and equal freedom, do not violate fundamental rights, and do not discriminate in terms of race, nationality, religion, language, skin color, sex, age, education, physical condition, or social status. The Company also



takes care to prevent the Company's business from entering into human rights violations such as child labor and sexual harassment, etc. In addition, the Company encourages monitoring of compliance with human rights requirements by providing participation in expressing opinions and channels for complaints for those who have been damaged from rights violations arising from the Company's business operations and taking appropriate remedies. The Company has built an organization to impart knowledge of human rights and instill awareness in the Company's personnel to comply with human rights principles.

(3) Fair labor treatment

The Group Company realize the importance of human resource development and treating workers fairly, which is a factor that will increase business value and enhance competitiveness, as well as sustainable growth of the Company in the future. The Company has established policies and guidelines as follows:

- 3.1 Respect the rights of employees according to human rights principles and comply with labor laws.
- 3.2 Provide an employment process and fair employment conditions, including the determination of remuneration and consideration of merit works under the evaluation process fair work.
- 3.3 Promote personnel development by providing training, seminars, and other opportunities to develop the knowledge, abilities, and potential of personnel, including instilling good attitudes, morality, ethics, and teamwork among personnel.
- 3.4 Provide various welfare benefits for employees as required by law, such as social security, etc., and in addition to those required by law, such as health insurance and accident insurance, provident fund, etc., as well as giving various types of assistance to employees, such as cremation assistance, etc.
- 3.5 Implement procedures to ensure that employees work safely and maintain good workplace hygiene by providing measures to prevent accidents and strengthen employees' safety consciousness, including organizing training and encouraging employees to have good hygiene and maintain a safe workplace.
- 3.6 Allow employees to express their opinions or complaints about unfair treatment or wrong actions in the Company, including providing protection for employees who report such matters.

(4) Anti-corruption

The Group Company have established an Anti-Corruption Policy to fight against all forms of corruption. This policy is intended to be understood and followed by all members of the organization, including those involved with the Company acknowledging the intention of the Company that is committed to combating corruption in all forms, and promoting the implementation of the anti-corruption policy within the organization. This applies to directors, executives, employees, and employees, including intermediaries, agents, consultants, or those working for the group companies.

The Company has adopted this policy in the work process of each department, from operational-level employees up to the top executive of the organization. However, those who violate or do not follow the policy may be subject to penalties, up to and including termination of employment or termination of the contract. If a violation is related to the law, violators may be subject to legal enforcement proceedings. Clues on violations can be reported through the Company's communication channels.

Additionally, the Company Group encourages people outside the organization and other stakeholders to acknowledge the anti-corruption policy through the Company's communication channels, encouraging everyone to comply with the policy



as part of the Company's commitment to conducting business with integrity, fairness, and responsibility to society and stakeholders.

(5) Customer Responsibility:

The Group Company are committed to improving the quality of services for customer satisfaction and practicing customer responsibility by being honest and caring for customers as if they were members of family as follows:

- 1) Delivering Quality products and services in accordance with contract terms and regulatory requirements, at fair prices.
- 2) A team with the necessary knowledge and abilities provides a quick response to customer needs and resolves issues in a timely manner.
- 3) All customer groups are treated equally in accordance with relevant laws.
- 4) Customer contact channels are designed to be convenient, fast, and easy to reach.
- 5) Technology is developed to reduce environmental impact.
- 6) Looking for new business opportunities together.

(6) Environmental Preservation

The Group Company place importance on social responsibility in preserving the environment, particularly on resource utilization. It has the policy to reuse remaining construction materials, reduce effects in the Environmental Impact Report, and strictly comply with relevant laws.

(7) Participation in Community or Social Development

The Group Company is aware of its responsibility towards the community and society. It has the policy to help and develop society by focusing on donations and education support. It cooperates in various activities with the surrounding communities in the areas where the Company operates business as appropriate to the case, including responding to events that affect communities, society, and the environment due to the Company's operations with speed and efficiency. The Company is conscious and responsible for the environment and society as well.

3.4.2 Social Performance

The Company always commits that in order to become a sustainable organization, it must be aware of the importance of business running with social responsibility as well as safety and occupational health concerning with the impacts that may happen on all stakeholders while treating every stakeholder equally, fairly, and justifiably as well as respecting the right of all groups of stakeholders through notifications, policies, risk assessment, measuring control and impact reduction measures, monitoring and examination, reporting and improvements for development. In addition, activities and projects are organized to promote culture and raise the conscience of honesty, diligence, patience, and responsibility to society to create balance and uplift society as a whole.

The Performance

In 2023, The Company has implemented policies, guidelines and goals regarding support for the recognition of the right to organize and the suggestions of employees.



Elimination of Forced Labour and All Forms of Labour Enrollment

The Company has a policy and practice of not supporting enforced labor. The Company's employment must be legal and fair. The Company is aware of the importance of determining working days, rest time, holidays, and leaves as well as compensation payments both in normal cases and the case when working is required during holidays to follow the provisions of the Labour Protection Act B.E. 2541 with respect to a Company as a private organization. In addition, the Company does not strictly support any actions that go against the context and intention of Convention No. 29 and No. 105 of the International Labour Organization.

The Company aims to operate in such a way to express the recognition of rights in fair use of labor and not using forced labor as presented in the activities that reflect such targets as follows; the Company has organized the orientation in order to provide knowledge on the basic labor rights regarding legal employment. The Company's employees are aware of the importance of basic labor rights regarding legal employment and international practices by emphasizing the determination of working hours, working days, rest time, holidays, leave, compensation payment, and opening an opportunity for employee inquiries and opinions before putting into practice and during working time with the work regulations of the Company attached for employees to always read. and the Company has amended rules, regulations, requirements, or guidelines regarding the determination of working time and compensation payment in full accordance with the Labour Protection Act B.E. 2541 for the maximum benefits of labor use. Moreover, the Company has the policy to use employees' overtime only as necessary and the decision to work overtime is at the independent discretion of employees. Overtime pay is paid to employees as stipulated by law.

During the past year, the Company has carried out the policy, operational guidelines, and targets concerning fair use of labor on a constant basis without complaints or any problems that lead to any disputes. There have been amendments to rules and regulations regarding the Company's operations so that they are up to date with the Labour Protection Act in all aspects. The opportunity has opened to doubtful employees to directly always ask for a better understanding of legal provisions via superiors or employee representatives.

Elimination of employment and professional discrimination

The Company has a policy and practice in supporting the elimination of employment and professional discrimination which is consistent with the provisions of the Labour Protection Act B.E. 2541 and the Gender Equality Act B.E. 2558 stipulated for a Company as a private organization. This is also in line with the content of the international document, namely the Convention No. 100 of the International Labour Organization on equal compensation and the Convention No. 111 of the International Labour Organization on employment and professional discrimination.

The Company aims to carry out its operations to express the recognition of equality rights and elimination of discrimination via activities that reflect such targets as follows; the Company has organized the orientation for new employees to ensure awareness and mutual learning on the importance of equality and non-discrimination and that new employees can use such knowledge in actual work practice with colleagues and The Company has amended rules, regulations, requirements, and guidelines regarding employment and working conditions that are in line with the nature of the respect of equality and non-discrimination principles.



In 2023, the company and its subsidiaries Local workers and elderly workers have been hired as employees of the company. The company has taken care of and complied with labor laws. At present, the company has received many projects in the provinces. which distributes income to local workers.

Provision of Good Occupational Safety and Health in the Working Environment

The Company aims to develop and improve efficiency in working with safety constantly to reduce risks of illness, injuries, or death and looks after the quality of life of employees and contractors appropriately. The Company has a policy and practice in supporting safety and good health at work which is consistent with the provisions of the Occupational Safety, Health, and Environment Act B.E. 2554 stipulated for a Company as a private organization. This is also in line with the content of the international document, namely the Convention No. 155 of the International Labour Organization on occupational safety concerns arrangements of places, equipment, and environmental context of the workplace that are safe with good occupational health for employees working in the establishment.

Provision of Welfare and Social Security

The Company has a policy and practice in supporting the provision of both economic and social welfare, benefits of compensation as well as provision of employee registration as an insured person under the Social Security Law which is consistent with the provisions of the Provident Fund Act B.E. 2530, Social Security Act B.E. 2533, Workmen's Compensation Act B.E. 2537 and Labour Protection Act B.E. 2541. This is also in line with the content of the international document, namely the Convention No. 102 of the International Labour Organization on social security (minimum standards) and the Convention No. 117 of the International Labour Organization on social policy (basic objectives and standards).

The Company aims to carry out its operations to express the support of labor welfare provision, and access to compensation benefit rights concerning compensation and social security.

Participation of Employees and Stakeholders in the Organization Transparency

The Company has a policy and practice in supporting the participation of employees and stakeholders in the organization transparency which is consistent with the provisions of the Labour Protection Act B.E. 2541 and the Occupational Safety, Health, and Environment Act B.E. 2554 stipulated for a Company as a private organization. This is also in line with the content of the international document, namely the Sustainable Development Goals of the United Nations No. 16.4, 16.5, 16.6, and 16.10.

The Company aims to carry out its operations to express that there is a measure to support and promote employee and stakeholder participation for the organization's transparency via activities that reflect such targets as follows; The Company has organized the orientation for new employees in order to provide knowledge on corruption and good governance and other related issues and the Company has organized activities to notify information to show the readiness of employees in participating for the organization's transparency. The result of this project has proposed appropriate channels through that employees can inform information or wrongful behaviors to those who have the authority to acknowledge and consider further actions.

During the past year, the Company has not received any information on corrupt behaviors and doubtful behaviors and the Company has carried out the policy, operational guidelines, and targets concerning employee and stakeholder participation for the organization's transparency on a constant basis without any complaints or disputes



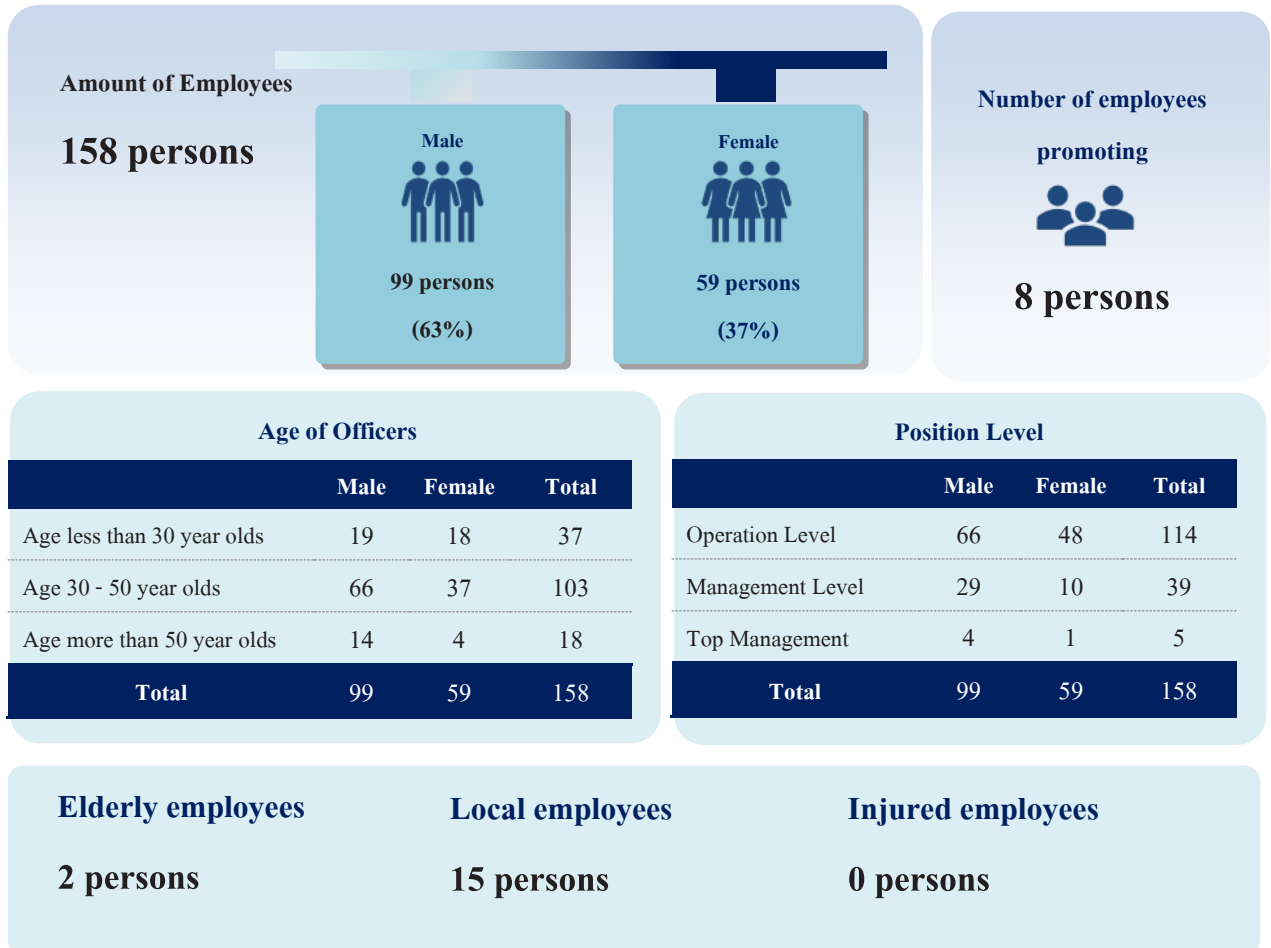
between the Company and employees. In addition to whistleblowing channels, employees have an opportunity to meet senior executives to share recommendations or inquiries in the annual bonus notification meeting.

Support of Gender and Sexuality Equality

The Company has a policy and practice in supporting gender and sexuality equality throughout the supply chain which is consistent with the duty prescribed in the provisions of the Gender Equality Act B.E. 2558 stipulated for a Company as a private organization. This is also in line with the Sustainable Development Goals and a number of international documents on human rights such as the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the Convention on the Elimination of All Forms of Discrimination against Women, and the International Standards of the International Chamber of Commerce on the Advertisements and Marketing Principle, and GRI Standards 406 on non-discrimination.

The Company aims to carry out its operations to ensure gender and sexuality equality throughout the value chain in a concrete way. The Company has rules, regulations, and requirements to reflect the promotion and support of gender and sexuality equality.

As of 31 December 2023, The Company and its subsidiaries has all managements and officers as follow:



Corporate Social Responsibility activities of the group company

The group company has a policy to conduct business with social responsibility. With awareness and importance in supporting activities for society and surrounding communities. Including continually caring for the environment and intending to work together with those involved. It aims to build and continue good relationships that come from mutual acceptance and trust. The company has disclosed it in its good corporate governance policy under the topic “CORPORATE GOVERNANCE” on the company’s website at www.apcs.co.th

8 September 2023, Asia Precision Public Company Limited and its subsidiaries and business partners had cooperate support educational equipment for schools and child development centers in Chonburi and Rayong provinces, a total of 71 locations, with over 23,000 students, with a commitment to developing the surrounding communities in which operate to have a better quality of life along with caring the environment that consist of the Company’s mission that emphasizes development for sustainable growth



4. Management Discussion and Analysis: MD&A

4.1 Operating Results Analysis

Overall operating results in the separate financial statement ended year 2023, Asia Precision Public Company Limited operates as a Holding Company, which primarily engages in the investment in other companies, following the business restructuring plan approved by shareholders during the 2019 Annual General Meeting held on 20 April 2019. The whole of the precision metal parts manufacturing division was transferred to Asia Precision A.T. Co., Ltd. (“APAT”); APAT was previously named P2 Precision Co., Ltd, and got changed on 25 February 2019, and APAT is a wholly owned subsidiary of the Company and then the Board of Directors no.10/2022 held on 2 December 2022 had resolution sold 32,999,997 shares which is equivalent to 60% of APAT’s total paid-up shares to TNA Company Limited (“TNA”). As a result, APAT will no longer be a subsidiary of the Company on 4 January 2023. The purposes of this restructuring are to separate companies into the proper division for more effective management and to facilitate future expansion of the group. The new group structure is divided into 3 Business Unites as follows:

1. Engineering, Procurement, and Construction (EPC)

- A2 Technologies Co., Ltd.
- APCS Technologies Co., Ltd,
- A2 Teeravat Joint Venture Co., Ltd.
- A2 Technologies Vietnam Co., Ltd.
- Asia Waste Energy Co., Ltd.
- A2 Technologies Mongolia LLC.

2. Distribution of Raw Water (WATER)

- Cholkij Sakol Co., Ltd.

3. Digital Assets Business operates on the bitcoin mining business

- Green energy mining Co., Ltd.

In Part of Precision Metal Parts Manufacturing (AUTO) – Discontinued Operation

- Asia Precision A.T. Co., Ltd.
- Asia Precision Tech Co., Ltd.

Separated financial statements.

Income from holding business, and interest income in the year 2023 and 2022 is equal to 47.10 and 25.87 million baht, respectively. Other income in 2023 and 2022 is equal to 183.13 and 0.07 million baht, increased due to the year 2023, there is a business transfer resulting in profit from the disposal of assets (AUTO) on 4 January 2023, so there is Resulting in profit from business group sales equal to 177.21 million baht.

Consolidated financial statements.

The main income and costs according to consolidated financial statements are divided into 3 parts as follows:

1. Revenue from sales and services for years 2023 and 2022 was 146.50 million baht and 303.77 million baht respectively, a decrease of 157.27 million baht or equivalent to 51.77%. The cost of sales for the years 2023 and 2022 were 143.45 million baht and 320.61 million baht Respectively, a decrease of 177.16 million baht



or equivalent to 55.26% caused from the divest of the metal parts business group (AUTO) at the end of 2022.

2. Revenue from construction for the years 2023 and 2022 was 1,112.77 million baht and 1,470.20 million baht respectively, a decrease of 357.43 million baht or equivalent to 24.31%. Cost of sales for the years 2023 and 2022 was 998.76 million baht and 1,494.26 million baht respectively, a decrease of 495.50 million baht or equivalent to 33.16%.
3. Revenue from Digital asset business for the year 2023 and 2022 was equal to 239.48 million baht and 43.40 million baht respectively, an increase of 196.08 million baht or equivalent to 451.80%. The cost of Digital asset business for the year 2023 and 2022 was equal to 256.06 million baht and 72.81 million baht respectively, an increase 183.25 million baht or equivalent to 251.68%

From the operating result had Gross profit from operations in 2023 and 2022 were profit 100.48 million baht and loss (70.31) million baht respectively, an increase of 170.79 million baht or equivalent to 242.91% and then Profit from operation for the years 2023 and 2022 was profit 99.28 million baht and loss (102.86) million baht respectively, an increase of 202.14 million baht or equivalent to 196.52%.

Analysis of the operating performance of consolidated financial statements

In the consolidated financial statements, the main revenue for 2023 decreased from that of 2022 due to:

1. Revenue from Engineering, Procurement, and Construction (EPC) business decreased due to the amount of work decreasing, not as expected. Also, the Russo-Ukrainian War that one factor to increases the cost of energy, raw materials, and equipment. transportation is higher Affecting construction projects that have reduced revenue recognition.

2. Revenue of the raw water distribution business in 2022 increased from the same ending date of the past year due to higher demand for water usage. However, in 2023, the seasonal rainwater volume was insufficient to support the purchasing orders from customers.

3. Revenue from the Digital Assets Business operated by the subsidiary Increased because the company has received coin mining equipment during 2023, which will have 100% complete equipment by the end of 2023 and then the price of Bitcoin has a higher closing price trend than the same period last year.

Separated financial statements: Revenue, cost of sales, and gross profit

In 2023, the main revenue of the Company came from investment in other businesses as follows:

Revenue	Structure of revenue					
	Separate financial statement					
	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues for sale (Precision Metal Parts Manufacturing)	-	-	7.50	22.43	-	-
Dividend revenue	-	-	-	-	-	-
Other Revenues	18.13	100.00	25.94	77.57	53.02	100.00
Total Revenues	18.13	100.00	33.44	100.00	53.02	100.00

The cost of sale for the year 2023 had not the cost of sale but for the year 2022 was 4.81 million baht.



Consolidated financial statements: Revenue, cost of sales, and gross profit.

Revenue consisted of several types of businesses as follows:

Business Operation	Consolidated financial statement					
	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Engineering, Procurement, and Construction service (EPC)	1,324.75	60.06	1,736.24	95.19	1,198.40	71.01
2. Production and distribution of raw water	34.78	1.57	37.73	2.07	60.87	3.61
3. The Digital Asset	-	-	43.40	2.38	239.48	14.19
Total revenue – not including discontinued operation	1,359.53	61.63	1,817.37	99.64	1,498.75	88.81
4. Precision Metal Parts Manufacturing - Discontinued Operation	813.13	36.86	-	-	-	-
Total revenue	2,172.66	98.49	1,817.37	99.64	1,498.75	88.81
Other income	33.21	1.51	6.33	0.36	188.86	11.19
Total	2,205.87	100.00	1,823.70	100.00	1,687.61	100.00

Overall consolidated financial statements for 2023 compared to that of 2022: Revenue decreased 136.09 million baht or equivalent to 7.46% because of the amount of work was less than estimated and also fluctuation in construction material price and impact from the exchange rate.

1. Construction and Consultation Business Group (EPC)

In the consolidated financial statements, the subsidiary earned, in 2023 and 2022 was 1,198.40 million baht and 1,736.24 million baht respectively; a decrease of 537.84 million baht or 30.98% that was subsidiary operation in civil engineering and electrical engineering services, designing and providing consultation on project construction and maintenance of every kind of alternative-energy power plants such as solar cell power plants, waste-fuelled power plants, and wind-energy power plants at every installed capacity.

The subsidiary received construction projects around power plants with fuel derived from communal waste, solar power plants, electricity substations, etc. The subsidiary has a full team of engineers and specialists with high potential to provide services for the construction of power plants powered by alternative and renewable energies, which the government has been supporting the private sector and communities to go for an alternative and renewable energies to reduce greenhouse effects, a starting point for Thailand to move into a low-carbon society.

2. Raw Water Group

Revenue from sales of raw water in consolidated financial statements in 2023 and 2022 was 60.87 million baht and 37.73 million baht respectively, an increase of 23.14 million baht or equivalent to 61.33%. This is in line with the contracts from customers.

3. Digital Assets Group

Revenue from Digital asset business in 2023 and 2022, was equal to 239.48 and 43.40 million baht respectively, an increase of 196.08 million baht, or 451.80% because the number of machines increased during 2023 and the price of Bitcoin tends to have a higher closing price.



Consolidated financial statements: Revenue, cost of sales, and gross profit.

For EPC business, the ratio of cost of sales to revenue for 2023 and 2022 was 92.82% and 103.14% respectively. Cost of sales includes supervisor engineer cost, construction cost, construction labor cost, consultant hiring fee, etc. The ratio in 2022 increased from last year because of The war between Russia and Ukraine, which directly affects the cost of transportation, including various materials and equipment that are required for construction. In addition, severe fluctuations in international currency exchange rates affect project operating costs, which directly affects the cost of goods sold, which has significantly increased.

For the raw water business, the ratio of cost of sales to revenue for 2023 and 2022 was 48.56% and 63.51% respectively.

Sales and administration expenses

(Unit: Million Baht)

	Separate financial statement			Consolidated financial statement		
	2021	2022	2023	2021	2022	2023
Selling expenses	-	-	-	0.01	-	-
Administrative expenses	19.32	12.78	22.81	126.14	128.21	112.00
Other Expenses	-	0.02	-	9.47	19.99	-
Total	19.32	12.80	22.81	135.62	148.20	112.00

Sales and administrative expenses included sales expenses, exchange rate loss, administration expenses, and other expenses. Most administration expenses went to the staff's monthly salary and welfare benefits, bonuses, remuneration to directors, professional fees, and depreciation.

Separate financial statements: Sales and administrative expenses in 2023 were 22.81 million baht that consisting of salary, benefits, and bonuses to employees, directors' remuneration, and professional fees.

Consolidated financial statements: Sales and administrative expenses for 2023 were 112.00 million baht, as equal to 128.21 million baht in 2022.

The financial cost

The financial cost in separate financial statements for 2023 was 48.13 million baht and 2022 was 17.37 million baht.

The financial cost in consolidated financial statements for 2023 was 57.52 million baht and 2022 was 26.56 million baht, increased from issuing debentures for working capital in year 2022.

Analysis of the financial status

Assets

The separate financial statements showed total assets in 2023 and 2022 were equal to 2,387.03 million baht and 2,252.41 million baht respectively. In 2023, the total assets featured 32.53% current assets and 67.47% non-current assets, 0.83% of the non-current assets were land, buildings, and equipment, and 98.66% long-term loans to related parties



The consolidated financial statements showed total assets in 2023 and 2022 were equal to 3,784.39 million baht and 4,508.41 million baht respectively. In 2023, the total assets featured 60.05% current assets and 39.95% non-current assets and 68.79% of the non-current assets were land, buildings, and equipment.

Overall, in the separate financial statements and the consolidated financial statements, additional assets were as follows:

Trade account receivables and other receivables-other businesses for a separate financial statement as of the year ended 2023 and 2022 was 10.16 million baht and 2.16 million baht respectively, or 0.43% and 0.10% of total assets respectively. In 2023, it increased from 2022 equal to 8.00 million baht.

Trade and other receivables-other third parties for the consolidated financial statement as of the year ended 2023 and 2022 was 2,112.63 million baht and 1,971.56 million baht or 55.31% and 43.73% of total assets respectively, decreased from 2023 for 764.89 million baht.

The increase in trade receivables in consolidated financial statements was mainly from receivables from consultants and the construction of subsidiaries.

Trade receivables at the end of the year are classified by age as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivable – non-related parties</u>				
Aged on the basis of due dates				
Not yet due	113,350	87,522	-	-
Not over 3 months	167,514	186,871	-	-
3 – 6 months	52,713	144,220	-	-
6 – 12 months	434,699	107,482	-	-
Over 12 months	167,544	85,758	-	-
Total trade receivables – non-related parties	935,820	611,853	-	-

The credit term policy for customers according to the consolidated financial statements is between 30 - 60 days, most of which is 30 days. When considering the age of trade receivables at the end of 2023, trade receivables were 6 - 12 months overdue, most of which were due to the billing period of the company being different from the payment period of the customer. As a result, the average collection period of the company exceeds the credit term that the company gives to the customer.

Average collection periods for 2023 and 2022 was 475 days and 284 days respectively, as per the consolidated financial statement.

Trade receivables and other receivables are shown at their invoice value less allowance for doubtful accounts. The Group has provided the allowance for doubtful accounts for the estimated losses that may be incurred in the collection of receivables. The allowance is generally based on collection history, the current financial status of accounts receivable, and analysis of debt aging.

Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Raw materials and supplies	22,182	52,684	-	-
Finished goods	-	994	-	-
Total	22,182	53,678	-	-
<u>Less</u> Allowance for decline values	-	-	-	-
Total inventories	22,182	53,678	-	-

There was no inventory for 2023 in the separate financial statements.

The inventories in consolidated financial statements for 2023 and 2022 were 22.18 million baht and 53.68 million baht respectively.

The Company's policy in the setting of allowance for diminution in value of inventories of slow-moving products has been in the rate of 100% for non-moving over than 1-year finished products, the rate of 10% for non-moving between 6-12 months raw materials, and in the rate of 20-80% between 1-5 years and in the rate of 100% from 5 years and over.

Other current assets

No other current assets in separated financial statements but there were other current assets 2.78 million baht in the consolidated financial statements as at end of 2023.

Investment in subsidiaries

Investment in subsidiaries is as follows (please see the details of the subsidiaries in Part 1, Item of Business Operation).

Name of Company	Paid-up Capital	Investment portion (%)			Cost method (Unit: Million Baht)		
		2021	2022	2023	2021	2022	2023
A2 Technologies Co., Ltd.	700	100	100	100	600	600	700
Green Energy Mining Co., Ltd.	802	-	100	100	-	649.28*	802*
Asia Waste Energy Co., Ltd.	8	-	100	100	-	1	8
Asia Precision AT. Co., Ltd.	550	100	100	100	550	-**	-**
A2 Water Management Co., Ltd.	75	-	-	100	-	-	75
APCS Technologies Co., Ltd.	4	-	-	100	-	-	4
Total					1,150	1,250.28	1,589
<u>Less</u> Allowance for impairment investments					-	-	-
Net Total					1,150	1,250.28	1,589

* The paid-up registered capital of Green Energy Mining Company Limited as of 31 December 2023 was equal to 800.00 million baht, an investment in a subsidiary company. If it was the cost method, it would be equal to 802.00 million baht. The difference occurs because the company has recognized the investment payment in business.

** In 2022, Asia Precision AT. Co., Ltd. has the status of a discontinued operation.



In 2022, the Company acquires 100% of shares of Green Energy Mining Co., Ltd. (“GEM”) for the digital asset business operating on the bitcoin mining business and established a new subsidiary, Asia Waste Energy Co., Ltd. (“AWE”), with a registered capital of 1 million Baht for construction service for renewable energy power plants from biomass fuel

In 2023, Asia West Energy Company Limited increased its registered capital from 1 million baht to 8 million baht and A2 Technologies Co., Ltd. increased its registered capital from 600 million baht to 700 million baht.

Later, the Company purchased business from A2 Technologies Co., Ltd. amount of 2 companies, namely A2 Water Management Co., Ltd. and APCS Technology Co., Ltd., holding 100 percent of shares with registered capital of 75 million baht and 4 million baht respectively.

Property, plant, and equipment (PP&E)

PP&E in the separate financial statements for 2023 and 2022 was 13.40 million baht and 5.43 million baht respectively.

PP&E in the consolidated financial statements for 2023 and 2022 was 1,039.97 million baht and 1,075.50 million baht respectively.

Depreciation in separate financial statements for 2023 was 2.38 million baht and depreciation in consolidated financial statements for 2023 was 113.05 million baht respectively.

Right of the raw water distribution contract

In the consolidated financial statements, the raw water sales contract in 2023 and 2022 was 119.92 million baht and 125.58 million baht respectively. The contract arose from A2 Technologies, a subsidiary, invested in CK at a 98.12% shareholding percentage. CK, therefore, is a subsidiary of the Company.

To book investment in CK in line with the accounting standards, the Management appointed an independent appraiser to assess a fair price for the assets and liabilities acquired.

The fair value of the property, plant, and equipment was based on the appraisal of the independent appraiser, based on the market approach or cost replacement approach, and the net value of the rights in the raw water sales contract according to the independent appraiser’s report. The appraisal was based on the revenue approach, with the assumption of a minimal quantity of water, specified in the raw water sales contract according to the remaining period of the contract or about 27 years, after deducting the fair value of property, plant, and equipment.

The Management calculated the period in which the subsidiary would benefit from the rights in the raw water sales contract starting from the time the subsidiary had supervisory authority to the end of the raw water sales contract or about 350 months.

	(Unit: Million)
Balance as of January 1, 2022	131.25
Amortized during the year	(5.67)
Balance as of December 31, 2022	125.58
Amortized during the year	(5.66)
Balance as of December 31, 2023	119.92



Other non-current assets

In the APCS's financial statements, other non-current assets as of 2023 and 2022 were 1.52 million baht and 0.18 million baht respectively, most of which were a guarantee for rent and guarantee for other assets in line with normal business operations.

In the consolidated financial statements, other non-current assets as of 2023 and 2022 were 92.16 million baht and 62.37 million baht respectively, the most of other non-current assets from subsidiaries.

Liabilities

APCS's separate financial statement showed total liabilities as of the end of 2023 and 2022 was 702.28 million baht and 695.43 million baht respectively, In 2023, they were classified into current liabilities for 99.14% and non-current liabilities for 0.86%.

The consolidated financial statements showed total liabilities as of the end of 2023 and 2022 was 1,993.32 million baht and 2,381.22 million baht respectively, In 2023, there was classified into current liabilities at 96.28% and non-current liabilities at 3.72 %.

The number of total liabilities according to separate financial statements and consolidated statements is as follows;

Trade and other payable - third parties

Trade payable – other parties in the separate financial statements in 2023 was 6.55 million baht and then in 2022 was 6.47 million baht.

Trade payable – other parties in the separate financial statements in 2023 and 2022 was 1,059.88 million baht and 1,252.28 million baht respectively, decreased from year 2022 amount of 192.40 million baht by the average repayment period is 289 days and 224 days respectively, which were still within the credit term received from the trade creditor.

Short-term borrowings

The consolidated financial statements showed short-term borrowings and accrued interest from related persons of 84.13 million baht and 81.67 million baht as of the end of 2023 and 2022 respectively.

Long-term loan from the financial institution

No Long-term loan in the separate financial statement in 2023

Long-term loans in consolidated financial statements for 2023 and 2022 were 0 million baht and 16.40 million baht, a decrease of 16.40 million baht compared to year 2022 because reclassified to current liabilities.

Lease liabilities in consolidated financial statements for 2023 and 2022 were 32.91 million baht and 34.10 million baht, an increase of 1.19 million baht compared to year 2022.

The debt-to-equity ratio in the APCS's financial statements as of 2023 and 2022 was 0.42 times and 0.45 times respectively, in the consolidated financial statements in 2023 and 2022, there was 1.11 times and 1.12 times.

Deferred tax liabilities

The consolidated financial statements of the end of 2022 and 2021, showed Deferred tax liabilities 31.15 million baht and 32.33 million baht respectively. (See details in the Note to Financial Statements).

Employee benefit obligation

In 2023 and 2022, Employee benefits in the separate financial statements, there was 0.78 million baht and 3.47 million baht respectively, and Employee benefits in the consolidated financial statements, there was 9.89 million baht and 12.25 million baht respectively. (See details in the Note to Financial Statements).



Shareholders' equity

The APCS's separate financial statements, the shareholders' equity as of the end of 2023 and 2022 was 1,684.75 million baht and 1,556.98 million baht respectively.

The consolidated financial statements, the shareholders' equity as of the end of 2023 and 2022 was 1,791.07 million baht and 2,127.19 million baht respectively.

Legal Reserve

The Company must allocate at least 5% of net profit as legal reserve each year until this legal reserve reaches at least 10% of registered capital, following Public Company Limited Act, B.E. 1992. This reserve cannot be used for paying dividends.

Details of dividend payments in 2019-2023 are summarized as follows:

Operating for year	Approval by	Total Share (Million shares)	Par value (Baht per share)	Dividend Paid (Million Baht)	Dividend Paid per share (per share)	Paid date
2019	AGM of 2020 On April 25, 2020	660	1	39.60	0.06	May 22, 2020
2020	AGM of 2021 On April 25, 2021	660	1	39.60	0.06	May 21, 2021
2021	AGM of 2022 On April 30, 2022	660	1	39.60	0.06	May 30, 2022
2022	AGM of 2023 On April 20, 2023	660	1	No Dividend Payment	-	-
2023	AGM of 2024 On April 25, 2024	660	1	No Dividend Payment	-	-

Liquidity

Cash flows :

(Unit : Million Baht)	Separate financial statements			Consolidated financial		
	2021	2022	2023	2021	2022	2023
Profit (loss) before income tax expense	(1.19)	86.47	159.30	61.19	(238.74)	120.10
Profit (loss) before income tax expense from discontinued operations	-	-	-	198.94	123.82	-
Total adjust from reconciliation of gain (loss)	(10.88)	(95.39)	(205.26)	35.32	47.20	(373.22)
Others from operation	15.76	5.20	(10.56)	(40.53)	(99.34)	(80.46)
Net Cash Provided by (Used in) Operating Activities	3.69	(3.72)	(56.52)	254.92	(167.06)	(333.58)
Net Cash Provided by (Used in) Investing Activities	(34.97)	(597.28)	84.92	(32.44)	(328.42)	409.09
Net Cash Provided by (Used in) Financing Activities	(39.60)	629.40	(1.57)	(170.38)	511.46	(76.70)
EFFECTS OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	-	-	-	6.33	(0.89)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(70.88)	28.40	26.83	58.43	15.09	(1.19)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	94.54	23.66	52.06	537.96	596.39	214.37
CASH AND CASH EQUIVALENTS END OF YEAR FROM DISCONTINUED OPERATIONS	-	-	-	-	(397.11)	-
CASH AND CASH EQUIVALENTS END OF YEAR	23.66	52.06	78.89	596.39	214.37	213.18

In the APCS's financial statements, in 2023 APCS had net cash of 56.52 million baht from its operation as the Company managed.

The net cash provided by as an investment was 84.92 million baht. As a result, the company sold investments in subsidiaries in the amount of 507.21 million baht and cash paid for investments in subsidiaries in the amount of 338.72 million baht.

The net cash used in from financing activities was 1.57 million baht; in 2023, the Company repays of loans from financial lease.

Putting into consideration all three net cash transactions, APCS had cash or cash equivalence as of the end of 2023 at 78.89 million baht, sufficient for APCS's business operation.

Consolidated financial statements The Group's net cash from operating activities was 333.58 million baht.

Net cash provided by investing activities was 409.09 million baht; In 2023, the company sold investments in subsidiaries.

The net cash used in fundraising was 76.69 million baht because of repayment of loan from financial institution.

Putting into consideration all three net cash transactions, APCS Group had cash or cash equivalence as of the end of 2023, sufficient for APCS Group's business operation.

Current ratios

In the consolidated financial statements, for 2023 and 2022, current ratios were 1.18 times and 1.94 times respectively. The current ratio for both consolidated financial statements decreased from 2022.

The number of days' sales inventory (days) in the consolidated financial statements in 2023 and 2022 featured 10 days and 23 days, respectively. In all, the consolidated financial statements have shorter inventory days on hand.

In the consolidated financial statements, for 2023 and 2022, cash cycles were 196 days and 83 days respectively. In all, the consolidated financial statements show a longer cash cycle.

Return on assets in the consolidated financial statements as of 2023 and 2022, was 2.39 percent and (2.78) percent respectively. The rate of return on assets increased from 2022 because in 2023 the Group's operating results increased.



Contingent liabilities and commitments

1. Obligation and credit lines for loans from financial institutions

Collateral for credit facilities from financial institutions

Company As of December 31, 2023, The Company group has obligations under the letter of guarantee, equal to 259.57 million baht with collateral from related companies as follows:

- 1.) Asia Precision Public Company Limited
- 2.) Advance Web Studio Company Limited
- 3.) APCS Technologies Company Limited
- 4.) Advance Web Studio Company Limited pledged 9,000,000 ordinary shares of Asia Precision Public Company Limited.

Subsidiaries As of December 31, 2023, The Company group. has guaranteed long-term loans from financial institutions, equal to 260 million baht (in 2022: 277 million baht), related to the normal business obligations of the company group. (the APCS's financial statements: 254 million baht and 2022: 272 million baht)

2. Commitment contracts

As of December 31, 2023, the subsidiary company committed as follows:

	(Unit: Million Baht)		
	Consolidated		
	Contract Amount	Payment	Outstanding
Construction agreement	854	(627)	227

4.2 Key factors and influences that may affect APCS's future operation or financial status.

1. Risk from exchange rate fluctuation.

The subsidiary company imports construction materials from foreign countries such as solar panels and inverters, etc. The ordered construction materials were quite high in value and together with the uncertainty of the money market, caused foreign currency fluctuation; as a result, the subsidiary is exposed to foreign exchange rate risk. However, the subsidiary company is aware of this exchange rate risk. Therefore, risk control measures are in place by entering into a forward contract at an appropriate time, to prevent such risks from occurring.

2. Risks of having no long-term contracts

Most APCS business transactions, generally practiced in the industry, are not made as long-term service contracts, but only short-term contracts of about a year, or no contract at all, just a purchase order, depending on the policy of each customer.

At the termination of a contract or when it is due to change product models, customers will select new manufacturers and suppliers of parts and components. Consequently, APCS has a risk of losing customers if it is not selected.

However, normally manufacturers in the automotive, air-conditioning and cold storage compressor and digital camera industries do not easily change their suppliers of parts and components to them. Selecting manufacturers or suppliers of parts and components with quality and standards as they specify, with ability to deliver on time and ability to increase production capacity during the peak demand period will need additional procedures and time. This may affect



their production procedures and quality risk. Normally, makers in the automotive industry, air-conditioning and cold storage compressor industry and digital cameras industry will select manufacturers or suppliers of parts and components to them in limited number of 1-3 suppliers for any parts, in which the steps and procedure to obtain manufacturers or suppliers of parts and components to supply them will have to be done in 3 months to 2 years. The said period may vary according to the designs and complexity of parts production in each product line. Hence, if a company is selected as a manufacturer of parts to any maker, the risk of termination of manufacturing contract is low, because the maker usually will not change their parts manufacturer until the end of the model of that product, which is on the average 5-7 years or more depending on the product designs and specifications in each industry.

Subsequently, being a company that manufactures and supplies standardized parts results in customers' confidence in APCS operation and products, with the trend to let APCS continue as the manufacturer and supplier of parts and components to the customers, and even continuously offering new products APCS to quote.

3. Risks from dependency on engineers and personnel

A subsidiary that is involved with construction requires people with expertise and experience in designing, planning, operating as well as constructing projects as planned. They are engineers at the level of assistant managing director, project managers, and project engineers or foremen. If A2 loses these engineers and personnel, it will affect the company's ability to win projects and perform well in the future. However, with the realization of the risks, A2 has focused on HR management with continuous personnel development through seminars both in and outside the country as well as incentives to be competitive in the market and retain the personnel.

4. Risks from the other contractual party failing to comply with the agreements

The subsidiary faces risks with the clients failing to comply with the agreements, especially payment according to the work progress, thus most likely causing damage to the subsidiary. The subsidiary has come up with such preventive measures as financial analysis of the client before taking a project, finding additional information about that client from other sources or demand advance payment as well as collection according to the work progress.

5. Risks from weather conditions

The subsidiary that is involved with distribution of raw water faces risks with weather conditions and world climate change – not raining even in the rainy season and El Nino that makes rain less than it should have been. However, the volume of raw water collected is double the size of the annual sales for the first 3 years. Water will be sufficient for 3 years though some years may be dry. In the 4th year, the volume of water collected will be increased by 60 percent of the reservoir capacity. Additional reservoirs nearby will be in case of drought for 2 consecutive years.

6. Risks from chemical contamination in water

The subsidiary that is involved with raw water production and distribution faces risks of chemical contamination in the raw water, thus affecting the quality of ground water due to such upstream activities as wastewater release from industrial plants, livestock farming, chemical application in farm activities, etc. The subsidiary has come up with measures to cope with those risks – getting tools to check water quality prepared to check water quality in the stream before



releasing to the reservoirs, monitoring community activities and upstream activities that may release wastewater to the stream by coordinating with the people and communities that may cause contamination.

7. Risks of Digital Asset Price Volatility

Digital asset prices are the foremost factor in the digital asset mining business as cryptocurrency is regarded as the main source of income. Therefore, the price of digital assets significantly affects the income and cash flow of a business. Although past data show that the price of digital assets constantly changes, and it is something that cannot be predicted in the future, the Company may be able to reduce the risk by considering the price trend and sell at a reasonable price according to the condition of the trading price at that time. Additionally, while the price of Bitcoin has been growing from 2020 to 2021, it may slow down in 2022 due to the war in Ukraine. Nevertheless, the Company still has confidence that digital assets will tend to increase in the future.

8. Risks from Technological Changes

Bitcoin mining requires computer processing power to decrypt the software quickly and earn rewards with bitcoins. The Company increases Hash rate as much as possible by purchasing state-of-the-art miners from Bitmain, the world's largest mining rig and application-specific integrated circuit (ASIC) manufacturer for Bitcoin mining. However, technological innovations may emerge with more processing power, making existing mining machines less efficient than newer ones, resulting in lower expected returns. Nevertheless, the Company will follow up on the development of emerging innovations by studying the best performing mining equipment, and the Company can provide studies on technology change trends.

9. Risks of Cyber Theft

The mining business, Cryptocurrency, and investing in digital assets are transactions through the Internet, which may be subject to cyber theft incidents. If such events happen to the Company, it will significantly affect the Company's position, financial situation, and profitability. To prevent such risks, the Company is considering cyber theft prevention methods such as storing digital assets that can be mined in a Hardware Wallet without an internet connection and storing it in the Company's safety deposit box. The withdrawal of use must be approved by the person assigned by the board of directors of the subsidiary.

10. Risks Related to Laws and Regulations of Government Agencies or Regulatory Agencies

Currently, digital assets are still a new matter, and the rules and regulations governing the digital asset business of government agencies or regulators can be adjusted at any time, issuing new regulations governing the digital asset business. It may affect the operations and results of the Company, including investment limitations or taxation. However, the Company gives priority to such risks and closely follows relevant laws to adjust the business to be efficient and maximize benefits to the Company.



5. General Information and Other Important Information

5.1 General Information

- **Registrar**

The Thailand Securities Depository Co., Ltd.
 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400.
 Tel: (662) 009-9000, (662) 009-9999
 Fax: (662) 009-9991
 TSD Call center: (662) 009-9999
 Email: SETContactCenter@set.or.th
 Website: www.set.or.th/tsd

- **Auditor**

DIA International Audit Co., Ltd.
 Head Office No. 316/32 Soi Sukhumvit 22, Rama 4 Road, Klong Tan Subdistrict, Klong Toei District
 Bangkok 10110
 Tel: (66) 81-822-1717

Auditor's Name

Mrs. Suvimol	Chrityakierne	Certified Public Accountant Registration Number 2982 or
Mr. Joompoth	Priratanakorn	Certified Public Accountant Registration Number 7645 or
Ms. Syphaphorn	Mangjit	Certified Public Accountant Registration Number 8125 or
Mr. Apipong	Leongnarkongdee	Certified Public Accountant Registration Number 12199

5.2 Other Important Information

Asia Precision Public Company Limited (“Company”) was established on March 14, 1995, and started out as a precision metal parts manufacturer. In 2016, the Company recognized the paramount opportunities in the alternative energy and utilities industries, and therefore expanded its operations into Engineering, Procurement, and Construction (EPC) business operates under A2 Technologies Co., Ltd. (“A2”), and Raw Water Distribution business, operates under Cholkij Sakol Co., Ltd. (“CK”). The Company intends to transform EPC business into the main business of the group. In 2022, the Company invested in Green Energy Mining Co., Ltd. (“GEM”) for the Digital Assets business.

APCS will operate as a holding company, with the focus on investment in subsidiaries following the business restructuring plan. Currently, the group operates in 3 business streams: Engineering, Procurement, and Construction (EPC) business, Raw Water Distribution business and Digital asset business operates on the bitcoin mining business.

- **Dividend Policy**

The Company has a dividend policy to payout no less than 40 percent of net profit after tax in separated financial statements and after Legal Reserves. However, the Company may choose to payout dividend less than the aforementioned rate depending on the operational performance, financial position, cash flow, working capital



requirement, business expansion, and other factors that affect business operation; subject to approval of the board of directors and/or shareholders.

- **Subsidiaries dividend policy**

The Company has a dividend policy to payout no less than 50% of net profit after tax in separated financial statements and after Legal Reserves. However, the Company may choose to payout dividend less than the aforementioned rate depending on the operational performance, financial position, cash flow, working capital requirement, business expansion, and other factors that affect business operation; subject to approval of the board of directors and/or shareholders.

5.3 Legal Disputes

As of 31 December 2023, the Company and its subsidiaries There is a legal case or dispute that may have a negative impact on the assets of the Company or its subsidiaries with an amount exceeding 5% of shareholders' equity. and may have a significant impact on the business operations of the Company or its subsidiaries as follows:

Breach of the promissory note

CK has issued 31 promissory notes as evidence of a loan to a lender who holds existing shares by the total value of 44.93 million baht, with the interest rate 5.50 – 7.75% per annum, due on demand and has accrued interests by the amount of 25.92 million baht, totaling the value of 70.86 million baht.

20 July 2020, the lender agreed to release the whole amount of accrued interests of 25.92 million baht with the condition for the Company to pay all debts on the promissory notes by 17 November 2020. In the next time, CK requested extension of principal payment by postponing to the date of 16 March 2021 with the conditions for the Company to pay a post-date cheque to the lender by the amount of 44.93 million baht and asked the lender to release the Company of the interests by the amount of 25.92 million baht.

13 November 2020, the lender agreed to receive the post-date cheque from the Company and agreed to extend the payment duration for another 120 days and then the lender sent out the follow-up letter requesting the delivery of cheque dated 16 March 2021.

18 December 2020, the lender filed the prosecution to the Civil Court to order CK to pay the debts of promissory notes together with the interests by the amount of 71.97 million baht, and On 23 September 2021, the Civil Court delivered judgement that CK pay the principal of 44.93 million baht with the interest 5% per annum by the amount of 27.04 million baht, totaling of 71.97 million baht and the cost of Court fee on behalf of the lender of 0.20 million baht.

23 November 2021, CK filed the appeal to oppose the Civil Court's judgement by The Court of Appeal issued an order prohibited the auction of 37 plots of land seized by the executing officer during the appeal and On 29 April 2022, the Appeal Court ordered CK to pay the principal amount of 44.93 million baht (without interest). The expenses in litigation in the Court of First Instance and court fees in appeal shall be folded, except in accordance with the judgment of the Court and In the next time, CK and the lender filed appeals against the judgment of the Court of Appeal on 17 October 2022, and 19 October 2022 respectively.

3 August 2023, the Supreme Court ordered the plaintiff's appeal. and only some issues are allowed.



31 December 2023, this case is under consideration and make a decision by the Supreme Court.

CK has recorded promissory notes payable and accrued interest in the total amount of 84.13 million baht. The management of CK believes that amount is sufficient for the current situation.

Claims for damages from the employer.

In 2021, the Subsidiary Company had contingent liabilities as a result of the Subsidiary Company being notified by a hirer regarding the damages incurred from the Subsidiary Company's provision of services under service agreement. Subsequently, on 21 February 2022, 4 August 2022, 5 September 2022, 21 October 2022, 8 December 2022, 28 December 2022 and 12 January 2023, the hirer sent letters to the Subsidiary Company seeking payment of damages in connection with the Subsidiary Company's provision of services under service agreement amounting to Baht 490 million. The Subsidiary Company has denied the claim and there have been no additional claims after the denial to the hirer. The Subsidiary Company is in the process of discussing with the hirer with plan to accept additional work. The Subsidiary Company is currently negotiating such claim with the hirer, meanwhile, the Subsidiary Company is negotiating with its subcontractors to demand responsibility for such claim. The Subsidiary Company's management were of the opinion that no significant effect as a result thereof.

Claims for damages from contractors.

2022 Limited Partnership Roi Et architectural design Contractor for construction of Nam Yuen Power Station Ubon Ratchathani Province, as the plaintiff, filed a lawsuit against A2 Technology Company Limited ("A2"), as the defendant, at the Det Udom Provincial Court. Black case number Phor 533/2022, alleging that A2 Breach of contract by not paying wages and demanded the return of the contract guarantee the capital to the plaintiff's complaint was 1.96 million baht and A2 filed an affidavit and counterclaim arguing that Roi Et Architectural Design Limited Partnership, the contractor, was in breach of the contract. It claims damages for the counterclaim in amount of 1.49 million baht, along with interest at the rate of 5% per annum from the date of the counterclaim (15 December 2022) onwards until payment is completed.

Later on 8 August 2023, Det Udom Provincial Court There was a judgment in favor of the limited partnership. Roi Et Architectural Design, contractor, plaintiff, compensates A2 in the amount of 1.49 million baht along with interest at the rate of 5% per annum from the date of filing the counterclaim. onwards until payment is completed.

As of 7 September 2023, after the judgment had been rendered Roi Et architectural design limited partnership Not complying with the judgment of the Det Udom Provincial Court, A2 therefore sent a letter to Bangkok Bank PLC. as a guarantor for compliance with the employment contract. To compensate the amount of 1.49 million baht with interest at the rate of 5% per annum to A2 claims in guarantee contract and the judgment of the Det Udom Provincial Court which Bangkok Bank refused to pay Claiming that the limited partnership Roi Et architectural design Informed that they will pay the debt on judgment.

Later on 19 September 2023, the company's attorney sent the notice to the President of Bangkok Bank PLC. confirms the exercise of rights to claim according to the contract guarantee and requests Bangkok Bank to make payment on behalf of Roi Et architectural design limited partnership to claims in the guarantee letter and the judgment of the Det Udom Provincial Court as soon as possible or 27 September 2023, If Bangkok Bank ignoring A2, A2 maybe submit a complaint letter to the Bank of Thailand that oversees financial institutions or exercise rights under relevant laws.



As of 29 September 2023, Bangkok Bank Public Company Limited ordered a check payable according to the judgment, with interest of 5 percent per year from the date of filing the counterclaim (15 December 2022) until the date of payment of the check on 29 September 2023, totaling principal and interest in the amount of 1.55 million baht to A2, which causes the debt according to the right to call Claim in the contract between limited partnership Roi Et Architectural Design and A2 were therefore terminated as a result of the law.

5.4 Secondary Market

-None-

5.5 Regularly Contacted Financial Institutions (Bond Information)

Registrar

- Bank of Ayudhya Public Company Limited
1222 Rama III Rd, Yan Nawa, Bangkok 10120
Telephone: (662) 296 2000

Debenture Holder Representatives

- Asia plus securities Company Limited
3/1 Floor, Sathorn City Tower, 175 South Sathorn Road, Sathorn, Bangkok 10120
Telephone: (662) 680 1111 Fax (662) 285 1901-2

Underwriter(s)

- DAOL (Thailand) Public Company Limited
87/2 CRC Tower, 18th Fl., All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Thailand
Telephone: (662) 351 1800
- CGS-CIMB Securities (Thailand) Company Limited (Lead Underwriter)
130-132 Sindhorn Tower 2, 2nd, 3rd Floor and Sindhorn Tower 3, 12th Floor Wireless Road, Lumpini,
Pathumwan Bangkok 10330 Thailand
Telephone: (662) 841 9000 Fax: (662) 841 9096
- Pi securities Public Company Limited
132 Sindhorn Tower 1 - Level 2, 3 and Sindhorn Tower 3 - Level 17, 18, 20, Wireless Road Lumpini,
Pathumwan, Bangkok 10330 Thailand
Telephone: (662) 205 7000
- Finansia Syrus Securities Public Company Limited
18th Floor, The Offices at Central World 999/9 Rama I Road, Pathumwan, Bangkok 10330 Thailand
Telephone: (662) 658 9000 and (662) 658 9500

2

Corporate Governance



Section 2

Corporate Governance

6. Corporate Governance Policy

6.1 Good corporate governance

The Company recognizes and pays attention to the effective, transparent, and traceable management system, which will build confidence to all parties involved and result in sustainable business growth under ethical operation and in accordance with applicable laws. Therefore, the Company establishes the good corporate governance policy to enhance existing operations to be systematic with clear standards and distributes the practices to the Company's employees at all levels, which will truly create the culture of corporate governance. The Company has adopted the Principle of Good Corporate Governance for Listed Companies 2017. In 2023, the Company formally restructured our business since 31 December 2023 onward, the company and subsidiaries have 3 business units.

Therefore, the company improved their Corporate Governance Policy and Code of Corporate Governance to make it effective and lawful on rules and regulations of the Stock Exchange of Thailand and consistent with changing business operations as defined by the Stock Exchange of Thailand with the following 8 principles.

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

1.1 The board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

- (1) defining objectives;**
- (2) determining means to attain the objectives; and**
- (3) monitoring, evaluating, and reporting on performance.**

Guideline: The Board of Directors (“the Board”) understands their role and is aware of their responsibilities as organizational leaders. The company has set duties and responsibilities of the Board clearly stated in the Charter of the Board of Directors. It has an important role in formulating strategies. Operational policy Allocation of important resources as well as monitoring, evaluating, and supervising the reporting of operating results to achieve objectives and business goals. The Board understands its role and is aware of responsibility as a leader who must supervise the organization for good management. and schedule annual charter reviews at least 1 time per year.

1.2 To achieve sustainable value creation, the board should exercise its leadership role and pursue the following governance outcomes:

- (1) competitiveness and performance with long-term perspective;**
- (2) ethical and responsible business;**
- (3) good corporate citizenship; and**
- (4) corporate resilience**

Guideline: The Board will supervise business operations to remain competitive and have good operating results considering long-term impacts, having ethics, respecting rights, and being responsible to shareholders and stakeholders beneficial to society Develop or reduce environmental impacts and can adapt under changing factors for the benefit of creating sustainable value for the business



1.3 The board should ensure that all directors and executives perform their responsibilities in compliance with their fiduciary duties, and that the company operates in accordance with applicable law and standards.

Guideline: The board has appointed a sub-committee, and a working group to support, inspect, supervise operations, and administration in accordance with laws, policies, plans, and the prescribed annual budget. By specifying duties and responsibilities of the sub-committees and working group clearly as well as supervising the directors and executives perform their duties responsibly, carefully, and honestly, and ensure that operations are in accordance with relevant laws, regulations, and board meeting resolutions. Shareholder meeting resolution and various policies. In each meeting of the Board of Directors There must be no less than half of the total number of company directors present at the meeting to form a quorum. In addition, the company has also established a policy. Regarding the minimum quorum at the time the committee is voting at the committee meeting, there must be no less than two-thirds of the total number of directors present at the meeting including all sub-committee meetings.

1.4 The board should demonstrate a thorough understanding of the division of board and management responsibilities. The board should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties.

Guidelines: The board should adopt a written policy (such as a charter) that clearly sets out the roles and responsibilities of the board and management. The board should regularly review the policy every year at least once a year in order to make corrections to be consistent with the company's direction.

Principle 2: Define Objectives that Promote Sustainable Value Creation

2.1 The board should define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the company.

Guidelines : The board should ensure that the company has clearly defined objectives that support the company's business model. The board should ensure company-wide communication of the objectives, for instance, in the form of the company's vision and values, or principles and purposes. It is consistent with creating value for the business, customers, stakeholders, and society which has been communicated to personnel at all levels to adhere to as a principle in performing their duties. to achieve the objective and set goals including strengthening the objectives and the organization's main goals are reflected in decisions and personal operations of all levels until it becomes an organizational culture.

2.2 The board should ensure that the company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively.

Guidelines: The board should ensure that the company's annual objectives, goals, strategies, and plans correlate and align with the company's long-term objectives, while considering the business environment, opportunities, and the company's risk appetite by analyzing the environment various factors and risks that have an impact to relevant stakeholders based on social and environmental responsibility. They are also aware of the risk of setting goals that may lead to illegal behavior or lack of ethics. Moreover, the board has regular supervision, monitoring, and evaluation of work performance for conduct business and policies efficiently including requiring a review of objectives, goals, and strategies every year to supervise resource allocation and control on plan. The board selecting innovations and technology that will be applied to work within the organization and use the company's business to provide maximum benefit to customers.



Principle 3: Strengthen Board Effectiveness

3.1 The board should be responsible for determining and reviewing the board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the company's objectives.

Guidelines: The board should establish a skill to ensure that the board consists of directors with appropriate and the necessary qualifications, knowledge, skills, experience, character traits, with an appropriate gender and age balance and diversity to achieve the objectives of the company and stakeholder interests. At least one of the non-executive directors should be experienced and competent in the company's main industry. The composition of the board of directors must be in line with SEC regulations. There must be at least one third of independent directors out of total directors, and at least 3 persons

3.2 The board should select an appropriate person as the chairman and ensure that the board composition serves the best interest of the company, enabling the board to make its decisions as a result of exercising independent judgement on corporate affairs.

Guidelines: The chairman's roles and responsibilities are different from those of the chief executive officer. The board should clearly define the roles and responsibilities of both positions. To ensure effective checks and balances of power, the two positions should be held by different individuals. The board should disclose the roles and responsibilities of the board and the committees, the number of meetings and the number of directors participating in meetings in the previous year, the board and committee performance. The board has clearly defined the authority and duties of the Chairman and Chief Executive Officer and/or The President and to prevent any one person from having unlimited power. The company has a policy that the Chairman of the board and Chief Executive Officer are not the same person. The company requires the appointment of sub-committees to consider specific issues, information, and propose guidelines for consideration before submitting to the committee for approval. The committee will ensure that the roles and duties of the committee are disclosed and subcommittees The number of meetings and the position times each director attended the meeting in the past year and Report on the performance of all subcommittees.

3.3 The board should ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the board.

Guidelines: The board should establish a nomination committee. The majority of its members and the chairman should be independent directors. The nomination committee should set the nomination criteria and process consistent with the skills approved by the board and ensure that the candidate's profile meets the requirements set out in the skills and nomination criteria. Upon proposal to and approval by the board of a candidate, the candidate is presented to the shareholders' meeting for election and appointment as a director. Shareholders should receive adequate prior notice and sufficient information about candidates up for election at the shareholders' meeting. The company will disclose information about directors and executives such as age, educational background, experience, shareholding percentage. Number of years on position including information about consultants in cases where the Nomination and Remuneration Committee has appointed consultants in the annual report information form (56-1 One-Report).



3.4 When proposing director remuneration to the shareholders' meeting for approval, the board should consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and company performance, and provide incentives for the board to lead the company in meeting its objectives, both in the short and long term.

Guidelines: The Nomination and Remuneration Committee is responsible for considering remuneration rate of the Board and Executives to present for approval from the Board of Directors' meeting and a shareholder meeting the following criteria:

3.4.1 Appropriate and consistent with the scope of duties and responsibilities of each director.

3.4.2 The remuneration is a level that can be motivating and maintain directors who have knowledge, ability, and quality in performing their duties for the organization.

3.4.3 The remuneration structure is clear, transparent and easy to understand both cash-based and non-cash compensation.

3.4.5 The remuneration rate is comparable to the remuneration of directors in the same or similar industries.

The Company has a policy that the remuneration structure and rate for directors, both cash-based and non-cash compensation, it must be approved by the shareholders' meeting by law or regulation of the company. Shareholders must approve the board remuneration structure, including level and pay components (both cash-based and non-cash compensation). The board should consider the appropriateness of each pay component, both in terms of fixed rates (such as retainer fee and attendance fee) and remuneration paid from the company's performance (such as bonus and rewards).

3.5 The board should ensure that all directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively.

Guidelines: The Board will ensure directors that they have responsibility in performing duties and allocate adequate time. Director will be able to hold positions in other listed companies not more than 5 companies in total, including disclosed roles and duties of the committee and sub-committees, time of meetings each director attended meetings in the past year and report on the performance of all subcommittees.

3.6 The board should ensure that the company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.

Guidelines: For businesses that the company has or plans to hold a significant investment in other than subsidiaries, the board should ensure that shareholder agreements or other agreements are in place to enable the company's performance monitoring and participation in the businesses' management, including for approval of significant transactions and decisions. This is to ensure that the company has sufficient, accurate, and timely information for the preparation of its financial statements that conform with relevant standards.

In addition, directors are representative of company must control and take care subsidiaries and/or associated companies. They manage or carry out various tasks in accordance with policies and the board's resolutions and/or the shareholder's resolution which is approve important matters of the subsidiary and/or associated companies that bring maximum benefit to the company for sustainable growth.

3.7 The board should conduct a formal annual performance evaluation of the board, its committees, and each individual director. The evaluation results should be used to strengthen the effectiveness of the board.



Guidelines: The board's, committee's and individual directors' performance evaluation should be conducted at least once a year to facilitate consideration and improvement of the board's performance and effectiveness and resolution of any problems. Assessment criteria and process for the board's, committees' and directors' performance should be systematically set in advance. The Company will disclose the overall criteria, procedures, and results of the evaluation in the annual report (56-1 One- Report).

3.8 The board should ensure that the board and each individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards, and other applicable obligations. The board should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the board and board committees.

Guidelines : The board have a policy to encourage directors to attend seminars and training organized by various agencies related to the performance of their duties and the Company's business operations. The Company has a policy to disclose training or seminar information in the annual report (56-1 One- Report).

3.9 The board should ensure that it can perform its duties effectively and have access to accurate, relevant and timely information. The board should appoint a company secretary with necessary qualifications, knowledge, skills, and experience to support the board in performing its duties.

Guidelines: The number of board meetings appropriate to the obligations and responsibilities of the board and nature of the business, but the board should meet at least 6 times per financial year and may be additional special meetings as needed each meeting has a clearly defined agenda and a meeting invitation letter with details sent out 7 days in advance before the Board of Directors' meeting so that the Board has enough time to study the information before attending the meeting including taking written minutes of the meeting and keep meeting minutes certified by the Board of Directors. Ready for inspection by the Board of Directors and related persons.

Principle 4 : Recruitment and development of top executives and personnel management

4.1 The board should ensure that there is recruitment and development of the president and senior management to have the knowledge, skills, experience and characteristics necessary to drive the organization towards its goals.

Guidelines: The board should ensure that the chief executive officer appoints knowledgeable, skilled, and experienced key executives. The board or the nomination committee together with the chief executive officer should establish the criteria and procedures for nomination and appointment of key executives and the board should ensure that development and succession plan for the chief executive officer and key executives are in place. The board should annually request reporting on the implementation of the development and succession plans from the chief executive officer.

4.2 The board should ensure that an appropriate remuneration structure and evaluation are in place.

Guidelines: The board should ensure that the compensation structure rewards individual performance, incentivizes the chief executive officer, key executives considering the principles of justice that refer to companies in the same industry and similar sizes and consistent with the nature of performing duties as an incentive to work for the highest benefit of the company and shareholders. To set criteria for evaluating the performance of duties that are appropriate to the scope of responsibilities according to assigned duties. The Nomination and Remuneration Committee is responsible for considering and screening remuneration before presenting to the Board of Directors by considering the operating results of the



company and performance results and abilities of each executive and administrative support and develop personnel at all levels to have knowledge, skills, and experiences that are beneficial to their work. Allocated to attend training organized by various agencies to develop abilities and increase work efficiency.

4.3 The board should understand the structure and relationship of shareholders that may affect the management and operation of the business.

Guidelines: The board should understand the company’s shareholder structure and relationships and consider their impact on the control over the company, including written and non-written family agreements, shareholder agreements, or group company policies and then the board supervise the structure and relationships so that they do not hinder the performance of the committee's duties.

4.4 The board should monitor the management and development of personnel to have the appropriate amount of knowledge, skills, experience and motivation.

Guidelines: The board ensure that the company is properly staffed, and that human resources management aligns with the company’s objectives and furthers sustainable value creation. All employees and staff must receive fair treatment. The board should ensure that the company establishes require management to implement a training and development program for employees and staff that promotes financial literacy, including on retirement savings, and educates employees and staff on life path investments that are suitable for their age and risk appetite. Maintain the working environment to be safe for life, health, and property, and provide communication channels between employees and supervisors or superiors.

Principle 5: Promote innovation and responsible business practices.

5.1 The board should give importance to and support the creation of innovations that create business value along with Creating benefits for customers or related parties and have social and environmental responsibility

Guidelines: The board prioritize and promote a corporate culture that embraces innovation and ensure management’s inclusion of innovation in corporate strategy, operational development planning, and operation monitoring.

5.2 The board should monitor and ensure that the management operates its business with social and environmental responsibility. And reflected in the Operational Plan to ensure that all departments of the organization are aligned with the objectives, key goals, and strategic plans of the entity.

Guidelines: The board is aware of the rights of all groups of stakeholders, whether internal stakeholders or external stakeholders to create good understanding and cooperation between the companies and stakeholders which will be beneficial to business operations and build confidence including increasing the competitiveness of the company in the long term. Therefore, established a policy and guidelines as follows

- (1) Responsibilities to Shareholder by committing to being a good representative of shareholders in carrying out their business with responsibility and to create satisfaction for shareholders. With regard to sustainable growth, able to generate suitable returns for the company with transparency, trustworthiness
- (2) Responsibilities to employees, staff, and workers at least by adhering to applicable law and standards and providing fair treatment and respect for human rights, including a fair level of remuneration and other benefits, a level of welfare that is not less than the legal limit (but can be over the legal limit where appropriate), health care, non-discrimination and safety in the workplace, access to relevant training, potential skills development and advancement.



(3) Responsibilities to customers at least by adhering to applicable law and standards, considering impact on health, safety of products and services, customer information security, sales conduct, after-sales service throughout the lifespan of products and services, and following up on customer satisfaction measurements to improve the quality of products and services. In addition, advertising and public relations should promote responsible consumption and must be done responsibly, avoiding taking advantage of or misleading customers, or causing misunderstanding about the products and services offered by the company.

(4) Responsibilities to business partners by engaging in and expecting fair procurement and contracting, including fair contract or agreement conditions, providing access to training, developing potential and enhancing production and service standards in line with applicable law and standards, and expecting and supervising business partners to respect human rights, social and environmental responsibilities, and treat their employees, staff, and workers fairly including ensuring that business partners have implemented sustainable and values-based business policies and procedures.

(6) Responsibilities to the government agencies by operating its business in strict compliance with the laws, rules and regulations and relevant regulatory requirements, as well as provides good cooperation with the government agencies.

(7) Responsibilities to the Community Society and Environment by operating its business based on corporate social responsibility (CSR) principles and support various activities to promote sustainable quality development of the society and environment. The company shall also build good relationships with the communities in which the bank operates. In addition, the board shall ensure that the company discloses its CSR activities and participation of the company's employees in the annual report

5.3 The board should supervise the management to allocate and manage resources efficiently and effectively, taking into account the impact and development of resources along the value chain in order to achieve the objectives and main goals sustainably.

Guidelines: The board have a thorough understanding of how the business model affects resources optimisation in support of ethical, responsible, and overall sustainable value creation. So, the board should ensure that management continuously reviews, adapts, and develops the company's use and optimisation of resources, considering internal and external factors to meet the company's objectives.

5.4 The board should establish a governance and management framework for information technology at the organizational level that is aligned with the needs of the business. Including ensuring that it is used to increase business opportunities and develop operations. risk management In order for the business to be able to achieve its objectives and main goals.

Guidelines: The board ensure that the company take action Risk Management of the company including manage information technology risks and will provide information system security management with adequate security standards for the benefit and business effectiveness.

Principle 6 Ensure that there is an appropriate risk management and internal control system.

6.1 The board should ensure that The company has a risk management system and internal control to achieve its objectives effectively. and to comply with relevant laws and standards



Guidelines: The board ensure the establishment and implementation of risk management policies that are consistent with the company’s goals, objectives, strategies and risk appetite. The risk management policies should support identification and prioritization of early warning signals of material risks. The risk management policies should be reviewed regularly, such as annually.

6.2 The board must establish an audit committee that can perform duties efficiently and independently.

Guidelines : The board shall establish an audit committee that comprises at least three directors, all of whom must be independent directors, with required qualifications, and comply with applicable legal requirements, including those promulgated by the Securities and Exchange Commission and Stock Exchange of Thailand.

The board should ensure the designation of an internal auditor or establish an independent internal audit function that is responsible for reviewing and improving the effectiveness of the risk management and internal control systems, and reporting review results to the audit committee. The result of the internal audit review must be disclosed in the company’s annual report.

6.3 The board should monitor and manage conflicts of interest that may arise between the company and the management, board members or shareholders. Including the prevention of undue use of assets, information and opportunities of the Company and transactions with persons associated with the Company in an inappropriate manner.

Guidelines: The board should ensure management and monitoring of conflict of interest situations and transactions. The board should adopt an ethics and conflicts of interest policy consistent with applicable law and standards (including fiduciary duties) and establish clear guidelines and procedures for disclosure and decision-making in conflict of interest situations. For example, any party who has a vested interest in a particular transaction should disclose that interest, and not be involved in the decision-making.

6.4 The board should supervise the establishment of clear anti-corruption policies and practices and communicate them to all levels of the organization and to outsiders for practical implementation.

Guidelines: The board shall ensure that the company prepares whistle blowing policy and notifications relevant with employees’ complaints so that all stakeholders are able to communicate, report, or complain about improper actions such as violations of laws and regulations, misconduct and unethical behaviors, embezzlement, frauds, and corruption.

The board shall ensure that the company provides channels to enable the stakeholders to conveniently report or make complaints either in writing or through the bank’s website. Policies and procedures shall be in place to ensure that the complaints will be forwarded to the concerned work units for quick investigation and correction. The whistleblowers will be notified of the company’s action.

6.5 The board should ensure that the business has a mechanism for receiving complaints and taking action in case of whistleblowing.

Guidelines: The company has communication channels for stakeholders to report tips, suggestions or complaints. In the case of corruption and there are guidelines regarding giving or receiving gifts. Other assets or benefits entertainment or expenses that exceed the limits which is not in accordance with the company's criteria and procurement practices, giving donations must be done transparently, fairly and under the rules. and procedures of the company A policy has been created for reporting wrongdoing. which has established a mechanism for receiving complaints Actions taken in cases



where clues are pointed out and protection of whistleblowers or the complainant and will not do anything that is unfair to the whistleblower or the complainant and not reveal the name, surname, address, and any other information that can identify the whistleblower or the complainant.

Principle 7 Maintain financial credibility and disclosure.

7.1 The Board of Directors is responsible for ensuring that the financial reporting system and the disclosure of important information are accurate, adequate, and timely in accordance with relevant rules, standards and practices.

Guidelines: The board shall ensure that the company discloses its financial and non-financial information relevant to the business and operating results correctly, completely, sufficiently, reliably and timely. Such information shall demonstrate the true business operational condition and financial status of the company. This is to ensure the stakeholders have equal access to adequate information, in both Thai and English language, through channels including the company's website.

7.2 The board should monitor the adequacy of financial liquidity and debt serviceability.

Guidelines: The board should ensure that management regularly monitors, evaluates and reports on the company's financial status. The board and management should ensure that any threats to the company's financial liquidity and solvency are promptly addressed and remedied.

7.3 In the event that the business encounters financial problems or is likely to encounter problems, the board should ensure that The entity has a plan to solve the problem or has other mechanisms to solve the financial problem, taking into account the rights of the stakeholders

Guidelines: The board should ensure that the company has sound financial mitigation plans that consider stakeholder rights including creditor rights. The board should monitor management's handling of financial risk or difficulties and seek regular reports. In the event of financial risk or difficulties, the board should enhance monitoring of the affairs of the company, and duly consider the company's financial position and disclosure obligations.

7.4 The board should consider preparing a sustainability report as appropriate.

Guidelines: The board should consider and report data on the company's compliance and ethical performance (including anti-corruption performance), its treatment of employees and other stakeholders (including fair treatment and respect for human rights), and social and environmental responsibilities, using a report framework that is proportionate to the company's size and complexity and meets domestic and international standards. The company can disclose this information in the annual report and in separate reports, as appropriate.

7.5 The board should supervise the management to establish an investor relations unit or person responsible for communicating with shareholders. and other stakeholders such as investors and analysts in an appropriate, equitable and timely manner.

Guidelines: The board should ensure the creation of an Investor Relations function responsible for regular, effective and fair communication with shareholders and external parties. The company's designated Investor Relations contact should be suitable for the role and have a thorough understanding of the nature of the company's business, and its objectives and values. Examples of suitable Investor Relations contacts are the chief executive officer, the chief financial officer, and the Investor Relations manager.

7.6 The board should promote the use of information technology in disseminating information.

Guidelines: In addition to the company’s mandatory periodic and non-periodic disclosure of information pursuant to applicable requirements, the board should consider regularly disclosing relevant information in both Thai and in English through other channels, such as the company’s website.

Principle 8: Encourage participation and communication with shareholders.

8.1 The board should ensure that Shareholders participate in making decisions on important matters of the company.

Guidelines: The company places importance on protection of the rights of the shareholders and encourages the shareholders to fully exercise their rights. This covers the shareholders’ basic rights, i.e. sale/purchase or transfer of shares, business profit sharing, and receipt of relevant and adequate information of the company. The shareholders are also encouraged to exercise their rights to attend the shareholders’ meeting and vote on appointment or discharge of directors, appointment of auditor and on other issues affecting the company such as dividend allocation, capital increase/decrease, approval of connected transactions, and determination or adjustment of Articles of Association and Memorandum of Association, etc. In this regard, The company shall not commit any conduct infringing or undermining shareholders’ rights.

8.2 The board should oversee that the proceedings on the day of the shareholders' meeting are carried out smoothly, transparently and efficiently, and facilitates shareholders to exercise their rights.

Guidelines: The Company prepared the minutes of the meeting completing with important information within 14 days of the date of the meeting. The report was sent to the Stock Exchange and the Ministry of Commerce within the period stipulated by law as well as disseminated on the Company’s website.

8.3 The board should ensure that the disclosure of meeting resolutions and the preparation of minutes of the shareholders' meeting are accurate and complete.

Guidelines: The board should ensure that minutes of the shareholders’ meeting is submitted to the Stock Exchange of Thailand within 14 days from the shareholders’ meeting date.

6.2 Good Corporate Governance Principal Observance in Other Matters

● **Code of Conduct**

The Board of Directors holds on to running the business with honesty and fairness. It has a policy to establish the Code of Conduct in writing so as to be used and disseminated to employees as a practical guideline to express the intention to run the business in a transparent, moral and responsible for stakeholders while taking into account the society and the environment. This is done through training and communications within the organization in different forms. Such the Code of Conduct will reflect the value and work practices that every employee should follow and work according to the ethical framework specified in various aspects. They include respect and observance of laws, stake holding and a conflict of interest, use of insider information and confidential information security, a control system and internal audit, acceptance and giving of gifts, assets or other benefits, and responsibility to the stakeholders, and complaint channels upon finding an offender of the Code of Conduct. The Company has announced and informed every employee to acknowledge and strictly observe as well as to follow such a guideline (additional information can be found at www.apcs.co.th)



In 2023, there was no complaint on misconduct of the Code of Conduct of the Company, to the Audit Committee.

6.3 Key changes and developments of policies, practices and corporate governance system during the year

The Company adheres to and observes the good corporate governance principle. This includes domestic corporate governance criteria for example the corporate governance for registered companies in the year 2006 (CG Principles 2549) of the Stock Exchange of Thailand (the Stock Exchange), the corporate governance for registered companies in the year 2007 or Corporate Governance Code (CG Code) issued by the Securities and Exchange Commission (SEC). These criteria are considered and proposed by the Executives Committee and the Recruitment and Remuneration Committee, to the Board of Directors for approval that the Company has determined the policy and put the criteria into practice.

Revision of Adoption of the Good Corporate Governance Principle or Corporate Governance Code of the SEC

In 2023, the Board of Directors by recommendations from the Recruitment and Remuneration Committee, asked for a revision of 8 principles based on the good corporate governance principle for the registered companies in 2017 (CG Code) based on recommendations of the Office of the Securities and Stock Exchange Commission, adapted to the context of the Company's business. The Board of Directors considered and was aware of the role and duty as a leader of the organization. Every member of the Board considered such practices carefully and in detail and understood the benefits and significance of putting practices according to the CG Code in creating sustainable value to the business well. For any criteria that has not yet determined as a policy or put into practice from the CG Code, the management will report to the Recruitment and Remuneration Committee as well as the Board of Directors for acknowledgement and revision consideration at least once a year as it sees appropriate.

And consider revision of CG Code practices of the Board of Directors and replacement measures for any practices that are not consistent with the CG Code in the annual data report form, Form 56-1 One Report. The CG Code practices consist of:

The following 8 main principles are also complete.

Principle 1 Establish Clear Roles and Responsibilities of the Board

Principle 2 Define Objectives and Central Ideas

Principle 3 Strengthen Board Effectiveness

Principle 4 CEO and People Management

Principle 5 Nurture Innovation and Responsible Operations

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 7 Ensure Disclosure and Financial Integrity

Principle 8 Ensure Engagement and Communication with Shareholders



The Company has implemented the CG Code principles in the business context of the Company since 2012 together with the CG Principles 2006. However, for inappropriate practices to the Company's business, the Board of Directors has considered to determine an appropriate replacement policy, regulation or measure and recorded it as a part of the Board's resolution so that it will be revised every year. In 2021, there are issues that the Company has not yet implemented as follows:

1. The Board should determine that an independent director holds a director position consecutively no more than 9 years from the date of first appointment. In case of continuation of such an independent director in the position, the Board has to consider with a reasonable reason for such continuation necessity.

At present, the Company has 1 independent director who have been in the position consecutively for more than 9 years namely Mr. Narong Varongkriangkrai who have been independent directors more than 9 years, can express opinions independently and still have all the qualifications according to the qualification requirements for an independent director of the Company. Moreover, they have brought in knowledge, experiences and expertise and provide recommendations that are useful in formulating strategies and business operation policy of the Company based on the sustainable development guideline and are still able to perform the duty as an independent director well.

2. Determine the longest number of terms to be in position consecutively for a director such as no more than 3 consecutive terms and determine the longest number of terms to be in position consecutively for a member of subcommittee. Currently, the Board considers the terms in position of committees and subcommittees according to the term in position of each director and qualifications of each director as well as considers diversity of specialized expertise necessary to have in committees as supplementary information in director recruitment consideration.

However, the Company will give shareholders the opportunity to have the right to nominate individuals to be considered for election as directors and subcommittees annually. A member of the sub-committee will be selected based on qualification and appropriateness according to those specified in the Charter of each subcommittee. Most issues that the Company has not yet implemented are issues relating to the structure of committees where the management will propose such an issue to the meeting of the Recruitment and Remuneration Committee to revise annually. Due to importance of corporate governance, the Board of Directors has established a clear guideline in giving independence to the management in initiating and carrying out constant adjustments of the Company's corporate governance under recommendations of the Executives Committee, the Recruitment and Remuneration Committee and the Audit Committee.

In 2023, the Company has been assessed corporate governance as follows:

The 2023 annual CGR survey by IOD, the Company obtained the "Excellent" level (overall average score of 90% over) and received an assessment on quality of the 2023 annual meeting of ordinary shareholders (AGM Checklist) by the Thai Investors Association by the score of 98.



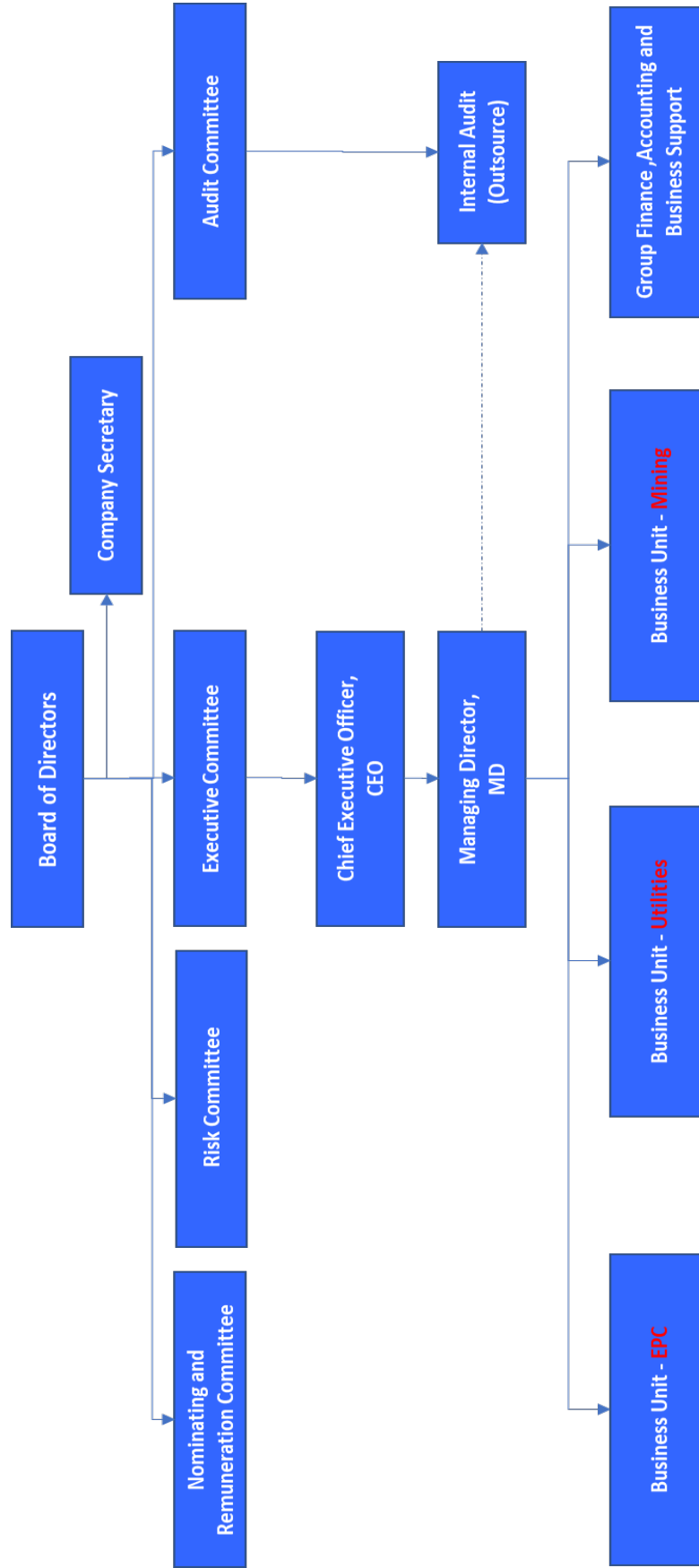
In addition, in 2023 the Company has implemented revisions of policies, practices and the corporate governance system or the Charter of committees and subcommittees, so that the Company has a continuous corporate governance system, increases supervision efficiency, and shows upgrading the standard of corporate governance of the Company which is in line with the CG Code for the year 2023 as follows:

- 1) Review the charter of the Board of Directors and sub-committees and revised annual charter updates.
- 2) Review the performance evaluation form of the Directors and sub-committees and Chief Executive Officer and/or Top Executive
- 3) Review the policy and criteria for allowing minor shareholders to propose meeting agendas and nominate individuals to be elected as directors in advance of the shareholder meeting date.
- 4) Review internal control and internal audit policies.
- 5) Review the policy to prevent insider information.
- 6) Review the policy on related transactions and the policy on conflicts of interest.
- 7) Review the policy governing subsidiaries and associated companies.
- 8) Review the personal information protection policy and adding guidelines for processing personal data.



7. Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees, and Others

7.1 Governance Structure as of December 31, 2023



APCS organization structure consists of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Executive Committee. Its executives are qualified as stipulated in Section 68 of the Public Limited Companies Act 1992 and by the relevant notifications of the Capital Market Supervisory Board. The Company has organized its management structure as follows:

7.2 Information of the Board

7.2.1 Components of the Board

The Board of Directors consists of persons with qualifications consistent with the business operation strategy of the Company, equipped with the knowledge, and acceptable capability, and plays a vital role in determining a policy, vision, and missions of the Company. Together with senior executives, the Board of Directors determines the objectives and a plan for short-term and long-term operations as well as the financial policy, risk management through the risk management team and the Audit Committee, and the overall picture of the organization. Policies and important plans of the Company will be revised every year and supervision of the audit and assessment of the Company's performance, and the performance of senior executives must be in line with the specified plan in an independent manner.

According to the Articles of Association No. 15 Determine the number of members of the Board of Directors at least 5 persons and the number of directors no less than half of the total number of directors must reside in the country, currently the Company has 7 directors consisting of 3 directors who are not executives and 4 directors from the management, namely the Chief Executive Officer, the Managing Director and Executive Director. More than half of non-executive directors have knowledge and experience from work relating to the main business of the Company.

Board of Directors

As of 31 December 2022, the Board of Directors is composed of nine members below:

No.	Name	Position
1.	Mr. Narong Varongkriengkrai	Chairman / Independent Director
2.	Mrs. Ratana Anupasanant	Vice Chairman / Independent Director
3.	Maj. Gen.Assoc.Prof. Kriengchai Prasongsukarn	Independent Director
4.	Mr. Apichart Karoonkornsakul	Authorized Director / CEO
5.	Mrs. Pimparuda Pitakteeratham ¹	Authorized Director / Managing Director / Acting CEO
6.	Mr. Suriyon Udcharchon	Director
7.	Mr. Prasit Hanpiyavatanasakul ²	Authorized Director

1) The Board of Directors' Meeting No. 2/2023 on May 11, 2023 resolved to appoint Mrs. Pimparuda Pitakteeratham to the position of Acting Managing Director.

2) - As of January 1, 2023, Mr. Prasit Hanpiyavatanasakul Being the company secretary in place of Mr. Anurote Nitipornsri

- Mr. Prasit Hanpiyavatanasakul Resigned from the position of company secretary Effective from 3 August 2023 onwards.

- The Board of Directors' Meeting No. 4/2023 on August 9, 2023 resolved to appoint Meechai Thailand Law Office Co., Ltd. is the company secretary instead of Mr. Prasit Hanpiyavatanasakul

7 members of the Board of Directors do not have the following prohibited qualification.

1. No criminal records for civil cases with corrupt intentions.
2. No background on the preparation of a report that may cause a conflict of interest with the Company in the past year.

Details as shown in the biographies of members of the Board of Directors in Attachment 1 which has been disseminated on the Company's website.

Authorized Directors

Directors authorized to sign on behalf of the Company are two of the three directors, namely Mr. Apichart Karoonkornsakul, Mr. Prasit Hanpiyavatanasakul, and Mrs. Pimparuda Pitakteeratham to co-sign documents with the Company seal affixed.

Independent directors of the Company

the Company has 4 directors who are qualified as an independent directors according to the Company's definition which is stricter than the criteria of the Capital Market Supervisory Board, which is consistent with the criteria of the Securities and Exchange Commission who has no business relations or provides no professional services whose value is more than that specified by the Notification of the Capital Market Supervisory Board on permission request and permission to offer newly issued shares. Such independent directors do not have the authority to sign any commitments on behalf of the Company and are responsible for examining the operations of the management, expressing opinions, supporting policies that benefit shareholders, or objecting to any decisions made unfairly or not transparently by the Company that may affect the interests of the Company's shareholders and various groups of stakeholders. In addition, the independent directors are responsible for supervising the Company to determine and disclose the policy on connected items preparation to ensure that the Company and shareholders obtain the maximum benefits. As follow:

1. Mr. Narong Varongkriengkrai
2. Mrs. Ratana Anupasanant
3. Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn

The Nomination and Remuneration Committee considers the recruitment of qualified persons to be an independent directors by using the criteria and the method of recruiting qualified persons based on the recruitment guideline for qualified persons suitable for a director position of the Company that has been approved by the Board of Directors with details as in the topic on business supervision concerning the responsibility of the Board of Directors, and propose to the Board of Directors for consideration. This is consistent with the policy and guidelines of the Board of Directors on the broad diversity of the committee structure with respect to both professional skills and specialized expertise. The meeting of the Nomination and Remuneration Committee on 18th February 2022 has revised the qualification requirements for an independent director of the Company and has been approved by the Board.

1. Holding shares not more than 1% of the total voting shares of the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, including the shareholding of related parties of such independent director
2. Not being or having been a director involved in management, employees, workers, advisors receiving regular salaries, or controlling persons of the Company, parent company, subsidiaries, associated companies, same-level



subsidiaries, major shareholders, or controlling persons of the Company, unless he/she has been discharged from the aforementioned characteristics for at least 2 years

3. Not being a person with a blood relationship or legal registration in the manner of a parent, spouse, siblings, and children, including the spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as a director, executive or a controlling person of the Company or its subsidiaries

4. Not having or never had a business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company in a manner that may impede the use of its independent discretion, including not being or never been a significant shareholder or a controlling person of a person having a business relationship with the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, unless he/she has been discharged from the aforementioned characteristics for at least 2 years

5. Not being or never been an auditor of the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, and not being a significant shareholder, a controlling person, or a partner of the audit office for which the auditor of the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company works, unless he/she has been discharged from the aforementioned characteristics for at least 2 years

6. Not being or never been a professional service provider, including a legal advisor or a financial advisor which receives service fees of exceeding 2 million Baht per year from the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, and not being a significant shareholder, a controlling person, or a partner of the professional service provider, unless he/she has been discharged from the aforementioned characteristics for at least 2 years

7. Not being a director who is appointed as the representative of directors of the Company, major shareholders, or shareholders related to major shareholders of the Company.

8. Not undertaking any business of the same nature and in significant competition with the business of the Company or its subsidiaries or not being a significant partner in partnerships or an executive director, workers, employees, advisors receiving regular salaries, or holding more than 1% of the voting shares of other companies, which operate a business of the same nature and in significant competition with the business of the Company or its subsidiaries.

9. There is no other manner that prevents them from giving independent opinions on the Company's operations, such as partners, creditors, and business partners, which may cause a conflict of interest.

10. Having good knowledge and understanding of the nature of the Company's business operations as well as knowledge and skills that are useful to the business operations of the Company.

11. Independent directors shall report to the Board of Directors immediately if they deem that there are any events that may result in their lack of independent qualification as independent directors.

12. Independent directors have a term of office of no more than 9 years from the date of the first appointment as an independent director. In the case where it is necessary to appoint such an independent director to continue holding the position, the Board of Directors shall reasonably consider a such necessity.



13. Independent directors shall not hold directorship in more than 5 listed companies after being appointed as an independent director with the above-mentioned characteristics. Independent directors may be assigned by the Board of Directors to make decisions on the operations of the Company, subsidiaries, associated companies, same-level subsidiaries, major shareholders, or controlling persons of the Company by using the collective decisions.

After appointing an independent director with qualifications according to No. 1 – 13 mentioned above, an independent director may be assigned from the Board of Directors to make a decision on the operations of the Company, major companies, subsidiary companies, joint and subsidiary companies with the same ranking or a juristic person that may have a conflict of interest. Collective decisions can be made without treating an independent director as a director that participates in the work administration of the Company.

In case a person appointed by the Company to hold an independent director position is a person who has, or used to have business relations or provide professional service with a value more than specified in No. 4 or No. 6, the Company is permitted to allow for the prohibition regarding having a business relationship or providing professional service beyond the value specified upon the Company organizes to obtain opinions from the Board of Directors that shows that consideration is made according to the principles in Article 29/7 of the Securities and Stock Exchange Act, that appointment of such a person has no impact to performing the duty and giving independent opinions

7.2.2 Board of Directors and individual company controllers

Information on holding positions in various sub-committees (As of 31 December 2023)

No.	Director	Board of Director	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee
		(7)	(3)	(3)	(5)	(4)
1	Mr. Narong Varongkriengkrai	Chairman of the Board / Independent Director	Audit Committee	Nomination and Remuneration Committee		
2	Mrs. Ratana Anupasanant	Vice Chairman/ Independent Director	Chairman of the Audit Committee	Nomination and Remuneration Committee	Chairman of the Risk Management Committee	
3	Maj. Gen.Assoc.Prof. Kriengchai Prasongsukarn	Director / Independent Director	Audit Committee	Chairman of the Nomination and Remuneration Committee		
4	Mr. Apichart Karoonkornsakul	Director			Risk Management Committee	Chairman of the Executive Committee
5	Mr.Suriyon Udcharchon	Director			Risk Management Committee	Executive Committee
6	Mrs. Pimparuda Pitakteerathan	Director			Risk Management Committee	Executive Committee
7	Mr. Prasit Hanpiyavatanasakul	Director			Risk Management Committee	Executive Committee

7.2.3 Role of the Board of Directors

The Board of Directors is a body that drives the organization, plays a role, and has the duty to determine strategies and policies in running the business of the Company. The Board of Directors has to perform their duty with responsibility, carefulness, thoroughness, and honesty for the maximum benefits of the Company based on social and environmental responsibility while being fair to all parties under the good corporate governance principle. In addition, the Board of



Directors plays a role and has the duty to supervise and evaluate the performance of the management and the Managing Director in managing the Company to achieve the specified targets. Therefore, the Board of Directors has reached a resolution to determine this Charter of the Board of Directors so that all directors are aware of their duty and responsibility and perform accordingly in a complete and correct manner so that sustainable value can be created for the Company, customers, stakeholders and the society as a whole.

Term of office of the Board of Directors

1. According to the Company's Articles of Association, at every annual general meeting, at least one-third of the Company shall be decided by drawing lots. In following years, the directors who remained in office for the longest time shall vacate office. Directors retiring by rotation may be re-elected

2. Vacation of office

2.1 Director shall vacate office immediately upon:

- Death
- Resignation
- Being disqualified or being under any of the prohibited characteristics under the laws
- Being removed by a resolution of the Shareholders' Meeting by the votes of not less than three-fourths of

the number of the shareholders attending the meeting and entitled to vote and having shares in aggregate no less than half of the shares held by the shareholders attending the meeting and entitled to vote

- Being removed by an order of the Court

2.2. In the event that the entire board of directors retires from office, the retiring directors shall retain their positions in order to continue operating the Company's business only as necessary until the new Board of Directors holds the positions.

2.3. In the event that the director position is vacant due to reasons other than the retire by rotation, a director shall elect any person who has qualifications to be a director in a replacement at the next Board of Directors' meeting. Unless the remaining term of the director is less than 2 months, the person being replaced by a such director shall retain his/her office only for the remaining term of office of the director whom he/she replaces.

3. Directors authorized to sign on behalf of the Company shall be in accordance with Article 30 of the Company's Articles of Association, "Regarding the number or the name of the directors authorized to sign on behalf of the Company, two directors shall jointly sign and affix the Company's seal. The Shareholders' Meeting or the Board of Directors Meeting shall have the authority to determine the list of directors authorized to sign and bind the Company."

Scope of Authority, duties, and Responsibilities of the Board of Directors

The Board of Directors is responsible for corporate governance and the Company's mission in accordance with the shareholders' approval and the laws applicable to the Company, including objectives, regulations, resolutions of the Shareholders' Meeting, and resolutions of the Board of Directors. However, the Board of Directors shall use discretion and prudence to make business decisions and perform its duties with responsibility, integrity, and caution in order to maintain the best interests of the Company

1. The Board of Directors has the authority, duties, and responsibilities to manage the Company to be in accordance with laws, objectives, the Company's Articles of Association, and resolutions of the Board of Directors as well



as resolutions of the Shareholders' Meeting based on the principles of "Best Practices for Directors of Listed Companies" as specified by the Stock Exchange of Thailand.

2. Preparing the balance sheet and income statement of the Company at the end of the Company's accounting period which are reviewed by the auditor and presented to the Shareholders' Meeting for consideration and approval

3. Defining vision, mission, goal, strategy, approach, policy, business plan, budget, risk management policy, and appropriate internal control system, preparing a succession plan for the CEO of the organization as well as reviewing changes as appropriate

4. Reviewing and approving the Company's vision, mission, or strategy in the past fiscal year and monitoring to ensure the implementation of the Company's strategy.

5. Monitoring and Supervising administration and management in accordance with the specified policies, action plans, and budgets effectively and efficiently as well as determining remuneration and reviewing the succession plan

6. Supervising the Company to comply with securities and exchange laws, notifications of the Capital Market Supervisory Board, requirements of the SET, such as connected transactions, acquisition or disposition of important assets, laws relating to the Company's business.

7. Determining the structure of the management, having the authority to appoint the Executive Committee, Managing Director, and other sub-committees as deemed appropriate, and defining the scope of authority of the appointed Executive Committee, Managing Director, and other sub-committees; The authorization under the specified scope of authority and duties shall not be in the manner that authorizes such Executive Committee, Managing Director and sub-committee to consider and approve transactions that may cause conflicts, interests or any conflicts of interest with the Company or its subsidiaries (if any), unless it is the transaction approved in accordance with the policies and guidelines considered and approved by the Board of Directors.

8. The Board considers and clearly segregates authority, duties, and responsibilities for the formulation of supervision and daily administration policy. However, the Chairman of the Board does not perform the daily administration but regularly supports and gives advice on business operations of the Management through the Managing Director. In the meantime, the Managing Director is responsible for managing the Company under the framework of authority assigned by the Board of Directors.

9. Preparing the annual report of the Board of Directors and being responsible for the preparation and disclosure of financial statements to represent the financial position and operating results in the past year and presenting them to the Shareholders' Meeting for consideration and approval.

10. The Board may authorize one or several directors or any other person to perform one of any acts on their behalf under the control of the Board of Directors or may authorize such persons to have the authority as deemed appropriate by the Board of Directors and within the period as deemed appropriate by the Board of Directors. The Board may cancel, revoke, change, or amend such authorization as deemed appropriate. However, such authorization shall not be in the manner that authorizes such person to consider and approve transactions that possibly cause conflicts, interests, or any conflicts of interest with the Company or its subsidiaries (if any) as defined in the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any other notifications of the relevant authorities, unless it is the transaction approved in accordance with the policies and guidelines considered and approved by the Board of Directors.



11. The Board of Directors encourages at least 1 director to participate in the courses or seminars which help enhance operational knowledge continuously, including seminars enhancing operational knowledge in the past year.

12. Appointing a Company Secretary to be responsible for performing any operations on behalf of the Company or the Board of Directors, such as the register of directors, letter of invitation to the Board of Directors' Meeting, letter of invitation to the Shareholders' Meeting

13. Providing self-assessment at least once a year to take the results of the assessment to be jointly considered

However, the directors are responsible for regularly attending the Board of Directors' meeting. Therefore, on average, the entire board of directors should attend the Board of Directors' meeting not less than 80% of all meetings throughout the year, while all directors should attend the Board of Directors' meeting at least 75% of all meetings throughout the year.

Authority and responsibilities of the Chairman of the Board of Directors

1. To take care of the overall strategy and trends of the company to be in accordance with the law. Both in the supervision of government agencies and companies as well as the resolutions of the shareholders' meeting
2. Being a leader of the Board of Directors, responsible for supervising, monitoring, and overseeing the management of the Board of Directors and other sub-committees to achieve the objectives in accordance with the specified plan.
3. Be the person who calls a meeting of the committee. And in calling a meeting, the chairman of the board or the person assigned will send a meeting notice to the directors at least 7 days before the meeting date. Except in cases of urgent necessity
4. Presiding over the Board of Directors' Meeting and having a casting vote at the Board of Directors' meeting in the case of a tie vote
5. Presiding over the Shareholders' Meeting and supervising the meeting to be in accordance with the specified agenda. Strengthening the good corporate governance standards of the Board of Directors and promoting compliance with the company's good corporate governance policy and promote the creation of ethics for personnel at all levels.

7.3 Sub-Committee

7.3.1 Audit Committee

As of 31 December 2022, the Audit Committee is composed of three members below:

No.	Name	Position
1.	Mr. Narong Varongkriengkrai	Chairman of the Audit Committee
2.	Mrs. Ratana Anupasanant	Audit Committee
3.	Maj. Gen.Assoc.Prof. Kriengchai Prasongsukarn	Audit Committee

Remark: Ms.Parichad Kajohnklin as the secretary of the Audit committee.

Term of Office/Dismissal of the Audit Committee

1. The Audit Committee has a term of office for a period of 3 years and upon termination may be reappointed, but should not more than 3 consecutive terms. In this regard, the term of office must be consistent with the term of the Company's directors.

2. When there are grounds for the Audit Committee to be removed from the position, resulting in the incomplete number of members of the Audit Committee, the Board of Directors will appoint a new member of the Audit Committee to



replace such position so that the number of members will reach the specified quantity within 3 months from the date of an incomplete number of members of the Audit Committee. The person appointed to be a member of the Audit Committee shall retain his/her office only for the remaining term of office of the member of the Audit Committee whom he/she replaces. However, the Company shall notify the dismissal of the member of the Audit Committee together with reasons for dismissal to the SET without delay.

The audit committee shall immediately vacate office upon:

- Death
- Resignation
- Retirement from the position of director
- Dismissal by a resolution of the Board of Directors
- Retirement by rotation
- Being sentenced to imprisonment according to the final judgment or legal order, except for an offense committed by negligence or a petty offense
- Being a bankruptcy
- Being an incompetent or quasi-incompetent person
- lack of qualifications to be a member of the Audit Committee according to this Charter or rules of the SEC and the SET

3. If the Audit Committee resigns before the expiration of his/her term of office, a written notice should be provided in advance to the Company, e.g. at least 1 month with reasons, so that the Board of Directors can consider the appointment of the new member of the Audit Committee for replacement. The company shall notify the resignation and submit a copy of the resignation letter to the SET for acknowledgment. In the case that the entire members of the Audit Committee vacate their positions, the retiring member of the Audit Committee shall retain his/her position in order to continue performing operations until the new Audit Committee holds the position.

4. If the member of the Audit Committee is removed from the position prior to his/her expiration of term of office, the Company shall notify the removal with reasons to the SET for acknowledgment.

Scope, authority, duties, and responsibilities of the Audit Committee

1. Reviewing the Company's financial report to ensure its accuracy and reliability as well as adequate disclosure of information in accordance with international accounting standards by coordinating with external auditors and executives responsible for preparing quarterly and annual financial reports, and disclosing sufficient information about the Company before presenting it to the Board of Directors.

2. Reviewing the Company's appropriate and effective risk management and supervision system and internal control system, considering the independence of the internal audit section, approving appointment, transfer, and termination of employment of the head of the internal audit section or any other sections responsible for internal audits, suggesting the auditor review or audit any transactions deemed necessary and important during the audit of the Company, and presenting any important and necessary suggestions on the improvement of the internal control system to the Board of Directors by reviewing them together with external auditors and the head of the internal audit section or internal audit firms



3. Reviewing to ensure that the Company has an appropriate and effective internal audit system from both Insource and Outsource

4. Reviewing to ensure that the Company complies with securities and exchange laws, policies, rules, regulations, and other laws relating to the Company's business.

5. Considering, selecting, and nominating the appointment of an independent person to act as the Company's auditor, considering the remuneration of the Company's auditors, including the termination of employment of external auditors, and proposing such matter to the shareholders' meeting for approval, and coordinating with the auditor about the objectives of conducting the audit of scope, guidelines, action plans, and problems found during the audit, and issues that auditors consider material

6. Reviewing related party transactions or transactions with a potential conflict of interest to be accurate and complete and in accordance with the laws and regulations of the SET to ensure that such transactions are reasonable and for the best interests of the Company.

7. Holding at least 3 meetings a year without attendance of the Management, divided into 1 meeting with the external auditor, 1 meeting with the internal auditor, and 1 Audit Committee meeting.

8. The Audit Committee may seek independent opinions from other professional advisors or specialized experts when deemed necessary at the expense of the Company with the approval of the Board of Directors.

9. To perform operations according to the scope of duties, the Audit Committee shall have the authority to invite the Management, executives, or relevant employees of the Company to express opinions, attend meetings, or submit documents deemed relevant or necessary.

10. Reporting the performance of the Audit Committee to the Board of Directors at least 4 times a year

11. The Audit Committee shall perform a self-assessment for performance and report the results of the assessment, including operational obstacles and problems that may cause the failure of the operation to achieve the objectives of the establishment of the Audit Committee, to the Board of Directors every year.

12. The Chairman of the Audit Committee and members of the Audit Committee shall attend the shareholders' meeting of the Company.

13. Preparing the Audit Committee's corporate governance report and disclosing it in the Company's annual report, which must be signed by the Chairman of the Audit Committee and contain at least the following information:

- Opinion on the accuracy 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 law on securities and exchange, requirements of the Stock Exchange of Thailand, or other laws relating to the Company's business operations
- Opinion on the appropriateness of the auditor
- Opinion on transactions with potential conflicts of interest
- Number of Audit Committee's meetings and the meeting attendance of each member of the Audit Committee
- Opinion or overall observations received by the Audit Committee from the performance of their duties in accordance with the Charter
- Other items that shareholders and general investors should acknowledge under the scope of duties and responsibilities assigned by the Board of Directors



14. In the performance of the duties of the Audit Committee, if it is found or suspected that there are any of the following transactions or actions, which may have a significant impact on the Company's financial position and performance, the Audit Committee shall report it to the Board of Director to perform corrective action within the period as deemed appropriate by the Audit Committee.

List of conflicts of interest

- Corruption or irregularities or significant deficiencies in the internal control system
- Violation of the law on securities and exchange, requirements of the Stock Exchange of Thailand, or other laws relating to the Company's business operations

If the Board of Directors or executives do not perform corrective action within the above period, any of the members of the Audit Committee may report the transaction or action under Paragraph One to the Office of the Securities and Exchange Commission or the Stock Exchange.

15. Performing other acts as assigned by the Board of Directors within the abovementioned scope of duties and responsibilities of the Audit Committee; The Audit Committee is directly responsible for the Board of Directors and the Board of Directors is still responsible for the Company's operations to third parties.

7.3.2 Executive Committee

As of 31 December 2023, the Executive Committee is composed of five members below:

No.	Name	Position
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee
2.	Mrs. Pimparuda Pitakteeratham	Executive Committee
3.	Mr. Suriyon Udcharchon	Executive Committee
4.	Mr. Prasit Hanpiyavatanasakul	Executive Committee

Remark: Miss. Wichaya Tansukhee as the Secretary of the Executive Committee.

Term of office of Executive Director

The executive director has a term of office of 3 years. The executive director who vacates office at the end of the term may be re-elected to another position. The Executive Committee is directly responsible to the Board of Directors and has the powers, duties, and responsibilities as assigned by the Board of Directors.

Scope of authority, duties, and responsibilities of the Executive Committee

The Board of Directors has the authority, duties, and responsibilities to manage in relation to the normal operation and management of the Company, define the Company's policies, business plans, budgets, management structures, and administrative authority, and guidelines on business operations in accordance with economic conditions to propose them to the Board of Directors' Meeting to consider and approve, and audit and monitor the Company's performance in accordance with the policies set by the Board of Directors. Important authorities and responsibilities can be summarized as follows:

1. Conducting business and managing the Company in accordance with the objectives, Articles of Association, policies, rules, regulations, orders, and resolutions of the Board of Directors' Meeting. and/or resolutions of the Shareholders' Meeting



2. Considering and screening the Management's proposals, establishing the organizational structure, policies, directions, and strategies of the Company's business operations, expanding businesses, and setting up financial plans, budgets, human resource management, and investment in information technology to be presented to the Board of Directors' Meeting for further consideration

3. Having the authority to appoint sub-committees and/or working groups for the implementation or management of the Company and the determination of the authority, duties, and responsibilities of sub-committees and/or working groups as well as supervising the operation of the appointed sub-committees and/or the working group to achieve the specified policies and goals

4. Monitoring the Company's performance to be in accordance with the Board's specified policies and goals and supervising the quality and efficiency of operations

5. Considering the annual budget allocation as proposed by the Management before presenting it to the Board of Directors for consideration and approval

6. Approving the expenditure on major investments defined in the annual expenditure budget as assigned by the Board of Directors or as approved by the Board of Directors

7. Having the authority to consider and approve loans, provision of credit limits, or any loan application of the Company inform the Board of Directors for approval. The Executive Committee has the authority to operate within the framework of the financial limit approved by the Board of Directors to operate.

8. Considering the profit and loss of the Company and proposing interim dividend payment or annual dividend payment to the Board of Directors for approval

9. Defining the organizational structure, the organizational management authority, including the appointment, employment, transfer, termination of employment, determination of wages, remuneration, and bonuses for executive employees and Management

10. Authorizing one or more persons to perform any operations under the control of the Executive Committee, or authorizing such persons as deemed appropriate by the Executive Committee, within the period deemed appropriate by the Executive Committee, which the Executive Committee may cancel, revoke, change or amend the authorized person or such authorization as deemed appropriate

11. Having the authority to approve expenditures on normal business operations of the Company.

12. Performing any other acts as assigned by the Board of Directors from time to time

However, the delegation of the authority, duties, and responsibilities of the Executive Committee shall not be the authorization or sub-delegation in which the authorized person of the Executive Committee can approve transactions that they may have conflicts (as defined by the Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies), interests, or any other conflicts of interest with the Company or its subsidiaries and/or related companies. The Board of Directors does not have the authority to approve such matters. Such matters shall be presented to the Board of Directors' Meeting and/or the Shareholders' Meeting (as the case may be) for further approval, unless it is an approval of transactions in accordance with the normal course of business and normal trading terms as specified by the Notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.



7.3.3 Nomination and Remuneration Committee

As of 31 December 2023, the Nomination and Remuneration Committee of three members as follows:

No.	Name	Position
1.	Maj. Gen. Assoc.Prof. Kriengchai Prasongsukarn	Chairman of NRC
2.	Mr.Narong Varongkriengkrai	Director of NRC
3.	Mrs. Ratana Anupasanant	Director of NRC

Remark - Mr. Prasit Hanpiyavatanasakul is the secretary of the Nomination and Remuneration Committee and resigned from the position of Secretary of the Nomination and Remuneration Committee Effective from 3 August 2023 onwards.
 - The Board of Directors' Meeting No. 4/2023 on August 9, 2023, resolved to appoint Meechai Thailand Law Office Co., Ltd. is the company secretary instead of Mr. Prasit Hanpiyavatanasakul

Term of office of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee has a term of office for a period of 3 years and upon termination may be reappointed, but not more than 3 consecutive terms.

2. The Nomination and Remuneration Committee shall immediately vacate office upon:

- (1) Due by agenda
- (2) Retirement from the position of director
- (3) Resignation
- (4) Death
- (5) Dismissal by a resolution of the Board of Directors

3. If any member of the Nomination and Remuneration Committee resigns before the expiration of his/her term of office, such member shall notify the Company at least 1 month with reasons in advance. The Board of Directors shall be an approver. In the case that the entire members of the Nomination and Remuneration Committee vacate their positions, the retiring member of the Committee shall retain his/her position in order to continue performing operations until the new Committee holds the position.

4. If the position of the Nomination and Remuneration Committee is vacant due to reasons other than the retire by rotation, the Board of Directors shall elect any person who has qualifications to be a member of the Nomination and Remuneration Committee within 90 days so that the number of members of the Nomination and Remuneration Committee will reach the quantity specified by the Board of Directors. The person being replaced such member of the Nomination and Remuneration Committee shall retain his/her office only for the remaining term of office of the member of the Nomination and Remuneration Committee whom he/she replaces.

Scope of authority, duties, and responsibilities of the Nomination and Remuneration Committee.

Recruitment

1. Defining the qualifications of directors to be nominated in accordance with the structure, size, and composition of the Board of Directors, and determining the appropriate Recruitment method based on knowledge, experiences, and specialized capabilities that benefit the Company, experiences in the main business or industry in which the Company operates, preparing a Board Skill Matrix to make the Recruitment consistent with the Company's business strategies



2. Nominating the appropriate person to serve as a director, executive director, and senior executive of the Company and its subsidiaries based on the Directors Pool or using a professional search firm to recruit new directors and senior executives.

3. Considering and screening the list, inspecting the background and qualifications according to the laws and requirements of the official agency of the nominee, and proposing it to the Board of Directors

4. Performing operations to approach and contact those who have passed the consideration from the Committee for the interview to ensure that such person is willing to hold the position.

5. Considering the performances, qualifications, and suitability of directors who retire by rotation and deserve to be re-elected and presenting it to the Board of Directors for approval and proposing at the Shareholders' Meeting to appoint as a director.

6. Considering and reviewing the appropriateness of the director position if there is any change relating to the qualifications of the director, including considering the suitability of independent directors. and give reasons for holding the position of independent director to present to the Board of Directors and shareholder meeting.

7. Providing an orientation of new directors and developing knowledge of the current directors

8. Planning a succession plan of senior executives to prepare potential individuals for the positions in the case that the managing director or senior executive retires, resigns, or fails to perform his/her duties.

9. Performing duties in other matters as assigned by the Board of Directors

Remuneration

Determining and establishing a written remuneration policy

1. Proposing guidelines and procedures for remuneration paid to the Board of Directors and sub-committees appointed by the Board of Directors

2. Considering and approving the form, rules, and determination of the value of remuneration in the form of salary and other benefits paid to directors, executive directors, senior executives, and executive advisors of the Company and its subsidiaries individually.

3. Establishing the criteria for the assessment of the Chief Executive Officer and presenting it to the Board of Directors for approval

4. Evaluating the performances of the President every year and presenting them to the Board of Directors for approval; Such evaluation results shall be taken into consideration to increase the remuneration of the President and further present it to the Board of Directors for approval.

Good Governance

1. Setting the direction of good corporate governance policy and the ethics of the first 4 directors and executives according to the definition of the SEC to be in accordance with the Code of Conduct, including Sustainability development Carrying out social responsibility activities and providing opportunities for stakeholders to participate that propose it to the Board of Directors for consideration and approval

2. Supervising the performances of the Board of Directors, sub-committees, and the Management to be in accordance with good corporate governance principles, ethical practices, and code of conduct

3. Reviewing the Company's good corporate governance practices by comparing them with the good corporate governance principles of international standards and the Stock Exchange of Thailand and presenting it to the Board of



Directors for regular revision

Other Responsibility

1. The Nomination and Remuneration Committee shall hold at least 2 meetings a year and have the authority to summon additional meetings as necessary.

2. At the Nomination and Remuneration Committee's Meeting, the members attending the meeting shall be no less than one-half of the total members of the Nomination and Remuneration Committee to constitute a quorum.

3. The Chairman of the Nomination and Remuneration Committee shall preside over the meeting. In the case that the Chairman of the Nomination and Remuneration Committee is not present at the meeting or unable to perform duties, the members of the Nomination and Remuneration Committee attending the meeting shall elect one of the members of the Committee to preside over the meeting.

7.3.4 Risk Management Committee

As of 31 December 2023, the Risk Management Committee of five members as follows:

No.	Name	Position
1.	Mrs. Ratana Anupasanant	Chairman of RMC
2.	Mr. Apichart Karoonkornsakul	Director of RMC
3.	Mrs. Pimparuda Pitakteeratham	Director of RMC
4.	Mr. Suriyon Udcharchon	Director of RMC
5.	Mr. Prasit Hanpiyavatanasakul	Director of RMC

Remark: Ms. Parichad Kajohnklin as the secretary of the Risk Management Committee.

Term of office

1. Risk Management Committee has a term of office for a period of 3 years. In this regard, the term of office must be consistent with the term of office of the Company's directors. by the Risk Management Committee and when who has vacated the position upon completion of the term May be reappointed again.

2. The Risk Management Committee shall vacate office upon:

- (1) Retirement by rotation
- (2) Retirement from the position of director
- (3) Resignation
- (4) Death
- (5) Dismissal by a resolution of the Board of Directors

3. When the Risk Management Committee vacates office prior to the expiration of the term of office, the Nomination and Remuneration Committee shall nominate a qualified person to be a member of the Risk Management Committee to the Board of Directors so that the Board of Directors shall consider and appoint a member of the Risk Management Committee to reach the quantity as defined in this Charter. The person who is appointed to be the member of the Risk Management Committee shall retain his/her office only for the remaining term of office of the member of the Risk Management Committee whom he/she replaces.



Scope of Authority, duties, and Responsibilities of the Risk Management Committee

1. Considering and approving the risk management policy, objectives, and Enterprise Risk Management Framework for the implementation framework of the organization's risk management process to be in the same direction and in line with the Company's goals and strategies; The policy, objectives, and enterprise risk management framework are reviewed annually or when there are new significant risks to the formulation of the Company's goals and strategies in order to present them to the Board of Directors.

2. Supervising the identification of risks by considering external and internal factors that may cause the Company to be unable to achieve defined objectives and assessing the impact and likelihood of identified risks to prioritize risks and apply risk treatment efficiently and analyze, monitor, and report s

3. Having the authority to appoint a risk management working group as deemed necessary

4. Monitoring risk management operations as well as analyzing, evaluating, following up, and reporting systemically.

5. Reporting regularly to the Board of Directors regarding management, implementation, and risk status of the Company, changes, and improvements to be in accordance with the policies and strategies set forth

6. Being responsible for assessing the likelihood and impact of corruption to establish effective preventive measures or mitigate risks, as well as monitoring, evaluating, and reviewing the adequacy of policies and risk management guidelines.

7. Acknowledging, considering, and expressing opinions on risk assessment results, risk management guidelines and measures, and action plans to manage the remaining risks of the Company to ensure that the Company has adequate and appropriate risk management.

8. Coordinating with the Audit Committee on significant risks and providing the internal audit section to review them to ensure that the Company has an adequate and appropriate internal control system.

9. Providing advice and consultation relating to risk management to the working group as well as considering appropriate guidelines for correcting information relating to the development of the risk management system

10. The Risk Management Committee shall attend the meeting with the Audit Committee at least once a year.

11. Performing other acts relating to risk management as assigned by the Board of Directors.

12. the Management and sections shall report or present relevant information and documents to the Risk Management Committee in order to support the operations of the Risk Management Committee to achieve its assigned duties.

7.4 Executives

As of 31 December 2023, there are four Executive members as follows.

No.	Name	Position
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee
2.	Mrs. Pimparuda Pitakteeratham	Managing Director /Executive Director
3.	Mr. Suriyon Udcharchon	Executive Director
4.	Mr. Prasit Hanpiyavatanasakul ¹	Executive Director

Remark: 1. Administration Department are as follows: Accounting, Financial, Information Technology, and BOI

Since January 1, 2023, Mr. Prasit Hanpiyavatanasakul was appointed, and replaced Mr. Anurote Nitipornsri who resigned.

Executives of the Company are assigned the authority to perform their duty under the policy, strategies, and goals specified by the Board of Directors. The Board of Directors has approved the authority to determine a clear scope of duty so that operations can be done transparently and flexibly. Moreover, executives are responsible for controlling expenses and investments according to the scope the Board of Directors approved in the annual work plan, carrying out the personnel policy, solving problems or conflicts that affect the Company, and maintaining efficient and effective communications with related parties.

Scope of duties and responsibilities of the Chairman of Executive Committee

1 Supervise, manage, and perform the duties of normal business conducts for the Company's interest in accordance with the objectives and the Articles of Association, rules, regulations, resolutions, policies, work plans, and budgets endorsed by the Board's and/or the shareholders' meeting under relevant laws and/or scope of authority designated by the Board of Directors.

2. Control and oversee the business operations and/or daily administration of the Company.

3. Determine and propose the Company's business policies, business plans, targets, operational plans, business strategies, annual budgets for the Company's operations, budgets shown in the annual report, and management authority to the Executive Committee and Board of Directors for approval.

4. Implement the policies of the Board of Directors by translating them into directions, guidelines, strategies, and business targets (mission) which will be assigned to the management team for further action.

5. Oversee and follow up on the performance of the executives; give advice on rectifications of problems and obstacles to ensure that the executives and management team act in accordance with the strategies and business plan and in line with the Company's policy.

6. Monitor and evaluate the performances of duties of the management team; report the results of operations, management, and progress of the operations to the Executive Committee, the Audit Committee, and the Board of Directors on a regular basis.

7. To issue an order, regulation, notification, and memorandum to ensure that the Company's business operation goes in line with the Company's policy and benefits as well as organizational discipline.

8. To specify an organizational structure, and management methodology covering such details as selection, training, employment, and termination of the staff, and specify wages, salary, remuneration, bonus, and other welfare benefits for the staff.

9. To have the authority to appoint or remove an officer holding a position lower than the President.

10. To have authority to approve spending for the Company's normal business operation, for instance, an asset purchase, significant investment for corporate benefits, and other beneficial transactions. The said approval authority is applicable to normal business transactions with maximal spending of not more than Bt100 million/transaction but not exceeding the budget already approved by the Board of Directors.

11. Perform any other duties as assigned by the Executive Committee or the Board.

In undertaking any matter that the Chairman of Executive Committee or his authorized person or other people that may have conflicts of interest (as defined in the notification of the Capital Market Supervisory Board and/or the SET, and/or other notifications of relevant agencies) or conflicts of interest in any other nature with the Company or its subsidiary and/or



associated companies, the President has no authority to approve the said matter. Hence, he must propose to the meeting of the Board of Directors and/or shareholders (as the case may be) for its approval, except in the case of approving a normal transaction under normal trade conditions in accordance with the notification of the Capital Market Supervisory Board and/or the SET, and/or other notifications of relevant agencies.

Information of directorship in the Company and subsidiaries which is main business (As of 31 December 2023)

	Name	Asia Precision Public Co., Ltd.	Subsidiary								
			A2 Technologies Co., Ltd.	APCS Technology Co., Ltd.	A2 Technologies Vietnam Co., Ltd.	A2 Technologies Mongolia LLC.	A2 Water Management Co., Ltd.	Cholkij Sakol Co.,Ltd.	Green energy mining Co., Ltd.	Asia Waste Energy Co., Ltd.	
1.	Mr. Narong Varongkriengkrai	PD,PA,N,ID									
2.	Mrs. Ratana Anupasanant	VPD,PR,A,N,ID									ID
3.	Maj.Gen.Assoc.Prof.Kriengchai Prasongsukarn, MD	PN,A,ID									
4.	Mr. Apichart Karoonkornsakul	D,PE,R,M									
5.	Mrs. Pimparuda Pitakteeratham	D,E,R,M	PD,PE,M	D,PE,M	D,M	D,PE,M	D,M	D,M	D,M	D,M	D,M
6.	Mr. Suriyon Udcharchon	D,E,R,M	D,E,M	D,E,M		D,E,M	D,M	D,M			
7.	Mr. Prasit Hanpiyavatanasakul	D,E,R,M	D,E,M			D,E,M		D,M	D,M	D,M	
8.	Mr. Thanakorn Pummaithong		E,M								
9.	Mr. Krissana Mahasantana	M						M			

Remarks:

Position	Board Of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive
Chairman	PD	PA	PE	PN	PR	-
Vice Chairman	VPD	-	-	-	-	-
Director	D	A	E	N	R	-
Independent Director	ID	-	-	-	-	-
Executive	-	-	-	-	-	M

● **Executive**

Remuneration

Remuneration of senior executives of the Company, structure of remuneration of senior executives of the Company has been determined appropriately based on clear, transparent, and reasonable criteria. Remuneration consists of monthly remuneration and annual bonuses by considering operational performance in comparison with the pre-specified

targets, the Company's performance, the overall business conditions, and a survey of remunerations of leading companies in the Stock Exchange and in the same industry

Remuneration of the top management of the company holding the position in 2023 The Group paid remuneration to the management. In 2023, the Company paid remuneration executives a salary and bonus total amount of 27.91 Million Baht

● **Other Remuneration**

- None -

Changes in APCS shares Held by Director and Executives

Detail as of 31 December 2023						
No	Name	Position	No. of shares ¹⁾ As of 31 December		Increase in APCS shares held in 2023	Percentage of shares held (%)
			2022	2023	Total Buy (Sell)	2023
1.	Mr. Narong Varongkriengkrai	Chairman / Chairman of the Audit Committee / Nomination and Remuneration Committee / Independent Director	-	-	-	-
2.	Mrs. Ratana Anupasanant	Vice Chairman / Chairman of the Risk Management Committee / Audit Committee / Nomination and Remuneration Committee / Independent Director	-	-	-	-
3.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Chairman of Nomination and Remuneration Committee Audit Committee / Independent Director	5,200,000	5,200,000	-	0.79
4.	Mr. Apichart Karoonkornsakul	Director / Risk Management Committee / Chairman of Executive Committee	16,455,862	16,455,862	-	2.49
5.	Mrs. Pimparuda Pitakteeratham	Director / Risk Management Committee / Executive Committee / Managing Director / Acting Chief Executive Officer	852,400	852,400	-	0.13
6.	Mr. Suriyon Udcharchon	Director / Risk Management Committee / Executive Committee	-	-	-	-
7.	Mr. Prasit Hanpiyavatanasakul ²⁾	Director / Risk Management Committee / Executive Committee / Chief Finance Officer	-	-	-	-

remark: 1) Shares Held include Spouse and Child (Children) not over 20 years old.

2) The Board of Directors meeting No.10/2022 on 2 December 2022 resolved to appoint Mr. Prasit Hanpiyavatanasakul as the Chief Finance Officer and Company Secretary, replacing Mr. Anurote Nitipornsri who resigned on 31 December 2022. and Mr. Prasit Hanpiyavatanasakul Resigned from the position of company secretary effective from 3 August 2023 onwards.

7.5 Human Resources

As of 31 December 2023, APCS and its subsidiaries had 153 employees (executives not included) in the following business lines:

Department	No. of Employee (Person)		
	2021	2022	2023
Business Development	14	15	14
Supply Chain	10	12	8
Engineering & Technical	98	111	81
Operation	534	537	13
Human Resource	13	16	15
Administration	49	52	22



Department	No. of Employee (Person)		
	2021	2022	2023
Total	718	743	153
Employee wages (million baht/year)	275.34	310.57	85.63

- **Employee Remuneration**

In 2023, The company and its subsidiaries paid an average of 153 employees, totaling 85.63 million baht in the forms of monthly salary, cost of living, brokerage, provident fund, social security, staff benefits, and others.

- **Provident Fund**

The company has established a provident fund since January 1, 2006, with 60 employees entering the provident fund. The objective is to build morale and encouragement for employees and to motivate employees to work with the company in the long term.

- **Other Remunerations**

- None -

- **Human resource development policy**

The company has in place a human resource development policy for every level in order to increase their knowledge and for the Company to have efficient manpower for better corporate productivity. An annual training plan includes in-house and outsourced training to increase employees' skills. In 2023, the company facilitated staff training at a total of 2,712.80 hours or an average of 17.73 hours/per person/year.

7.6 Other important information

7.6.1 Persons Assigned to be Responsible

Company Secretary

At the Board of Directors meeting no. 10/2022 held on 2 December 2022, the meeting appointed Mr. Prasit Hanpiyavatanasakul as the Company Secretary. Also, Mr. Prasit Hanpiyavatanasakul is knowledgeable and has sufficient experience.

Later, the Board of Directors' Meeting No. 4/2023 on 9 August 2023, passed a resolution to appoint MeeChai Thailand Law Office Co., Ltd. is the company secretary instead of Mr. Prasit Hanpiyavatanasakul

In accordance with Section 15/89 of the Securities and Exchange Act 1992 as amended by the Securities and Exchange Act No.4, 2008 with the following scope of duties and responsibilities.

1. Provide basic advice to the Board of Directors concerning compliance with the laws, rules, regulations, and the Company's Articles of Association, and monitor correct practices regularly;
2. Be responsible for disclosing Company information in line with the regulations and requirements of the SET and the Office of Securities and Exchange Commission;
3. Prepare and maintain the following documents;
 - a. Registration of the Company's directors;
 - b. Invitation letters to the Directors' meeting and minutes of the meetings;



- c. Invitation letters to shareholders for meeting and minutes of the shareholders' meeting;
- d. Company's annual reports;
- e. Reports of conflicts of interest of Directors and executives.

A person who is assigned to be responsible directly for controlling accounts preparation.

The Board of Directors meeting No.10/2022 on 2 December 2022 resolved in appointing Mr. Prasit Hanpiyavatanasakul as the Chief Finance Officer (Supervising finance and accounting) to be responsible directly for controlling accounts preparation of the Company, replaced Mr. Anurote Nitipornsri who resigned on 31 December 2022. The person must possess the qualifications of a person being assigned direct responsibility for controlling accounts preparation. Also, Mr. Prasit Hanpiyavatanasakul is knowledgeable and has sufficient experience.

A person supervises internal audit.

The Audit Committee meeting No.1/2023 on 28 February 2023 resolved to appoint Ms. Parichad Kajohnklin, Internal Audit Supervisor, to be responsible for supervising the internal audit of the Company. The person must possess the qualifications of the person being assigned direct responsibility for internal audit.

Head of Investor Relations

The Company has assigned Mr. Prasit Hanpiyavatanasakul, an executive director (supervising finance and accounting) who is well equipped with knowledge and financial capability and investments. He is the head of Investor Relations responsible for communicating with investors, institutions, and minor investors including analysts and related public agencies on an equal and fair basis. If investors require additional information, they can contact Investor Relations directly via the following channels:

Head Office : 223/53, 13th Floor, Country Complex Tower A, Sunphawut Road, Bangna Tai, Bangna,
 Bangkok, 10260
 Tel. : (660) 2-361-5494
 Fax. : (660) 2-361-5496
 Email : ir@apcs.co.th

The Auditors' Remuneration

Auditors' remuneration	2021	2022	2023
1. Audit Fee	500,000	470,000	440,000
2. Non-Audit Fee	0	0	0
Total	500,000	470,000	440,000

The shareholder meeting approved the auditor's remuneration for the year 2023 in an amount not exceeding 440,000 baht per year, excluding other service fees. More of the company and appointed an auditor from DIA International Audit Company Limited to be the auditor of the company and its subsidiaries for the first year by auditors* who are persons or businesses related to the auditor and the audit office to which the auditor belongs has no relationship and has no interest



in the company, subsidiaries, executives, or major shareholders or those related to persons Being the auditor of the company and its subsidiaries for the year 2023, the names of the auditors are as follows:

Mrs. Suvimol Chrityakierne	Certified Public Accountant No 2982 or
Mr. Joompoth Priratanakorn	Certified Public Accountant No 7645 or
Miss Suphaphorn Mangjit	Certified Public Accountant No 8125 or
Mr. Apipong Leongnarkongdee	Certified Public Accountant No 12199

Or Other auditors who have been approved by the announcement of the approval of the Securities and Exchange Commission to be the auditors of the company.

Remark:

*Persons or businesses related to the auditor and the audit office affiliated with the auditor shall include:

- 1). Spouse and children who are dependent or under the care of the auditor;
- 2). Business with the authority to control the audit office, the business that is being controlled by the audit office, and business that is under the same control as the audit office, whether directly or indirectly;
- 3). Business that is under the materialistic influence of the audit office;
- 4). Partner or equivalent of the audit office;
- 5). Spouse and children who are dependent or under the care of persons in No. 4)
- 6). Business that the auditor, persons in No. 1), 4) or 5) has a control authority or materialistic influence, whether directly or indirectly.

8. Corporate Governance Milestones

8.1 Performance of the Board of Directors in 2022

In the past year, the performance of the Board of Directors can be summarized as follows. The Board of Directors plays a leadership role or is the top responsible body of the organization who has to run and manage the business under the good corporate governance and ethical framework of the Company so as to achieve good business turnovers, reliability and creating confidence to shareholders and investors in the future. In addition, the business running must be fair and responsible to all stakeholders in order to strengthen competitiveness and create sustainable growth to the business.

Through the years, the Board of Directors has established and reviewed its policies, charters, measures and practices in managing the organization based on the good governance principles in order for directors, executives and employees to follow as the business running guideline with respect to responsibility, transparency and fairness. The key business performances include:

- **Review of implementation in the principles of good corporate governance policy and principles of good corporate governance** to practices in creating sustainable values, including the company, directors, executives, employees, and all stakeholders by considering the evaluation results Compliance with the principles of good corporate governance policy of the company for each item. This is to ensure that such practical results and the development plan are suitable for the Company's business while any issues that the Company has not adapted to its context, they have been replaced by appropriate measures.

- **Reviewed of the Charter of the Board of Directors and various Sub-committees** in order to identify the scope of responsibilities that is consistent with the Corporate Governance Policy and CG Code and business operations therefore improved the charter to be stricter and in line with policy and require that the charter be reviewed annually.

- **Improving of the Personal Data Protection Policy (Privacy Policy)** so that the Company has criteria, mechanisms, regulatory measures and management of personal data in an explicit and appropriate manner while respecting the privacy of customers, shareholders, employees and other persons relating to the Company. These people can be assured that their rights are protected according to the law on personal data protection as well as the directors have been acknowledged.

In 2023, the company hired a consultant to help review the policy and the sufficiency of enforcing the law on personal data protection by adding guidelines for processing personal data that help clearly identify which person/agencies have personal data and control the collection, use, and disclosure of data in a comprehensive and legal manner and steps were added, How to report a personal data breach, Penalties for not following the policy and Current contact channels

The Board of Directors has regulated and assured that the established policy and the Company's operations follow adequate practical mechanisms efficiently as well as monitored practical performance and reviewed the policy and practices on a regular basis.

The Board of Directors has appointed the Audit Committee and the Risk Management Committee to verify the efficiency and effectiveness of the risk management procedures. This is carried out by setting up a risk management working group responsible for determining the structure, responsible parties, policy, strategy, risk management framework and risk management plan, including risk revision and monitoring risk management for the whole organization. In doing so, the



Internal Audit agency will be responsible for preparing a risk report and risk management in the form of Risk Dashboard by focusing on the Emerging Risk which considers significant risks that are likely to occur in the future.

8.1.1 Nomination, Development and Performance Assessment of the Board

Selection, development and evaluation of the Board of Directors' performance is highly important according to the good governance principle of the Company. This is because the Board of Directors plays important role in determining the business strategy and guideline towards sustainable growth and that the Company has informed information and details of the criteria and procedures involved in selecting directors and the managing director.

(1) Nomination Independent Directors

The Board of Directors, by recommendation of the Nomination and Remuneration Committee will together consider qualifications of a person who will hold an independent director position by considering the qualifications and prohibited characteristics of a director according to the Public Limited Companies Act, the Securities and Exchange Act, Notifications of the Capital Market Supervisory Board as well as related notifications, rules and/or regulations. Moreover, the Board of Directors will also consider selection of independent directors from experts with working experiences and other appropriate qualifications. Then, the selection will be proposed to the meeting of shareholders to consider for the director position of the Company. In case of appointing an independent director, who has held the position consecutively more than 9 years from the date of first appointment, to continue in the position, the Board has to consider with a reasonable reason for such continuation necessity.

The Company has 4 directors who are qualified as an independent director according to the Company's definition which is stricter than the criteria of the Capital Market Supervisory Board, which is consistent with the criteria of the Securities and Exchange Commission. Such independent directors do not have authority to sign any commitments on behalf of the Company and are responsible for examining the operations of the management, expressing opinions, supporting policies that benefit shareholders, or objecting any decisions made unfairly or not transparently by the Company that may affect the interests of the Company's shareholders and various groups of stakeholders. In addition, the independent directors are responsible for supervising the Company to determine and disclose the policy on connected items preparation so as to ensure that the Company and shareholders obtain the maximum benefits.

(2) Recruitment of directors and senior executives

The Recruitment and Remuneration, and Good Governance Committee is responsible to recruiting a person with appropriate qualifications to hold a director position in replacement of a director who is completing terms or leaving with other causes, and proposing to the Board of Directors and/or the meeting of shareholders for consideration. Candidates shall be selected from an expert with basics and expertise from various professions, with leadership, broad vision, having virtue and morality. In addition, they should have transparent and unblemished work experiences while being capable of independently expressing opinions. For senior executive recruitment, the Company has a personnel selection plan for each executive position that is appropriate and transparent so as to ensure that the Company has selected a professional executive and capable of managing independently of major shareholders or other parties. Also, the Recruitment and Remuneration, and Good Governance Committee is responsible for preparing the position succession plan for the managing director position by recommendation of the Executives Committee, to be submitted to the Board of Directors for consideration.

Regarding the right of shareholders in voting for a director, the Company has arranged a voting confirmation card for each individual director by all shareholders in presence voting for each nominated person to be a director individually. The Rules of the Company No. 17 has stipulated the criteria as follows:

No. 17 The meeting of shareholders shall vote for a director by using the majority of votes according to the following criteria and procedures:

(1) Each shareholder has the number of votes equal to the number of shares held.

(2) Each shareholder can use his/her existing votes to vote for one person or more than one persons as a director/directors. In case of voting for more than one person as directors, the casting votes shall not be shared unequally among the voted candidates.

(3) Persons with the highest votes consecutively in order, shall be elected as directors by the number of directors that there should be or should be voted in that particular election. In case that the persons in consecutive orders have the same number of votes more than the number of directors that there should be or should be voted in that particular election, the Chairperson shall have the deciding vote.

8.1.2 Meeting attendance and individual directors' Remuneration

Board meetings

The Company's directors must attend the meetings of the Board of Directors on a regular basis in order to acknowledge and mutually decide the business operation issues of the Company. The meetings should be held at least 4 times a year with a specified meeting timetable in advance for each year and informs each director in advance in the meeting of the Board of Directors held in the last quarter of the previous year so that each director plans attendance. An additional meeting may also be held to consider urgent and important agendas. In the meeting, the Executives Committee determines the meeting agenda and considers the issues to be put onto the agenda of the meeting of the Board of Directors. Each member of the Committee can propose an issue to be put into the meeting agenda.

In 2022, the Board of Directors approved the determination of the Board of Directors' meeting attendance policy in order to encourage attendance of directors on a regular basis. In addition, the Board of Directors approved the regulations and practices for the Board of Directors' meetings via electronic media (e-Meeting Rules) to be consistent with technological advancement and efficient management by authorizing the Chairman of the Board or the Chairperson of the meeting to determine whether to hold the meeting via electronic media according to the Emergency Decree on Electronic Meetings or to open an option for a director to attend via an electronic channel or any other channels while a quorum is counted based on relevant rules.

In 2022, there were 5 meetings of the Board of Directors which had been set in advance. The Board of Directors attended the meetings 100 per cent. There were directors attending and expressing opinions via electronic channels consistent with the Board of Directors' meeting attendance policy and the e-Meeting Rules mentioned above. All directors (excluding directors leaving the position during the year) had the meeting attendance proportion more than 75 per cent of the total number of meetings. For each meeting, the Company sent out each meeting agenda's documents to each director prior to the meeting so that each director had sufficient time to study information for each agenda.

In considering each agenda, the Chairman is acting as a chairperson of the meeting and adequately allocates the meeting time and opens an opportunity for directors to independently express their opinions. In casting votes in the Board



of Directors' meeting, the majority of the votes win. Each director has one vote. An interested director shall not attend the meeting and/or will not exercise the right to vote in that particular agenda. If the votes are equal, the chairperson of the meeting will cast another vote which is the deciding vote.

In the meeting of the Board of Directors, the executives also attend the meeting to support useful information and acknowledge a policy directly so that they put such a policy into practice efficiently. Except for some agendas, the meeting is reserved only for the Board of Directors or the non-executive directors for the reason of independent consideration of the agendas.

Nonetheless, the Board of Directors places importance on the management of the conflict of interests of related parties in a careful, fair and transparent manner. Complete disclosure of information in such an issue is emphasized. In case that a director of the Company has an interest in an issue being considered, the interested director must not have any stake in the decision making of that issue.

Upon finishing the meeting, the Company's secretary is responsible for preparing the minutes of the meeting and proposing to the Board of Directors for approval in the first agenda in the next meeting. The Chairman of the Board signs to certify correctness of the minutes. The directors of the Company can express their opinions, correct, and amend the minutes of the meeting as most detailed and correct as possible. The approved minutes of the meeting will be kept systematically in the form of confidential document of the Company at the Company's Secretariats, and in the form of electronic documents together with supplementary documents to different agendas for convenient search and reference.

Records of meeting attendance of the Board of Directors for the year 2023 (1 January 2023 – 31 December 2023)

Board of Directors Meeting and Sub-Committees in 2023						
(Number of times attended / Total number of meetings)						
Name	The Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee	Shareholder Meeting
Mr. Narong Varongkriengkrai	5/5	4/4	3/3			1/1
Mrs. Ratana Anupasanant	5/5	4/4	3/3	4/4		1/1
Maj. Gen.Assoc.Prof. Kriengchai Prasongsukarn	5/5	4/4	3/3			1/1
Mr. Apichart Karoonkornsakul	5/5			4/4	3/3	0/1
Mrs. Pimparuda Pitakteeratham	5/5			4/4	3/3	1/1
Mr. Suriyon Udcharchon	5/5			4/4	3/3	1/1
Mr. Prasit Hanpiyavatanasakul	5/5			4/4	3/3	1/1
Total number of directors attended the meeting	5	4	3	4	3	0
Proportion of directors attending the meeting (By gr	100%	100%	100%	100%	100%	86%

Remuneration of the Board of Directors and various sub-committees According to the Company's Articles of Association Article 33 stipulates that the directors have the right to receive Remuneration from the company in the form of salary, reward, meeting allowance, bonus other benefits in accordance with the regulations or as the shareholders' meeting will consider. which may be defined as the amount definite or put as a rule and may be fixed from time to time or may be effective indefinitely until there is a change. The general meeting of the Company for the year 2023, on April 20, 2023, resolved to approve the remuneration of the Board of Directors and various sub-committees for the year 2023, the same rate was not changed at the general meeting. Shareholders of the Company for the year 2023, The total amount is not more than 2,500,000 baht, which is the same as in 2022 passed a resolution stipulating the following details:

Remuneration	2023		
	Remuneration (Baht/Month)	Meeting Allowances (Baht/Time)	Director Bonus
1. The Board of Directors and Executives			
• Chairman	10,000	25,000	Allocated according to Operating results.
• Vice Chairman	10,000	15,000	
• Director	5,000	15,000	
• Director (Executive)	None	15,000	None
2. Audit Committee			
• Chairman of Audit Committee	10,000	10,000	-
• Director	5,000	5,000	-
3 Nomination and Remuneration Committee (NRC)			
• Chairman of NRC	-	10,000	-
• Director	-	5,000	-
4. Risk Management Committee			
• Chairman of Risk Management Committee	-	10,000	-
• Director	-	5,000	-
• Director (Executive)	-	5,000	-

Payment term

1. Meeting allowance Pay for attendees only.
2. No other benefits
3. Director Bonus: Allocated according to Operating results.

The meeting in the 2023 Annual General Meeting of shareholders on 20 April 2023, resolved to specify monetary remuneration and make payment accordingly to the Board of Directors and Sub Committee as follows:



Table summarizing the remuneration of company directors for the year 2023.

No.	Name of Directors	Position	The Board of Directors			Audit Committee			Nomination and Remuneration Committee			Risk Management Committee			Total of Meeting Allowances (Bahr)	Total Remuneration (Bahr)	Total for year 2023 (Bahr)
			No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)	No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)	No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)	No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)			
1	Mr. Narong Varongkeriengkrai	Chairman / Chairman of Audit Committee / Nomination and Remuneration Committee / ID	5/5	125,000.00	120,000.00	4/4	40,000.00	120,000.00	3/3	30,000.00	-	0	-	195,000.00	240,000.00	435,000.00	
2	Mrs. Ratanaporn Ampassanant	Vice Chairman / Chairman of the Risk Management Committee / Audit Committee / Nomination and Remuneration Committee / ID	5/5	75,000.00	120,000.00	4/4	20,000.00	60,000.00	3/3	15,000.00	-	4/4	40,000.00	150,000.00	180,000.00	330,000.00	
3	Maj. Gen. Assoc. Prof. Kriengkhai Prasongsukarn	Chairman of the Nomination and Remuneration Committee / Audit Committee / ID	5/5	75,000.00	60,000.00	4/4	20,000.00	60,000.00	3/3	15,000.00	-	0	-	110,000.00	120,000.00	230,000.00	
4	Mr. Apichart Karoonkornsakul	Director / Authorized Director / Risk Management Committee / Chairman of Executive Committee	5/5	75,000.00	-	0	-	-	0	-	-	4/4	20,000.00	95,000.00	-	95,000.00	
5	Mrs. Pimparunda Pitakreeratham	Director / Authorized Director / Risk Management Committee / Executive Committee / Managing Director / Acting Chief Executive Officer	5/5	75,000.00	-	0	-	-	0	-	-	4/4	20,000.00	95,000.00	-	95,000.00	
6	Mr. Suriyon Udecharchon	Director / Executive Committee / Risk Management Committee	5/5	75,000.00	-	0	-	-	0	-	-	4/4	20,000.00	95,000.00	-	95,000.00	
7	Mr. Prasit Hanjaya vatanasakul	Director / Authorized Director / Risk Management Committee / Executive Committee / Chief Finance Officer	5/5	75,000.00	-	0	-	-	0	-	-	4/4	20,000.00	95,000.00	-	95,000.00	
		Total	5	575,000.00	300,000.00	4	80,000.00	240,000.00	3	60,000.00	-	4	120,000.00	835,000.00	540,000.00	1,375,000.00	

Summary of compensation paid according to position of company directors.

Position	Director Number	The Board of Directors			Audit Committee			Nomination and Remuneration Committee			Risk Management Committee			Total of Meeting Allowances (Bahr)	Total Remuneration (Bahr)	Director Bonus according to Operating Result (Bahr)	Total for year 2023 (Bahr)
		No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)	No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)	No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)	No. Meeting (Time)	Meeting Allowances (Bahr)	Total Remuneration (Bahr)				
Chairman	1	5	125,000.00	120,000.00	4	40,000.00	120,000.00	3	30,000.00	-	0	-	195,000.00	240,000.00	-	435,000.00	
Vice Chairman	1	5	75,000.00	120,000.00	4	20,000.00	60,000.00	3	15,000.00	-	4	40,000.00	150,000.00	180,000.00	-	330,000.00	
Non-Executive Director	1	5	75,000.00	60,000.00	4	20,000.00	60,000.00	3	15,000.00	-	0	-	110,000.00	120,000.00	-	230,000.00	
Executive Director	4	5	300,000.00	-	0	-	-	0	-	-	4	80,000.00	380,000.00	-	-	380,000.00	
Total	7	5	575,000.00	300,000.00	4	80,000.00	240,000.00	3	60,000.00	-	4	120,000.00	835,000.00	540,000.00	-	1,375,000.00	
Total directors' remuneration for the year 2023 does not exceed 2,500,000.00																	

8.1.3 Governance of Subsidiaries and Associates

Supervision of subsidiary companies. In order to supervise operations of the subsidiary companies following the business operation policy determined by the Board of Directors, the Board of Directors has established a mechanism for supervising and controlling subsidiary companies by decentralizing authority to the Executive Committee or Top Management of the Company and/or the management to supervise on behalf of the Board of Directors. For example, consideration of a person as a representative of the Company, to be a director, executive or the authorized person in a subsidiary company so as to ensure that the subsidiary company efficiently follow the policy as well as goals, vision, business plan and strategic plan for the Company's growth by reporting to the Company's Board of Directors for acknowledgement and in order to monitoring reasonable interests from the Company's investments, the Executive Committee, Top Management, Managing Director and/or the management of a subsidiary company must submit the performance of the subsidiary company to the Executives Committee of the Company for acknowledgement in the regular meeting of the Executives Committee and propose to the Board of Directors for acknowledgement in the meeting of the Board of Directors each quarter.

For the supervising mechanism for disclosure of information on financial position and performance, preparation of items between the subsidiary company and connected persons, acquisition or disposal of assets, or preparation of complete and correct important items, the Internal Audit agency, the Secretariate and the management of the Company will together supervise such operations or items aforementioned to follow the criteria and procedures as specified and enforced according to the Notification of the Stock Exchange of Thailand.

In 2023, the Board of Directors reviewed the policy for overseeing the operations of subsidiaries and associated companies. By increasing management in subsidiaries and associated companies through the exercise of voting rights by company representatives. At the shareholders' meeting of subsidiaries and associated companies to be consistent with the shareholding ratio in subsidiaries and associated companies. and increase financial management Supervise subsidiaries and associated companies financially in submitting monthly operating results. Financial Statements that have been reviewed or audited are given to the company. Including reporting important financial issues that may have an adverse effect on the group of companies to report to the company and can support and help solve problems in a timely manner.

8.1.4 Corporate Governance Policy and Guideline Compliance Control

The Company applies the Good Corporate Governance for a Registered Company, B.E. 2560 or Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SET) with the Company's business context for the benefits and sustainable value of the Company, by establishing the Board of Directors' responsibility based on the CG Code in the Charter of the Board of Directors of the Company. In addition, the revision of policies and corporate governance guidelines is ensured on a regular basis as appropriate. Employees are encouraged to be aware of the Company's ethics by having the Company's directors and senior executives as a role model and translating into work practices that is consistent with the business operation ideology with morality that will lead to creating truly sustainable value of the Company.

Moreover, the Company has monitored to ensure observance of the good corporate. Governance in 4 issues as follows:



(1.) Prevention of the Conflict of Interests

The Company is aware of the importance of the management of the conflict of interests of related parties, namely the Board of Directors, the management and employees, in a thorough, fair and transparent. The Board of Directors has established the policy and practical guidelines on the conflict of interests as follows:

- Directors and senior executives are required to report their own stakes and those of related persons which are stakes relating to business management of the Company or subsidiary companies upon taking a director position or senior executive for the first time, and report every time of change and on an annual basis.
- The secretary of the Board of Directors and the secretary of the Company have to prepare a copy of the stakeholder report to the chairman and the chairman of the Audit Committee for acknowledgement within 7 days from the date of receiving the report by the Company. This is in line with the Securities and Exchange Act B.E. 2535 and to use such information for examination and prevention of the conflict of interests
- Disclosure of the shareholding structure in the business with joint controlling authority and other companies explicitly including authorized shareholders so that shareholders are confident that the Company has a clear and transparent shareholding structure, without cross shareholding and major shareholders so that there is no conflict of interests to any party.
- In the meeting of the Board of Directors, if any director has a stake and interest in the issue being considered, such a director must not participate in the decision making of that issue by not attending the meeting or refraining from voting so that the decision making of the Board of Directors is fair truly for the benefits of shareholders. In case of the preparation of connected items that has to be approved by shareholders, shareholders with special interests will not have the right to vote in such an agenda.

(2) Use of insider information for benefit seeking

The Company supervises the use of insider information by complying with laws, rules and regulations stipulated by the SEC, Stock Exchange of Thailand and other public agencies as well as strictly observing the good corporate governance and monitoring changes on a regular basis. This is to ensure that laws and regulations the Company observes are correct and assure shareholders of transparent and straightforward business running. They include:

1. Prepare reports according to laws relating to those in director and senior executive positions.

1.1 Report of change in the Company's security holding via the SEC website when there are purchases, disposals, transfers or taking transfers of securities of the Company (Form 59-2) within 3 days from the date of change.

1.2 A list of names in the name list system for directors and senior executives of the Company that issue securities (Form 35-E1) within 7 days from the date of holding the position.

2. Determine a policy to ensure that directors and senior executives report their stakes and those of related persons which are stakes relating to the management of the Company's business, with the reporting criteria and methods as follows:

2.1 Report when taking the director or senior executive position for the first time.

2.2 Report every time there is a change of stakeholder information.

2.3 Report on an annual basis.



2.4 In case that a director retires from the position and returns to the position continuously, that director needs not submit a new report if there is no change of stakeholder information.

2.5 Directors and senior executives are required to submit a stakeholder report to the Company's secretary and the secretary has to send a copy of this stakeholder report to the chairman and the chairman of the Audit Committee for acknowledgement within 7 days from the date of receiving the report.

3. Determine a policy to ensure that directors are required to disclose/report purchasing-selling/holding ordinary shares of the Company to the meeting of the Board of Directors and senior executives every time a meeting is held, as well as to report holdings of debentures and ordinary shares of affiliated companies of directors and senior executives including ordinary share holding of spouses and underage children of such persons to the Board of Directors every quarter of the year. Moreover, disclosure of securities holding information of senior executives whether directly or indirectly (spouses or underage children of senior executives) is required. A policy on disclosure of changes in securities holding of directors and senior executives is established by presenting the number of shares held at the beginning of the year, the end of the year and at the time of trading during the year in the annual report.

4. Prepare a report on the Board of Directors' responsibility to financial reports and present it together with the certified public accountant report in the annual report.

5. Disclose financial data and non-financial data in a correct, complete, and timely manner.

6. Disclose the role and responsibility of the Board of Directors and different subcommittees, the number of meetings and the number of each individual director's meeting attendance.

7. Disclose the date, month and year of being appointed as a member of the Board of Directors in the annual report.

8. Disclose the director recruitment method and the Board of Directors' performance evaluation method.

9. Disclose a policy on remuneration payment to directors and senior executives including forms, characteristics and the amount of remuneration each individual director receives from being a member in various subcommittees.

10. Disclose information on participating in courses arranged for directors by the Thai Institute of Directors (IOD) on an individual basis.

11. Clearly disclose the operational structure.

12. Disclose the audit fee and other service fees in addition to the audit fee in the annual report.

13. Disclose the Memorandum of Association and the Articles of Association on the Company's website.

14. Disclose a policy on the environmental and society care and policy implementation.

15. Disclose a policy on corporate governance and policy implementation.

16. Disclose important investment projects and their impacts on the investment projects by disclosing information via Set Link of the Stock Exchange of Thailand and the Company's website so that shareholders, investors, analysts, mass media and related parties acknowledge information correctly, thoroughly, and transparently.

(3) Anti-corruption

As the Board of Directors of the Asia Precision Group Public Company Limited ("the Group") has appreciated the importance of anti-corruption and therefore establishes an anti-corruption policy in order to inform the Company's intention to counter all forms of corruption and ensure that everyone in the organization understand anti-corruption under



the same policy. In addition, parties relating to the Company well acknowledge the anti-corruption intention of the Company.

To promote the implementation of the anti-corruption policy within the organization, the anti-corruption policy is enforced on directors, executives, employees and workers including intermediaries, representatives, consultants or those who work for the Group. In the stage of implementing such a policy, the Company has adapted it in work processes of each agency, inserted in work operations starting from operating employees to the chief executive of the organization. Nonetheless, those who violate or do not comply with these anti-corruption practical guideline and operations, may receive the maximum penalty, i.e. termination of employment or contract cancellation. In case of legal violation, those who violate or do not comply, may be litigated by law enforcement. Whistleblowing can be done via communication channels of the Company if any violations are found.

Besides, the Group promotes outsiders and other stakeholders to acknowledge this anti-corruption policy via communication channels of the Company so that they know of the Group's intention to seriously counter corruption.

Promotion of adherence and observance of the anti-corruption policy is a part of the focus of creating a good person with morality which is consistent with the determination of the Company, namely "Create good people, show gratitude to the country". Such the determination is the ultimate goal of the organization. Nonetheless, cooperation of everyone in the organization will be the goodness force arising at "Asia Precision".

The Company sees to the importance and is aware of the problem arisen from corruption. The Board of Directors has established the anti-corruption policy according to the resolution of the meeting of the Board of Directors No. 5/2556, dated 13 November 2013, and has revised the anti-corruption policy at least once a year so that the Company and subsidiary companies understand and practice the same way and announce their shared intention to counter all forms of corruption which can be summarized as follows:

- **Anti-Corruption Policy**

Directors, executives, employees and workers including intermediaries, representatives, consultants or those who work for the Group, are not permitted to carry out any actions relating to all forms of corruption for direct or indirect benefits for themselves, families, friends and acquaintances. Whether they are in the position of recipients, givers or bribers, whether monetary or non-monetary, to public or private agencies that the Company deals business with or contacts, the anti-corruption policy will be strictly observed.

According to this anti-corruption policy, directors, executives, employees and workers including intermediaries, representatives, consultants or those who work for the Group, are responsible for observing relevant Thai and international laws, rules and regulations on prevention and anti-corruption, giving or taking bribery in all regions or all countries that the Company and subsidiary companies deal business with.

The Company has disseminated the anti-corruption policy on various communication channels such as the Company's websites and notification boards. In 2022, there were no complaints concerning corruption actions or any actions that have negative impacts to the Company, submitted to the Audit Committee. Additional details can be found at the website: www.apcs.co.th.

In addition, in 2015 the Company joined the Collective Action Coalition (CAC) of the Thai private sector in anti-corruption, and was acknowledged as a member of Collective Action Coalition in anti-corruption on 5th November 2018, which is a project that the government and the Office Of National Anti-Corruption Commission (NACC) together with



other 8 organizations, namely Thai Chamber of Commerce, Thai Institute of Directors (IOD), International Chamber of Commerce, Thai Listed Companies Association, The Thai Bankers' Association, Federation of Thai Capital Market Organizations, The Federation of Thai Industries, and Tourism Council of Thailand. The Company has also participated in self-assessment on the anti-corruption measure.

The Company is requesting the first extension of the certification of Certified Company. “Anti-corruption Policy” with the essence of the policy as follows. The anti-corruption policy prohibits directors, executives, and employees of the Company to carry out or accept all forms of corruption, whether directly or indirectly, and to verify the observance of this anti-corruption policy on a regular basis. Moreover, a revision of operational guidelines and implementation requirements is carried out in consistence with changes of business, regulations, rules and legal clauses with definition of “corruption” clearly defined for correct and the same understanding as follows:

The scope of corruption used in this policy refers to any bribery of any forms by offering to give, promising to give, giving, committing to give, claiming, or receiving money, assets or any other benefits which are not appropriate to public officials, public agencies, private agencies or any responsible person whether directly or indirectly so as for such a person to conduct or refrain from conducting the duty that aims to acquire or maintain the business or business recommendations specifically for the Company, or to acquire of maintain other benefits that are not suitable for the business, unless allowed for by laws, rules, regulations, notifications, local traditions, or trading customs.

Determination of practices and responsibility for each level of employees in complying with the anti-corruption policy

1. The Board of Directors is responsible for considering and approving a policy and providing support the anti-corruption in the Company, so as to ensure understanding of everyone in the Company and to be aware of the importance of problems arising from corruption. In addition, in case that the Audit Committee reports corrupt practices that affect the Company, the Board of Directors shall provide advice, recommendations, penalty consideration and find a solution to the problem and propose to the Chief Executive Officer and the Managing Director.
2. The Audit Committee has the duty and responsibility as follows:
 - 2.1 Consider the anti-corruption policy obtained from the Chief Executive Officer and the Managing Director to ensure its appropriateness with the business model, the Company’s environment, and the organizational culture, and propose to the Board of Directors for approval.
 - 2.2 Consider and review the appropriateness of the change in the anti-corruption policy obtained from the Chief Executive Officer and the Managing Director and propose to the Board of Directors for approval.
 - 2.3 Verify the audit report on the internal control system and the risk assessment concerning corruption as proposed by the Internal Control Division. This is to ensure that such a system has a risk of corruption that affects the financial position and the Company’s performance the least and appropriate to the Company’s business model.



- 2.4 Receive trace information concerning corrupt practices that involve anyone in the organization, examine the facts based on the informed traces, and propose the issue to the Board of Directors to together consider the penalty or a solution to solve such an issue.
3. The Chief Executive Officer and the Managing Director has the duty and responsibility as follows:
 - 3.1 Determine the anti-corruption policy to be proposed to the Audit Committee.
 - 3.2 Communicate with personnel within the organization and related persons to acknowledge the anti-corruption policy.
 - 3.3 Review the appropriateness of the anti-corruption policy with the business change or legal regulations to be proposed to the Audit Committee.
 - 3.4 Assist the internal audit team and the Audit Committee in searching for facts as informed or work assigned by the Audit Committee with respect to the corruption investigation by assigning a team of executives that is likely to be able to look for the facts.
 - 3.5 Assign an executive in each agency to be responsible for campaigning and promoting personnel in his/her agency to comply with the anti-corruption policy, and report to the Chief Executive Officer and the Managing Director. The Chief Executive Officer and the Managing Director has to report the result of such practices to the Audit Committee and the Board of Directors on a regular basis, as well as communicate to executives in each agency that if any corrupt practices are found, it must be notified to the Chief Executive Officer and the Managing Director immediately so that the Chief Executive Officer and the Managing Director will report to the Audit Committee and the Board of Directors for acknowledgement.
 - 3.6 Set up a system and provide support and promote the anti-corruption policy so that it is put into practice.
4. Executives have the duty and responsibility as follows:
 - 4.1 Observe and promote morality, ethics as a model to employees. Set up a system to promote the anti-corruption policy in order to communicate to employees and all related parties.
 - 4.2 Review the appropriateness of the operational system and measures that prevents corruption such as division of duty of operators so as to cross-check for correction, etc.
 - 4.3 Provide an internal control to prevent the corruption risk in the agency and work procedures under responsibility.
 - 4.4 Verify and monitor employees' operational performance so as to ensure that they follow the policy, rules, regulations and announcements of the Company.
 - 4.5 Report any corruption cases to the Audit Committee, or the Board of Directors, or the Chief Executive Officers, or the Managing Director for acknowledgement, whoever is as appropriate.
 - 4.6 Protect employees who counter corruption, for example, no demotion, no penalty, or no giving negative effects to employees who deny corruption in any cases, even though such actions may result in the Company losing the trading opportunity. The employees must be protected from any negative impacts.
5. The internal audit division has the duty and responsibility as follows:



- 5.1 Prepare a corruption risk assessment plan, monitor and regulate such that the anti-corruption policy is put into practice, and report to the Chief Executive Officer and the Managing Director in order to find a solution in preventing such a risk from occurring. Then, report to the Audit Committee and the Board of Directors for acknowledgement.
 - 5.2 Perform the duty according to the specified internal audit plan and propose a report on internal control system audit and the corruption risk assessment resulted from the internal control system audit to the Audit Committee for acknowledgement.
 - 5.3 Perform work assigned by the Audit Committee with respect to the examination of corruption relating to the organization in addition to the specified internal audit plan.
6. Employees have the duty and responsibility as follows:
- 6.1 Perform the duty according to the policy, rules and regulations of the Company in relation to anti-corruption including the observance of the business ethics and morality manual.
 - 6.2 Report any suspect event or corrupt behaviours of committees, executives and employees as well as other persons such as clients, customers and related persons, based on the procedure specified by the Company.
 - 6.3 Support and participate in preventing and suppressing corruption.
 - 6.4 Every employee has to disclose their conflicts of interests with the Company.

Anti-corruption practices

Directors, executives, employees and workers including intermediaries, representatives, consultants or those who work for the Group to strictly follow the anti-corruption policy and the business ethics, whether relating to corruption directly or indirectly by:

1. Do not conduct any behaviours that indicate taking or giving bribery to stakeholders for an issue under responsibility whether directly or indirectly to acquire benefits unlawfully by performing as follows:
 - 1.1 Do not receive or give gifts, souvenirs that are in the form of cash, cheques, bonds, shares, gold, jewelry, real property, or anything alike, to related persons with whom have been coordinated both in government agencies and private agencies.
 - 1.2 Do not receive assets, articles, gifts or other benefits that may lead to refraining from performing the duty. Before taking a souvenir, one should ensure that practices comply with laws and the regulations of the Group. Articles or gifts given in duty should not have a high price and appropriate with the occasion.
 - 1.3 Do not give assets, articles, presents, or gifts, or other benefits, in order to induce decision making or have an effect in such a way that the recipient does not perform the same trading practices as to other clients. Article giving according to occasions or incidents must not have unusually high values.
 - 1.4 Do not act as an intermediary in offering money, assets, articles or other benefits to a person relating to the business, public agencies or any organizations in exchange for a privilege that should have not received or causing a public official to refrain from performing according to rules, regulations and practices specified by law.



2. In the procurement process, it must follow the steps specified in the regulation of the Group that are transparent and verifiable.
3. Business entertainment expenses and other expenses based on business contracts may be paid but at a reasonable and verifiable manner.
4. In making charitable donation, it must be as follows:
 - 4.1 Any payments or uses of assets of the Company for charitable donation must be only be done on behalf of the Group. Donations for charity must be for foundations, charitable organizations, temples, hospitals, infirmary, or social organizations which must be certified or reliable and verifiable.
 - 4.2 Charitable donations on a person's behalf may be done but must not be related, or cause any doubts to corrupt acts that seek for any benefits.
 - 4.3 Charitable donations must be done with reliable and verifiable evidence and through procedures according to the relevant regulation with the appropriate authorization based on the level of authority assignment of the Group.
5. In giving a subsidy, it must be as follows:
 - 5.1 Any payments or uses of assets of the Group to subsidize a project must only be done on behalf of the Group. A subsidy paid must aim for the business of the Group, good image, and reputation of the Group.
 - 5.2 A subsidy paid must be proved that such a subsidy or any other benefits must be calculated in monetary terms such as accommodation and food, etc. There is no relation with reciprocal benefits to any person or agency, except for commemorative certificates that are obtained from usual business traditions.
 - 5.3 A subsidy paid must have verifiable evidence and through procedures according to the relevant regulation with the appropriate authorization based on the level of authority assignment of the Group.
6. The Group does not have any political assistance to any political parties, whether directly or indirectly. Thus, directors, executives, employees and workers including intermediaries, representatives, consultants or those who work for the Group must not conduct any acts that relate to politics within the Group and do not use the Group's resources for such a purpose. The Group adheres to political neutrality, supports legal observance and the democracy. (Expense disbursements of the Group comply with the relevant regulations which have to follow otherwise the expenses could not be disbursed).
7. If any corrupt acts or any acts leading to corruption which affect the Group, both directly or indirectly, are found, such behaviours must not be neglected or ignored, they should be reported to the Chief Executive Officer or the Managing Director immediately or via the whistleblowing channel specified in this policy.
8. Directors and executives must be aware of the importance of disseminating knowledge, providing advice in order to create understanding to related persons of the Company such as employees and workers including intermediaries, representatives, consultants or those who work for the Group so that they perform in



compliance with this anti-corruption policy as well as to be a good model with respect to honesty, morality and ethics.

Monitoring to ensure observance of ethics and the anti-corruption policy

The Company has determined that it is the responsibility of the Board of Directors to formulate a policy and supervise to ensure a system to support efficient anti-corruption practices. The Managing Director and the management have the duty and responsibility to provide a system and encourage, support the anti-corruption policy while also communicating to all related employees in order to create understanding and ensure correct practices. In addition, the management must review the appropriateness of the system and measures to be in line with the changes of business, rules, regulations, and requirements of the law on a regular basis. Employees who corrupt or violates the anti-corruption policy including committing an offence against the ethics will have to get disciplinary consideration according to the Company’s regulations and penalty stipulated by the law if such an offence is unlawful.

Moreover, the internal audit agency will assess and monitor good governance, ethical observance and the anti-corruption policy every time it comes to examine and report to the Audit Committee at every meeting. In 2023, there has been no corruption in the Company.

Recommendations on anti-corruption measures

If directors, executives and employees have any doubts regarding their conducts whether they are correct according to the anti-corruption policy and measures, considerations should be done before practicing or deciding a particular act as follows:

1. Is the act lawful or in line with the official regulations or the Company’s regulations?
2. Is the act acceptable to the society? Can be disclosed to the society?
3. Is the acts go against the morality and may lead to disgrace to the person who acts or others, or to the reputation of the Company at the time or in the future?

If in doubt when considering by oneself, inform information of facts about the act to superiors for consideration or enquiry from the Office of the Managing Director, Business Regulatory Section, so that factors and ways to correctly proceed are considered together.

Issues to be taken or corruption complaints

1. A corrupt act relating to the Group, whether directly or indirectly is found, such as a person in the organization is seen to bribe or take bribes from an official of a government agency or private agency.
2. An act is performed at the wrong procedure according to the regulation of the Group, or it affects the internal control system of the Company that may cause a doubt of corrupt channel.
3. An act that costs interests of the Group is found and affects the Group’s reputation.
4. An act that is unlawful, immoral and breaches of business ethics, is found.

Whistleblowing channels or complaints of corruption

The Board of Directors has assigned the Audit Committee to to consider receiving the whistleblower Complaints of actions that may cause suspicion of corruption incurred directly or indirectly to the Company through the channels set forth in this policy.



Stakeholders can communicate their opinions, complaints or notifications of irregularities or anything that may affect APCS through the following channels:

1. email address : audit_committee@apcs.co.th ;
2. email address : Chairman of Executive Committee : apichart@apcs.co.th ;
3. email address : Managing Director : pimparuda@apcs.co.th ;
4. www.apcs.co.th: IR contact / Whistle-Blowing ;
5. Telephone number 02-361-5494-5 ext. 880 (General Management / Company Secretary)
6. Whistleblowing box

However, if the whistleblower or the complainant have complaints Executive Chairman or managing director Please send complaints directly to the Audit Committee.

A person who can give a whistleblower Or complaints about corruption are all groups of stakeholders, i.e. shareholders, customers, competitors, Supplier, government sectors, communities, society, executives and employees of the Company. However, regardless of how you notify by any of the above methods. The company will keep your confidentiality.

Privacy protection and confidentiality

In order to protect the rights of a petitioner or informant who acts in good faith, the Company will conceal the name, address or any information that may identify the petitioner or informant and keep information of the petitioner or informant confidential. Such information is only limited to those responsible for examining the complaints who can access.

In case of a complaint of corrupt act of the Chief Executive Officer or the Managing Director, an Audit director or the Company's director, the Board of Directors shall appoint a middle person, while a related director will not have the right to obtain the information, to be responsible for protecting a person who provides trace or the petitioner, witness and the informant in the investigation for the facts, to be safe from danger or unfairness arising from giving the trace, complaints, being witness or giving information. The petitioner is asked to submit the complaints to the Company's director who is not relating to the complaints directly.

The Chief Executive Officer and the Managing Director is responsible for using judgment to order as he/she sees appropriate in order to protect the person who gives trace or the petitioner, witness and the person who gives information in the investigation for the facts to be safe from danger or unfairness arising from giving the trace, complaints, being witness or giving information.

The Chief Executive Officer and the Managing Director can assign work to an executive to act on behalf in judging to order protection of the performer who gives trace, or the petitioner, witness and the person who gives information. The assigned executive must not involve in the issue being informed the trace or the complaints, whether directly or indirectly (for example the accused is a direct subordinate).

Those who receive information from performing the duty relating to the complaints has the duty to keep information, complaints and evidence documents of the petitioner and the informant confidential. Disclosure of such information to other unrelated persons is strictly not permitted unless disclosed as stipulated by the law.

Procedures for investigation and penalty

Investigation procedure



1. When receiving the trace, the Chief Executive Officer, the Managing Director, and the Audit Committee will scrutinize and investigate the facts.
2. During the fact investigation, the Chief Executive Officer, the Managing Director, and the Audit Committee may appoint a representative (executive) to report the progress on a periodical basis to the trace informer or the petitioner.
3. If the fact investigation finds that existing information and evidence can reliably lead to a belief that the accused has actually conducted corrupt acts, the Company will allow the right to the accused to acknowledge the accusation and prove himself by finding additional information or evidence to clarify himself not relating to the accused corrupt acts.
4. If the accused has truly committed a corrupt act, such corruption is considered as breaching the anti-corruption policy, the Company's business ethics, the accused must be considered a disciplinary action according to the regulations specified by the Company. If such the corrupt act is unlawful, the offender may get a legal penalty. Nonetheless, for the disciplinary action according to the regulation of the Company, the judgment of the Managing Director is final.

In case that the accused of corrupt act is the Chief Executive Officer, Managing Director, a member of the Audit Committee or a member of the Board of Directors, he/she can prove himself/herself by finding additional information or evidence that can prove him/her unrelated with the accused corrupt act. The Board of Directors appoints a person to be a middle person who will be receiving, finding information and verifying the facts as obtained in order to report to the Board of Directors for consideration. The penalty will be decided according to the regulation and discipline of the Company. If such a corrupt act is unlawful, the offender may get a legal penalty. Nonetheless, the judgment of the Board of Directors is final.

The Company will not demote, give penalty or give a negative effect to directors, executives and employees who counter corruption even though such an act will cost the Company to lose the business opportunity.

Disciplinary action upon violation of the anti-corruption policy

Breach of this anti-corruption policy will get disciplinary action according to the regulation of the Company, from verbal warning, written warning, work suspension and dismissal. In some cases, the penalty is as specified by law.

The penalty consideration for the violator, the senior supervisor of the violator shall consider the penalty. In case that the violator commits a serious act (dismissal), the penalty must be approved by the Managing Director. In case that the violator has a dispute over the penalty, the judgment of the Managing Director is final. In case that the violator holds a director position or the Chief Executive Officer or the Managing Director, the judgment of the Board of Directors is final. In the meeting to conclude the penalty, interested directors must leave the meeting room until the resolution of the penalty is reached.

Anti-Corruption Policy Dissemination and Training

1. Provide an announcement of the anti-corruption policy, in a prominent place Anyone in the Group can read and be informed.
2. Dissemination of anti-corruption policies, through the company's communication channels such as electronic mail (E-Mail), company website Annual Report (56-1 One-report) annually



- When the anti-corruption policy is updated Arrange for the dissemination of anti-corruption policies through various communication channels to the public, stakeholder groups to be notified when there is an update
Change the Anti-Corruption Policy

Training

- Provide training on anti-corruption policy to new employees.
- Review understanding Make all employees aware of the importance of anti-corruption. through various media activities at least once a year
- Provide content related to anti-corruption. It is part of the course for considering the promotion of employees at the supervisor level.
- Directors and executives participate in educating employees as a role model in implementing anti-corruption policies.
- The company will review the anti-corruption policy. regularly every year

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

8.2.1 The number of meeting times and attendance of the individual audit committee members

As of 31 December 2023, the Audit Committee is composed of three members below:

No.	Name	Position	No. of Meeting attendances
1.	Mr. Narong Varongkriengkrai	Chairman of the Audit Committee	4/4
2.	Mrs. Ratana Anupasanant	Audit Committee	4/4
3.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Audit Committee	4/4

8.2.2 Performance of the Audit Committee

The Audit Committee is performing its duty independently according to the scope of duty stipulated in the Charter of the Audit Committee. This is revised in line with the current situation and approved by the Board of Directors on an annual basis. In 2023, the Audit Committee, supervision, strategy determination, operations and result monitoring, at the end of the year, the Audit Committee evaluates the performance of the Audit Committee by having 2 types of evaluations, namely:

- Performance assessment of the entire Audit Committee.
- Self-assessment which has a good result. Topics being assessed include structure and qualifications, role, duty and responsibility, work performance and meetings, making a summary of comments, performance of the secretary of the Audit Committee and performance of the Audit agency.

In case of finding doubts of following items or acts which may have a significant impact to the financial position and the Company's performance, the Audit Committee shall report to the Board of Directors in order to make improvements within a specified time period as seen appropriate by the Audit Committee.

- Item arising from the conflict of interests
- Corruption or abnormal matters or important defects in the internal control system



- (c) Violation of the law on securities and stock exchange, requirements of the stock exchange or the law relating to the Company's business

Moreover, like the past year, in 2023, the Audit Committee has a meeting with the auditor without the management in presence, in order to consult independently about materialistic information on the preparation of financial statements and disclosure of information that comply with the standards and benefits users of the financial statements. In addition, to acknowledge the report of doubtful behaviours of directors and executives according to the Article 89/25 of the Securities and Exchange Act which the Managing Director reports that there is none of such behaviours. Thus, this makes the preparation of financial statements of the Company show the financial position, performance, and cash flow as correct, true and fair in the materiality based on the financial reporting standards and also reliable and transparent. The auditor is independent and accountable. The Company has hired Karin Audit Co., Ltd. to audit the accounts in order to examine the financial statements of the Company without other services apart from the audit.

The materiality of the 2023 performance includes verification of the financial statements, verification of related items or items with potential conflict of interests, verification of good corporate governance, verification of the risk management assessment, verification of the internal control system, the internal audit, verification of complaint and trace examination, consideration of auditor appointment and the audit fee for the year 2023 as presented in the Attachment 6: Report of the Audit Committee.

8.3 Summary of the performance of the various sub-committees

8.3.1 Executive Committee

As of 31 December 2023, there are four Executive Committee members as follows.

No.	Name	Position	No. of meeting attendances 2023
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee	3/3
2.	Mrs. Pimparuda Pitakteeratham	Executive Committee	3/3
3.	Mr. Suriyon Udcharchon	Executive Committee	3/3
4.	Mr. Prasit Hanpiyavatanasakul	Executive Committee	3/3

- The Board of Directors meeting No. 1/2022 on February 18, 2022 resolved in appointing The Executive Committee with term period of 3 years (from February 26, 2022 to February 25, 2025), with Miss. Wichaya Tansukhee as the Secretary of Executive Committee.



8.3.1.1 Term of office

The Executive Committee have a term of service for three years. The retiring members may be re-elected for another term. The Executive Committee shall report to the Board of Directors and have power, duties and responsibilities as assigned by the Board.

8.3.1.2 Scope of authority, duties, and responsibilities of the Executive Committee

The Board of Directors has the authority, duties and responsibilities to manage in relation to the normal operation and management of the Company, define the Company's policies, business plans, budgets, management structures and administrative authority, guidelines on business operations in accordance with economic conditions to propose them to the Board of Directors' Meeting to consider and approve, and audit and monitor the Company's performance in accordance with the policies set by the Board of Directors. Important authorities and responsibilities can be summarized as follows:

1. Conducting business and managing the Company in accordance with the objectives, Articles of Association, policies, rules, regulations, orders, and resolutions of the Board of Directors' Meeting, and/or resolutions of the Shareholders' Meeting

2. Considering and screening the Management's proposals, establishing the organizational structure, policies, directions and strategies of the Company's business operations, expanding businesses, and setting up financial plans, budgets, human resource management, and investment in information technology to be presented to the Board of Directors' Meeting for further consideration

3. Having the authority to appoint sub-committees and/or working groups for the implementation or management of the Company and the determination of the authority, duties and responsibilities of sub-committees and/or working groups as well as supervising the operation of the appointed sub-committees and/or the working group to achieve the specified policies and goals

4. Monitoring the Company's performance to be in accordance with the Board's specified policies and goals and supervising the quality and efficiency of operations

5. Considering the annual budget allocation as proposed by the Management before presenting it to the Board of Directors for consideration and approval

6. Having the authority to approve financial expenditure on normal business operations of the Company, but not exceeding the budget approved by the Board of Directors

7. Approving the expenditure on major investments defined in the annual expenditure budget as assigned by the Board of Directors or as approved by the Board of Directors

8. Having the authority to consider and approve loans, provision of credit limits or any loan application of the Company and not exceeding the budget approved by the Board of Directors; in the case where the Company's assets is required as collateral, it shall be presented to the Board of Directors for approval.

9. Considering the profit and loss of the Company and proposing interim dividend payment or annual dividend payment to the Board of Directors for approval

10. Defining the organizational structure, the organizational management authority, including the appointment, employment, transfer, termination of employment, determination of wages, remuneration, and bonuses for executive employees from department director level or equivalent or above, except the position of President



11. Authorizing one or more persons to perform any operations under the control of the Executive Committee, or authorizing such persons as deemed appropriate by the Executive Committee, within the period deemed appropriate by the Executive Committee, which the Executive Committee may cancel, revoke, change or amend the authorized person or such authorization as deemed appropriate

12. Having the authority to approve loans and expenditures on normal business operations of the Company within; In the event that the limit exceeds the budget approved by the Board of Directors, it shall be presented to the Board of Directors for acknowledgement at the next meeting.

13. Performing any other acts as assigned by the Board of Directors from time to time

However, the delegation of the authority, duties, and responsibilities of the Executive Committee shall not be the authorization or sub-delegation in which the authorized person of the Executive Committee can approve transactions that they may have conflicts (as defined by the Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies), interests, or any other conflicts of interest with the Company or its subsidiaries and/or related companies. The Board of Directors does not have the authority to approve such matters. Such matters shall be presented to the Board of Directors' Meeting and/or the Shareholders' Meeting (as the case may be) for further approval, unless it is an approval of transactions in accordance with normal course of business and normal trading terms as specified by the Notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

8.3.2 Nomination and Remuneration Committee (NRC)

As of 31 December 2023, the Nomination and Remuneration Committee of three members as follows:

No.	Name	Position	No. of meeting attendances 2023
1.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Chairman of NRC	3/3
2.	Mr. Narong Varongkriengkrai	Director of NRC	3/3
3.	Mrs. Ratana Anupasanant	Director of NRC	3/3

8.3.2.1 Term of office of the Nomination and Remuneration Committee

1. Nomination and Remuneration Committee has a term of office for a period of 3 years and upon termination may be reappointed, but not more than 3 consecutive terms.

2. The Nomination and Remuneration Committee shall immediately vacate office upon:

- (1) Due by agenda
- (2) Retirement from a position of director
- (3) Resignation
- (4) Death
- (5) Dismissal by a resolution of the Board of Directors

3. If the position of the Nomination and Remuneration Committee is vacant due to reasons other than the retire by rotation, the Board of Directors shall elect any person who has qualifications to be a member of the number of members of the Nomination and Remuneration Committee will reach the quantity specified by the Board of



Directors. The person being replaced such member of the Nomination and Remuneration Committee shall retain his/her office only for the remaining term of office of the member of the Nomination and Remuneration Committee whom he/she replaces.

8.3.2.2 Scope of authority, duties, and responsibilities of the Nomination and Remuneration Committee.

1. Nomination

1.1 Defining the qualifications of directors to be nominated in accordance with the structure, size, and composition of the Board of Directors, and determining the appropriate nomination method based on knowledge, experiences, and specialized capabilities that benefit the Company, experiences in the main business or industry in which the Company operates, preparing a Board Skill Matrix to make the nomination consistent with the Company's business strategies

1.2 Nominating the appropriate person to serve as a director, executive director, and senior executive of the Company and its subsidiaries based on the Directors Pool or using a professional search firm to recruit new directors and senior executives

1.3 Considering and screening the list, inspecting the background and qualifications according to the laws and requirements of the official agency of the nominee, and proposing it to the Board of Directors

1.4 Performing operations to approach and contact those who have passed the consideration from the Committee for interview to ensure that such person is willing to hold the position

1.5 Considering the performances, qualifications and suitability of directors who retire by rotation and deserve to be re-elected and presenting it to the Board of Directors for approval and proposing at the Shareholders' Meeting to appoint as a director

1.6 Considering and reviewing the appropriateness of the director position in the event that there is any change relating to the qualifications of director

1.7 Providing an orientation of new directors and developing knowledge to the current directors

1.8 Planning a succession plan of senior executives to prepare potential individuals for the positions in the case that the managing director or senior executive retires, resigns, or fails to perform his/her duties

1.9 Performing duties in other matters as assigned by the Board of Directors

2. Remuneration

2.1 Determining and establishing a written remuneration policy

2.2 Proposing guidelines and procedures for remuneration payment to the Board of Directors and sub-committees appointed by the Board of Directors

2.3 Considering and approving the form, rules, and determination of the value of remuneration in the form of salary and other benefits paid to directors, executive directors, senior executives and executive advisor of the Company and its subsidiaries individually

2.4 Establishing the criteria for the assessment of the Chief Executive Officer and presenting it to the Board of Directors for approval

2.5 Evaluating the performances of the Chairman every year and presenting it to the Board of Directors for approval; Such evaluation results shall be taken into consideration to increase the remuneration of the President and further present it to the Board of Directors for approval.



3. Good Governance

3.1 Setting the direction of good corporate governance policy and the ethics of the first 4 directors and executives according to the definition of the SEC to be in accordance with the Code of Conduct, including the implementation of corporate social responsibility to propose it to the Board of Directors for consideration and approval

3.2 Supervising the performances of the Board of Directors, sub-committees and the Management to be in accordance with good corporate governance principles, ethical practices, and code of conduct

3.3 Reviewing the Company's good corporate governance practices by comparing them with the good corporate governance principles of international standards and the Stock Exchange of Thailand and presenting it to the Board of Directors for regular revision

Other duties as follows:

1. Nomination and Remuneration Committee Meetings must be held at least twice a year and have the power to call additional meetings as necessary.
2. At the Nomination and Remuneration Committee meeting There must be no less than half of the total number of directors attending the meeting. therefore, considered a quorum
3. Chairman of the Nomination and Remuneration Committee to chair the meeting. In case the chairman is not present at the meeting or is unable to perform his duties, the members present shall elect one among themselves to preside over the meeting.
4. Voting The Nomination and Remuneration Committee voted with the right to vote one vote each and using a majority vote as a criterion. If a resolution is made by equal votes, the chairman has the right to vote one more vote to decide.
5. Nomination and Remuneration Committee Able to invite relevant persons to attend the meeting to clarify various facts let the meeting know.

8.3.3 Risk Management Committee (RMC)

As of 31 December 2023, Risk Management Committee of three members as follows:

No.	Name	Position	No. of meeting attendances 2023
1.	Mrs. Ratana Anupasanant	Chairman of RMC	4/4
2.	Mr. Apichart Karoonkornsakul	Director of RMC	4/4
3.	Mrs. Pimparuda Pitakteeratham	Director of RMC	4/4
4.	Mr.Suriyon Udcharchon	Director of RMC	4/4
5.	Mr. Prasit Hanpiyavatanasakul	Director of RMC	4/4

8.3.3.1 Term of office

1. Risk Management Committee has a term of office for a period of 3 years and upon termination may be reappointed, but not more than 3 consecutive terms
2. The Risk Management Committee shall vacate office upon:
 - (1) Retirement by rotation
 - (2) Retirement from a position of director
 - (3) Resignation



(4) Death

(5) Dismissal by a resolution of the Board of Directors

3. When the Risk Management Committee vacates office prior to the expiration of the term of office, the Nomination and Remuneration Committee shall nominate a qualified person to be a member of the Risk Management Committee to the Board of Directors so that the Board of Directors shall consider and appoint a member of the Risk Management Committee to reach the quantity as defined in this Charter. The person who is appointed to be the member of the Risk Management Committee shall retain his/her office only for the remaining term of office of the member of the Risk Management Committee whom he/she replaces.

8.3.3.2 Scope of authority, duties, and responsibilities of the Risk Management Committee

1. Considering and approving the risk management policy, objectives, and Enterprise Risk Management Framework for the implementation framework of the organization's risk management process to be in the same direction and in line with the Company's goals and strategies; The policy, objectives and enterprise risk management framework are reviewed annually or when there are new significant risks to the formulation of the Company's goals and strategies in order to present them to the Board of Directors.

2. Supervising the identification of risks by considering external and internal factors that may cause the Company to be unable to achieve defined objectives and assessing impact and likelihood of identified risks to prioritize risks and apply risk treatment efficiently and analysed, monitor, and report s

3. Having the authority to appoint a risk management working group as deemed necessary.

4. Monitoring risk management operations as well as analysing, evaluating, following up, and reporting systemically.

5. Reporting regularly to the Board of Directors regarding management, implementation and risk status of the Company, changes, and improvements to be in accordance with the policies and strategies set forth.

6. Being responsible for assessing the likelihood and impact of corruption to establish effective preventive measures or mitigate risks, as well as monitoring, evaluating, and reviewing the adequacy of policies and risk management guidelines.

7. Acknowledging, considering, and expressing opinions on risk assessment results, risk management guidelines and measures, and action plans to manage the remaining risks of the Company to ensure that the Company has adequate and appropriate risk management.

8. Coordinating with the Audit Committee on significant risks and providing the internal audit section to review them to ensure that the Company has adequate and appropriate internal control system.

9. Providing advice and consultation relating to risk management to the working group as well as considering appropriate guidelines for correcting information relating to the development of the risk management system

10. The Risk Management Committee shall attend the meeting with the Audit Committee at least once a year.

11. Performing other acts relating to risk management as assigned by the Board of Directors; the Management and sections shall report or present relevant information and documents to the Risk Management Committee in order to support the operations of the Risk Management Committee to achieve its assigned duties.

12. The Risk Management Committee is able to invite relevant parties to attend the meeting to clarify the facts to the Meeting.



13. The Risk Management Committee may consult with an independent expert, if necessary, at the expense of the Company, which shall be approved by the Board of Directors.

8.3.4 Executives

As of 31 December 2023, there are four Executive members as follows;

No.	Name	Position
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee
2.	Mrs. Pimparuda Pitakteeratham	Executive Committee / Managing Director
3.	Mr. Suriyon Udcharchon	Executive Committee
4.	Mr. Prasit Hanpiyavatanasakul*	Executive Committee / Chief Finance Officer

* Since January 1, 2023, Mr. Prasit Hanpiyavatanasakul was appointed, replaced Mr. Anurote Nitipornsri who resigned.

Scope of duties and responsibilities of the Chairman of Executive Committee

- Supervise, manage, and perform the duties of normal business conducts for the Company's interest in accordance with the objectives and the Articles of Association, rules, regulations, resolutions, policies, work plans and budgets endorsed by the Board's and/or the shareholders' meeting under relevant laws and/or scope of authority designated by the Board of Directors.
- Control and oversee the business operations and/or daily administration of the Company.
- Determine and propose the Company's business policies, business plans, targets, operational plans, business strategies, annual budgets for the Company's operations, budgets shown in annual report, management authority to the Executive Committee and Board of Directors for approval.
- Implement the policies of Board of Directors by translating them into directions, guidelines, strategies, and business targets (mission) which will be assigned to the management team for further action.
- Oversee and follow up the performance of the executives; give advice on rectifications of problems and obstacles to ensure that the executives and management team act in accordance with the strategies and business plan and in line with the Company's policy.
- Monitor and evaluate performances of duties of the management team; report the results of operations, management, and progress of the operations to the Executive Committee, the Audit Committee, and the Board of Directors on a regular basis.
- To issue an order, regulation, notification, and memorandum to ensure that the Company's business operation goes in line with the Company's policy and benefits as well as organizational discipline.
- To specify an organizational structure, management methodology covering such details as selection, training, employment, and termination of the staff, and specify wages, salary, remuneration, bonus, and other welfare benefits for the staff.
- To have authority to appoint or remove an officer holding a position lower than the President.
- To have authority to approve spending for the Company's normal business operation, for instance, an asset purchase, significant investment for corporate benefits and other beneficial transactions. The said approval authority is applicable to normal business transactions with a maximal spending but not exceeding the budget already approved by the Board of Directors.
- Perform any other duties as assigned by the Executive Committee or the Board.



In undertaking any matter that the President or his authorized person or other person that may have conflicts of interest (as defined in the notification of the Capital Market Supervisory Board and/or the SET, and/or other notifications of relevant agencies) or conflicts of interest in any other nature with the Company or its subsidiary and/or associated companies, the President has no authority to approve the said matter. Hence, he must propose to the meeting of the Board of Directors and/or shareholders (as the case may be) for its approval, except the case of approving a normal transaction under normal trade conditions in accordance with the notification of the Capital Market Supervisory Board and/or the SET, and/or other notifications of relevant agencies.

8.3.5 Company Secretary

The Board of Directors' Meeting No. 10/2022 on 2 December 2022, the meeting appointed Mr. Prasit Hanpiyavatanasakul as the Company Secretary, replaced Mr. Anurote Nitipornsri who resigned. Mr. Prasit Hanpiyavatanasakul Resigned from the position of company secretary effective from 3 August 2023 onwards.

The Board of Directors' Meeting No. 4/2023 on 9 August 2023 resolved to appoint MeeChai Thailand Law Office Co., Ltd. is the company secretary instead of Prasit Hanpiyavatanasakul.

In accordance with Section 15/89 of the Securities and Exchange Act 1992 as amended by the Securities and Exchange Act No.4/2008 with the following scope of duties and responsibilities.

1. Provide basic advice to the Board of Directors concerning compliance with the laws, rules, regulations and the Company's Articles of Association, and monitor correct practices regularly;
2. Be responsible for disclosing Company information in line with the regulations and requirements of the SET and the Office of Securities and Exchange Commission;
3. Prepare and maintain the following documents;
 - 3.1. Registration of the Company's directors;
 - 3.2. Invitation letters to the Directors meeting and minutes of the meetings;
 - 3.3. Invitation letters to shareholders for meeting and minutes of the shareholders' meeting;
 - 3.4. Company's Annual Reports;
 - 3.5. Reports of conflicts of interest of Directors and executives

8.4 Evaluation of the Board's performance for 2023

The Board of Directors and Sub-committees have assessed themselves in performing director duties as follows:

- 1) The self-evaluation results of the Board of Directors as a group to evaluate the director work, consisting of 6 topics. The Company's Board had average score of 235.57 (98.15%), in criterion "excellent".
- 2) The self-evaluation results of the Sub-committees as follows:
 - 2.1) Audit Committee received average score of 141.67 (91.99%), in criterion "excellent".
 - 2.2) Nomination and Remuneration Committee received average score of 191 (99.48%), in criterion "excellent".
 - 2.3) Risk Management Committee received average score of 55.80 (99.64%), in criterion "excellent".
- 3) The Individual self-evaluation results of the Board of Directors and Sub-committee, consisting of 3 topics, The results of the evaluation of individual company directors received average score of 51.43 (98.90%), in criterion "excellent".



9. Internal Control and Interrelated transactions

9.1 A summary of the Board of Directors' opinions

The Board of Director meeting no. 1/2024 held on 27 February 2024, the Board of Directors assessed APCS's internal control from the Assessment Report prepared by the Audit Committee, and concluded that all the 5 aspects of the internal control as follows:

- (1) Control Environment
- (2) Risk Assessment
- (3) Control Activities
- (4) Information & Communication
- (5) Monitoring Activities

The Board of Directors is of the opinion that the Company has sufficient and appropriate internal control systems, including follow-up and operation supervising systems which can protect properties of the company and its subsidiaries from the management misuse them or without authorization, inclusive of sufficient internal control on business transaction with major shareholders, directors, managers, or persons connected to the said persons. In terms of other aspects, the Board felt that APCS had proper and sufficient internal control and there was nothing to be concerned.

In 2023, the Board itself was responsible for risk management under APCS's risk management framework and policy as well as analysis of other related risk factors. The Board reviewed the internal audit report prepared by the Audit Committee and found that the risks were under an acceptable level. However, the Board closely monitored risk management.

The Board meeting resolved to set up a Risk Management Committee, responsible for formulating risk management policy for the overall organization, assessing risks and managing risks as well as keeping risks at an acceptable level. The Risk Management Committee reported directly to the Board of Directors.

For in the financial statements for the year ended 31 December 2023, the auditors of the Company not found Note the significant to report to management.

In terms of internal control in subsidiary companies, APCS required all its subsidiaries to have an internal control similar to their mother company. All its subsidiaries had sufficient internal control similar to APCS.

9.2 Internal Control

The Board of Directors has assigned the Audit Committee to supervise and review the internal control system to make sure that APCS has proper and efficient control system as well as compliance with related legal provisions and regulations, prevention of conflict of interest, proper interrelated transactions and prevention of APCS's assets and properties from losing or exploiting, preventing APCS's intellectual property from being violated, introducing auditing mechanisms, checks and balance. An internal audit department is under direct supervision of the Audit Committee. The Audit Committee will make sure that APCS has proper and efficient internal control and internal audit and consider independency of the internal audit department as well as appoint, remove or terminate internal audit supervisor or heads of other departments, responsible for internal audit.



The appointment of a chief or responsible for the monitoring and control. Must be approved by the Board of Directors approval.

In 2012, the Board of Directors set up an Internal Audit Department, responsible for auditing and assessing sufficiency of APCS’s internal control to make sure that APCS had had in place a policy and framework for proper working procedures and systems. Internal auditors prepare regular reports to the Audit Committee to ensure proper good corporate governance. The Audit Committee would review to make sure that APCS had proper and adequate internal control. The Audit Committee had a meeting at least once a quarter to review the financial statements to make sure that APCS had prepared correct and adequate financial reports, disclosing adequate information including interrelated transactions or transactions that might cause a conflict of interest in line with the law and requirements by the Stock Market of Thailand and Securities and Exchange Commission.

In the 1/2023 meeting on February 28, 2023, the Audit Committee appointed Ms. Parichad Kajohnklin as chief of the internal audit as she had direct internal audit experience and had a good understanding of APCS’s business operation and activities. She has attended several internal control courses. The Audit Committee felt that she was well qualified and capable enough to handle internal control.

The internal auditors of the Company from 2018-2024 were as follows:

Year	Internal audit Unit	Internal Audit Supervisor*
2024	Internal Audit Department	Ms. Parichad Kajohnklin
2023	Internal Audit Department	Ms. Parichad Kajohnklin
2022	Internal Audit Department	Mrs. Duangduan Hirunruk
2021	Internal Audit Department	Mrs. Duangduan Hirunruk
2020	Internal Audit Department	Mrs. Duangduan Hirunruk

* Details about the Internal Audit Supervisor are in the enclosure.

9.2 Interrelated transactions

9.2.1 Summary of Interrelated Transactions between APCS and its subsidiaries and other persons who may have a conflict of interest, made in 2023

APCS made the following transactions with persons who may have a conflict of interest, whose relationship may be summarized as of 31 December 2023, as follows:

Conflict of Interest	Asia Precision PLC. ("APCS")	A2 Technology Co., Ltd. ("A2T")	APCS Technology Co., Ltd. ("APT")	A2 Water Management Co., Ltd. ("A2W")	Asia Waste Energy Co., Ltd. ("AWEF")	Green Energy Mining Co., Ltd. ("GEMT")	Chokkij Sakot Co., Ltd. ("CK")	A2 Technologies Vietnam Co., Ltd. ("A2TV")	A2 Technologies Mongolia LLC. ("A2MT")	Advance Web Studio Co., Ltd.	AWS Asset Management Co., Ltd.
Registered Capital	659,999,962.00	700,000,000.00	10,000,000.00	275,000,000.00	8,000,000.00	80,000,000.00	120,000,000.00	750,000,000.00	100,000,000.00	3,000,000.00	1,000,000.00
Par Value	1 THB	10 THB	1,000 THB	10 THB	100 THB	10 THB	100 THB	Equivalent 1 VND	Equivalent 1 USD	100 THB	100 THB
Asia Precision PLC.		Shareholder 69,999,997 shares 99.999996%	Shareholder 9,997 shares 99.97%	Shareholder Ordinary share 23,825,000 shares Preferred share 3,674,997 shares Total 99.99999918%	Shareholder 79,998 shares 99.99750%	Shareholder 79,999,998 shares 99.9999970%	Shareholder 1,177,497 shares 98.12475%	Shareholder 750,000,000 VND 100.00%	Shareholder 100,000 shares 100.00%	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
A2 Technology Co., Ltd.		Shareholder 69,999,997 shares 99.999996%	Shareholder 9,997 shares 99.97%	Shareholder Ordinary share 23,825,000 shares Preferred share 3,674,997 shares Total 99.99999918%	Shareholder 79,998 shares 99.99750%	Shareholder 79,999,998 shares 99.9999970%	Shareholder 1,177,497 shares 98.12475%	Shareholder 750,000,000 VND 100.00%	Shareholder 100,000 shares 100.00%	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
Mr. Aichart Kooakornasakul	Director / Executive / Shareholder 13,778,448 shares 13.89%	Director / Executive / Shareholder 2 shares 0.000002%	Director / Executive / Shareholder 2 shares 0.02%	Director / Executive / Shareholder Preferred share 2 shares 0.0000055%	Director / Executive / Shareholder 1 share 0.00125%	Director / Executive / Shareholder 1 share 0.000015%	Director / Executive / Shareholder 1 share 0.00008%	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
Mrs. Praparada Pratakeeratham	Director / Executive / Shareholder 852,400 shares 0.13%	Director / Executive / Shareholder 2 shares 0.000002%	Director / Executive / Shareholder 2 shares 0.02%	Director / Executive / Shareholder Preferred share 1 share 0.0000028%	Director / Executive / Shareholder 1 share 0.00125%	Director / Executive / Shareholder 1 share 0.000015%	Director / Executive / Shareholder 1 share 0.00008%	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
Mr. Suriyon Udeharchon	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.01	Director / Executive / Shareholder Preferred share 1 share 0.0000028%	Director / Executive / Shareholder 1 share 0.00125%	Director / Executive / Shareholder 1 share 0.000015%	Director / Executive / Shareholder 1 share 0.00008%	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
Mr. Prasit Hampyavatanasakul	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.01	Director / Executive / Shareholder Preferred share 1 share 0.0000028%	Director / Executive / Shareholder 1 share 0.00125%	Director / Executive / Shareholder 1 share 0.000015%	Director / Executive / Shareholder 1 share 0.00008%	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
Mr. Krisana Mahasitiam	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.01	Director / Executive / Shareholder Preferred share 1 share 0.0000028%	Director / Executive / Shareholder 1 share 0.00125%	Director / Executive / Shareholder 1 share 0.000015%	Director / Executive / Shareholder 1 share 0.00008%	Director / Executive	Director / Executive	Director / Executive / Shareholder 1 share 0.0033%	Director / Executive / Shareholder 9,998 shares 99.98%
Advance Web Studio Co., Ltd.	Shareholder 146,000,000 shares 22.12%	Shareholder 1 share 0.000001%	Shareholder 1 share 0.01	Shareholder 1 share 0.0000028%	Shareholder 1 share 0.00125%	Shareholder 1 share 0.000015%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.0033%	Shareholder 1 share 0.000001%
AWS Asset Management Co., Ltd.	Shareholder 146,000,000 shares 22.12%	Shareholder 1 share 0.000001%	Shareholder 1 share 0.01	Shareholder 1 share 0.0000028%	Shareholder 1 share 0.00125%	Shareholder 1 share 0.000015%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.0033%	Shareholder 1 share 0.000001%
Loehya Co., Ltd.	Shareholder 146,000,000 shares 22.12%	Shareholder 1 share 0.000001%	Shareholder 1 share 0.01	Shareholder 1 share 0.0000028%	Shareholder 1 share 0.00125%	Shareholder 1 share 0.000015%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.00008%	Shareholder 1 share 0.0033%	Shareholder 1 share 0.000001%



9.2.2 Type of transaction

Details of connected transactions between the Asia Precision Public Company Limited and a company or a person which/w/ho may have a potential conflict.

Type of transaction	Baht	Amount as of 31 December 2023 (Million Baht)						Necessity and Appropriateness of Interrelated Transactions
		APAT	AST	A2	APT	A2W	GEM	
Short-term loans	Baht							
Beginning balance		-	-	613.30	-	-	-	Promissory notes, due at call.
Increase		-	-	187.00	-	-	42.00	Short term loan used for working capital. Interest rate of commercial bank and Interest rate of debentures plus cost of issuing debentures.
Decrease		-	-	(112.00)	-	-	(42.00)	
Ending balance		-	-	687.30	-	-	-	
Accrued interest income	Baht							
Beginning balance		-	-	-	-	-	-	
Increase		-	-	45.76	-	-	1.20	
Decrease		-	-	(44.18)	-	-	(0.77)	
Ending balance		-	-	1.58	-	-	0.43	
Short-term loans	Baht							
Beginning balance		-	-	-	-	-	-	
Increase		-	-	-	-	-	-	
Decrease		-	-	-	-	-	-	
Ending balance		-	-	-	-	-	-	
Accrued interest expense	Baht							
Beginning balance		-	-	-	-	-	-	
Increase		-	-	-	-	-	-	
Decrease		-	-	-	-	-	-	
Ending balance		-	-	-	-	-	-	

Type of transaction	Baht	Amount as of 31 December 2023 (Million Baht)						Necessity and Appropriateness of Interrelated Transactions
		APAT	AST	A2	APT	A2W	GEM	
Income from services	Baht	-	-	4.53	-	-	1.02	
Interest income	Baht	-	-	45.76	-	-	1.20	
Rental Expense	Baht	-	-	1.80	-	-	-	
Interest expense	Baht	-	-	-	-	-	-	

Guarantee of liabilities related and other

- As of December 31, 2023, A2 Technologies Co., Ltd., has guaranteed credit facilities to Cholkij Sakol Co., Ltd. received from banks in the total amount of Baht 210 million.
- As of December 31, 2023, the Group has outstanding letters of guarantee issued by banks on behalf of the group, amounting to Baht 260 million in relation to the group's normal performance obligations.
- The Group didn't charge any guarantee fees among its related parties.



Details of connected transactions between the A2 Technologies Co., Ltd. and a company or a person which/who may have a potential conflict.

Type of transaction	Baht	Amount as of 31 December 2023 (Million Baht)							Necessity and Appropriateness of Interrelated Transactions
		APT	A2W	CK	A2V	GEM	AWE	APCS	
Receivables	Baht	7.63	-	-	-	-	0.10	0.74	Inter transactions-Construction revenues Pricing policy is market price close to the general market price.
Current receivables	Baht	0.05	0.03	0.04	-	0.03	-	0.16	
Rental Expense	Baht	0.40	0.39	-	-	0.36	-	1.80	The area used for operations. Pricing policy is a market price close to the general market price.
Construction income	Baht	7.13	-	-	-	3.51	-	-	
Interest income	Baht	2.92	0.13	0.13	0.25	-	-	-	Interest income from subsidiaries
Other income	Baht	0.74	-	-	-	-	0.10	6.25	
Short-term loans	Baht	87.69	4.00	-	-	-	-	-	Promissory notes, due at call.
Beginning balance		92.53	3.50	10.50	18.05	-	-	-	
Increase		(136.33)	(7.50)	(10.50)	-	-	-	-	Short term loan used for working capital.
Decrease		43.89	-	-	18.05	-	-	-	
Ending balance		0.62	-	-	0.82	-	-	-	
Accrued interest income	Baht								

Type of transaction	Baht	Amount as at 31 December 2023 (Million Baht)								Necessity and Appropriateness of Interrelated Transactions	
		APCS	APAT	APT	A2V	A2W	GEM	SHAREHOLDER			
Rental Expense	Baht	-	-	-	-	-	-	-	-	-	Pricing policy is a market price
Interest Expense	Baht	45.76	-	0.22	-	1.02	-	-	-	-	close to the general market price.
Other Expense	Baht	6.00	-	-	-	-	-	-	-	-	
Short-term loans	Baht										
Beginning balance		621.30	-	17.70	-	-	-	-	-	-	
Increase		187.00	-	-	-	70.50	-	-	-	-	Promissory notes, due at call.
Decrease		(112.00)	-	(17.70)	-	(42.00)	-	-	-	-	Short term loan used for working capital.
Ending balance		687.30	-	-	-	28.50	-	-	-	-	
Accrued interest expense	Baht	1.58	-	-	-	0.15	-	-	-	-	



9.2.3 Necessity and appropriateness of interrelated transactions

Interrelated transactions made are quite necessary and reasonable. Products and services purchased from subsidiaries are normal business practice. Purchases from companies in the group go in line with trading conditions with other companies. Loans to subsidiaries are aimed for the subsidiaries to have liquidity and sufficient working capital to manage their businesses but the interest charged is lower than loans from financial institutions. Machinery purchase among companies in the group is made because APCS and its subsidiaries manufacture similar products. The purchase is made according to the market price.

The Audit Committee has inspected and reviewed those interrelated transactions and felt that they are necessary and reasonable, and most important of all, beneficial to APCS. (See each interrelated transaction in the Table 9.2.1)

9.2.4 Measures or procedures in approving interrelated transactions

APCS appointed an Audit Committee on December 23, 2010, and the Board of Directors in their meeting on January 19, 2011 set measures and procedures in approving interrelated transactions and interrelated transaction policy, which requires the Audit Committee's prior approval, primarily based on APCS benefits. The Audit Committee has found that past interrelated transactions had been made in accordance with those measures and procedures.

In terms of future interrelated transactions with persons who may have a conflict of interest, APCS will ask the Audit Committee to view and opine on their necessity and appropriateness. In case, the Audit Committee is not specialized in those interrelated transactions, APCS will get independent experts or certified auditor to give opinions on those interrelated transactions, which will help in decision making by the Board of Directors and/or Audit Committee and/or shareholders. Persons who may have a conflict of interest or benefits from those transactions have no right to vote on those interrelated transactions. Disclosure of interrelated transactions in the Annual Report has come from Notes to the Financial Statements certified by the APCS auditor.

9.2.5 Policy or trend of interrelated transactions

APCS has a policy to set trade terms for interrelated transactions in line with normal business operation. Selling prices shall be set at competitive levels with other sellers. In the future, in case of sale transaction or guarantees by APCS Directors to apply for financial support from a financial institution, and other transactions with a person having a conflict of interest in accordance with normal business operation or normal business support, those interrelated transactions will be made based on necessity and for APCS's business operation efficiency, having clear-cut pricing policy for interrelated transactions according to appropriate market prices and terms, fair, not siphoning but mainly based on APCS interest. The Audit Committee will double-check and provide opinions on interrelated transactions that are normal business transactions or to support normal business, on a quarterly basis.

However, the interrelated transactions which may cause a conflict of interest in the future, the APCS Board of Directors shall proceed according to the laws pertaining to securities and stock market as well as the Stock Exchange of Thailand's rules, regulations, notification, orders or requirements as well as compliant with the regulations on disclosure of interrelated transactions, acquisition and distribution of assets of APCS and its subsidiaries and compliant with the accounting standards, specified by the Federation of Accounting Professions. However, APCS will disclose interrelated transactions in the Notes to the Financial Statements, certified by APCS's auditor.



3

Financial Statement Information



Section 3

Financial Information

1. Statement of Financial

STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31,	Separate financial statement						Consolidated financial statement					
	2021		2022		2023		2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Assets												
Current assets												
Cash and cash equivalents	23.66	1.54	52.06	2.31	78.89	3.30	596.39	16.75	214.37	4.75	213.18	5.63
Trade and other current receivables	0.36	0.02	2.16	0.10	10.26	0.43	1,847.91	51.90	1,971.56	43.73	2,034.47	53.76
Short-term loans	357.30	23.25	612.30	27.18	687.30	28.79	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	177.59	4.99	53.68	1.19	22.18	0.59
Assets classified as held for sale	-	-	330.00	14.65	-	-	-	-	877.25	19.46	-	-
Other current assets	-	-	-	-	-	-	1.93	0.05	-	-	2.78	0.07
Total current assets	381.32	24.81	996.52	44.24	776.45	32.53	2,623.82	73.69	3,116.86	69.13	2,272.61	60.05
Non-current assets												
Investments in subsidiaries	1,150.00	74.83	1,250.28	55.51	1,588.99	66.57	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	3.25	0.09	3.25	0.07	3.25	0.09
Property, plant and equipment	5.48	0.36	5.43	0.24	13.40	0.56	697.10	19.58	1,075.50	23.86	1,039.97	27.48
Right-of-use assets	-	-	-	-	6.61	0.28	35.59	1.00	44.48	0.99	43.07	1.14
Right under the raw water distribution contract	-	-	-	-	-	-	131.25	3.69	125.58	2.79	119.92	3.17
Other intangible assets	-	-	-	-	0.02	0.00	5.84	0.16	3.22	0.07	2.69	0.07
Digital assets	-	-	-	-	-	-	-	-	36.81	0.82	157.12	4.15
Deferred tax assets	-	-	-	-	0.04	0.00	0.04	0.00	40.34	0.89	53.60	1.42
Other non-current assets	0.02	0.00	0.18	0.01	1.52	0.06	63.59	1.79	62.37	1.38	92.16	2.44
Total non-current assets	1,155.50	75.19	1,255.89	55.76	1,610.58	67.47	936.66	26.31	1,391.55	30.87	1,511.78	39.95
Total assets	1,536.82	100.00	2,252.41	100.00	2,387.03	100.00	3,560.48	100.00	4,508.41	100.00	3,784.39	100.00
Liabilities and shareholders' equity												
Current liabilities												
Bank overdrafts and Short-term loans from financial institution	-	-	-	-	-	-	124.67	3.50	109.72	2.43	56.20	1.49
Trade and other current payables	2.61	0.17	6.47	0.29	6.55	0.27	1,140.92	32.04	1,252.28	27.78	1,059.88	28.01
Current portion of long-term liabilities Within one year	-	-	-	-	688.15	28.83	47.90	1.35	18.00	0.40	704.55	18.62
Current portion of lease liabilities Within one year	-	-	-	-	1.51	0.06	88.36	2.48	12.15	0.27	12.03	0.32
Short-term borrowings	-	-	-	-	-	-	79.76	2.24	81.67	1.81	84.13	2.22
Current income tax payable	-	-	-	-	-	-	18.28	0.51	0.09	0.00	2.28	0.06
Other current financial liabilities	-	-	-	-	-	-	-	-	10.42	0.23	0.07	0.00
Current provisions for employee benefit	-	-	2.88	0.13	-	-	-	-	2.89	0.06	-	-
Liabilities classified as held for sale	-	-	-	-	-	-	-	-	116.07	2.57	-	-
Total current liabilities	2.61	0.17	9.35	0.42	696.21	29.17	1,499.89	42.13	1,603.29	35.56	1,919.14	50.71
Non-current liabilities												
Long-term borrowings	-	-	-	-	-	-	-	-	16.40	0.36	-	-
Lease liabilities	-	-	-	-	5.29	0.22	25.89	0.73	34.10	0.76	32.91	0.87
Debenture	-	-	682.61	30.31	-	-	-	-	682.61	15.14	-	-
Deferred tax liabilities	-	-	-	-	-	-	33.51	0.94	32.33	0.72	31.15	0.82
Non-current provisions for employee benefit	7.11	0.46	3.47	0.15	0.78	0.03	34.34	0.96	12.25	0.27	9.89	0.26
Other non-current liabilities	-	-	-	-	-	-	4.85	0.14	0.24	0.01	0.23	0.01
Total non-current liabilities	7.11	0.46	686.08	30.46	6.07	0.25	98.59	2.77	777.93	17.26	74.18	1.96
Total liabilities	9.72	0.63	695.43	30.87	702.28	29.42	1,598.48	44.90	2,381.22	52.82	1,993.32	52.67
Shareholders' equity												
Issued and paid-up share capital	660.00	42.95	660.00	29.30	660.00	27.65	660.00	18.54	660.00	14.64	660.00	17.44
Share premium on ordinary shares	369.18	24.02	369.18	16.39	369.18	15.47	369.18	10.37	369.18	8.19	369.18	9.76
Retained earnings												
Legal reserve	66.00	4.29	66.00	2.93	66.00	2.76	66.00	1.85	66.00	1.46	66.00	1.74
Unappropriated	431.92	28.10	461.80	20.50	589.57	24.74	753.43	21.16	602.08	13.35	587.54	15.53
Other components of shareholders' equity	-	-	-	-	-	-	106.88	3.00	125.30	2.78	101.60	2.68
Total shareholders' equity of the parent company	1,527.10	99.37	1,556.98	69.13	1,684.75	70.62	1,955.49	54.92	1,822.56	40.43	1,784.32	47.15
Non-controlling interests	-	-	-	-	-	-	6.51	0.18	304.63	6.76	6.75	0.18
Total shareholders' equity	1,527.10	99.37	1,556.98	69.13	1,684.75	70.62	1,962.00	55.10	2,127.19	47.18	1,791.07	47.33
Total liabilities and shareholders' equity	1,536.82	100.00	2,252.41	100.00	2,387.03	100.04	3,560.48	100.00	4,508.41	100.00	3,784.39	100.00

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31,	Separate financial statement						Consolidated financial statement					
	2021		2022		2023		2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Revenues												
Revenues from sales and services	-	-	7.50	22.43	-	-	287.00	21.11	303.77	16.71	146.50	8.68
Revenues from digital assets	-	-	-	-	-	-	-	-	43.40	2.39	239.48	14.19
Contract revenues	-	-	-	-	-	-	1,072.53	78.89	1,470.20	80.90	1,112.77	65.93
Other income	18.13	100.00	25.94	77.57	230.24	100.00	32.52	2.39	6.32	0.35	189.14	11.21
Total revenues	18.13	100.00	33.44	100.00	230.24	100.00	1,392.05	102.39	1,823.69	100.35	1,687.89	100.00
Expenses												
Costs of sales and costs of services	-	-	4.81	14.38	-	-	228.49	16.81	320.61	17.64	143.45	8.50
Costs of digital assets	-	-	-	-	-	-	-	-	72.81	4.01	256.06	17.08
Contract Costs	-	-	-	-	-	-	958.09	70.47	1,494.26	82.22	998.76	59.17
Profit (loss) from sale of investment	-	-	(88.00)	(263.16)	-	-	-	-	-	-	-	-
Distribution costs	-	-	-	-	-	-	0.02	0.00	-	-	-	-
Administrative expenses	19.32	106.56	12.77	38.19	22.81	9.91	126.14	9.28	128.21	7.05	112.00	6.64
Other expenses	-	-	0.02	0.06	-	-	9.47	0.70	19.99	1.10	-	-
Finance costs	-	-	17.37	51.94	48.13	20.90	8.66	0.64	26.56	1.46	57.52	3.41
Total expenses	19.32	106.56	(53.03)	(158.58)	70.94	30.81	1,330.87	97.89	2,062.44	113.48	1,567.79	92.88
Profit (loss) before income tax expense	(1.19)	(6.56)	86.47	258.58	159.30	69.19	61.18	4.50	(238.75)	(13.14)	120.10	7.12
Tax (expense) income	-	-	(16.99)	(50.81)	(30.75)	(13.36)	(15.06)	(1.11)	25.35	1.39	(20.82)	(1.23)
Profit (loss) for the year	(1.19)	(6.56)	69.48	207.78	128.55	55.83	46.12	3.39	(213.40)	(11.74)	99.28	5.88
Discontinued operation												
Profit (loss) for the year from discontinued operation - net of income	-	-	-	-	-	-	164.57	12.10	110.53	6.08	-	-
Profit (loss) for the year	(1.19)	(6.56)	69.48	926.40	128.55	55.83	210.69	15.50	(102.87)	(5.66)	99.28	5.88
Other comprehensive income (expense):												
to be reclassified to profit or loss in subsequent period:												
Exchange differences on translating of financial statement in foreign currency	-	-	-	-	-	-	6.10	0.45	(0.89)	(0.05)	(4.14)	(0.25)
Items that will not be reclassified to profit or loss												
Gains(losses) on remeasurements of defined benefit plans	(1.59)	(8.77)	-	-	(0.78)	(0.34)	(0.42)	(0.03)	0.54	0.03	0.24	0.01
Total comprehensive income (expense) for the year	(1.59)	(8.77)	-	-	(0.78)	(0.34)	5.68	0.42	(0.35)	(0.02)	(3.90)	(0.23)
Total comprehensive income for the year from continuing operation	(2.78)	(15.33)	69.48	207.78	127.77	55.49	51.80	3.81	(213.75)	(11.76)	95.38	5.65
Other comprehensive income from discontinued operation												
Items that will not be reclassified to profit or loss:												
Gains (losses) on remeasurements of defined benefit plans	-	-	-	-	-	-	(5.27)	(0.39)	-	-	-	-
Other comprehensive income for the year from discontinued operation	-	-	-	-	-	-	(5.27)	(0.39)	-	-	-	-
Total comprehensive income for the year from discontinued operation	-	-	-	-	-	-	159.30	11.72	110.53	6.08	-	-
Other comprehensive income for the year	(1.59)	(8.77)	-	-	(0.78)	(0.34)	0.41	0.03	(0.35)	(0.02)	(3.90)	(0.23)
Total comprehensive income for the year	(2.78)	(15.33)	69.48	926.40	127.77	55.49	211.10	15.53	(103.22)	(5.68)	95.38	5.65
Profit (loss) attributable to												
Owners of parent	(1.19)	(6.56)	69.48	207.78	128.55	55.83	46.04	3.39	(213.42)	(11.74)	99.07	5.87
Non-controlling interests	-	-	-	-	-	-	0.08	0.01	0.02	0.00	0.21	0.01
	(1.19)	(6.56)	69.48	207.78	128.55	55.83	46.12	3.39	(213.40)	(11.74)	99.28	5.88
Total Comprehensive income (expense) attributable to:												
Owners of parent	(2.78)	(15.33)	69.48	207.78	127.77	55.49	51.72	3.80	(213.77)	(11.76)	95.17	5.64
Non-controlling interests	-	-	-	-	-	-	0.08	0.01	0.02	0.00	0.21	0.01
	(2.78)	(15.33)	69.48	207.78	127.77	55.49	51.80	3.81	(213.75)	(11.76)	95.38	5.65
Profit (loss) from discontinued operation attributable to												
Owners of parent	-	-	-	-	-	-	164.57	12.10	101.13	5.56	-	-
Non - controlling interests	-	-	-	-	-	-	-	-	9.40	0.52	-	-
	-	-	-	-	-	-	164.57	12.10	110.53	6.08	-	-
Total comprehensive income from discontinued operation attributable												
Owners of parent	-	-	-	-	-	-	159.30	11.72	101.13	5.56	-	-
Non - controlling interests	-	-	-	-	-	-	-	-	9.40	0.52	-	-
	-	-	-	-	-	-	159.30	11.72	110.53	6.08	-	-
Basic earnings (loss) per share												
Basic earnings (loss) per share from continuing operation	(0.002)		0.105		0.195		0.070		(0.323)		0.150	
Basic earnings (loss) per share from discontinued operation	-		-		-		0.249		0.153		-	
Issued and paid-up share capital (Million : share)	660.00		660.00		660.00		660.00		660.00		660.00	
Par value (Baht)	1.00		1.00		1.00		1.00		1.00		1.00	



STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31,	Separate financial statements			Consolidated financial statements		
	2021	2022	2023	2021	2022	2023
CASH FLOWS FROM OPERATING ACTIVITIES:						
Profit (loss) before income tax expense from continuing operations	(1.19)	86.47	159.30	61.19	(238.74)	120.10
Profit (loss) before income tax expense from discontinued operations	-	-	-	198.94	123.82	-
Adjusted financial costs	-	17.37	48.13	14.11	28.22	57.52
Adjusted interest received	(15.76)	(25.94)	(47.10)	(0.38)	(0.69)	(0.29)
Adjusted dividend income	-	-	-	-	-	-
Adjusted trade and other receivables (increase) decrease	0.35	(0.67)	(0.81)	(286.39)	(227.13)	54.47
Adjusted inventories (increase) decrease	-	-	-	(101.97)	29.41	(53.53)
Adjusted digital assets (increase) decrease	-	-	-	-	(43.40)	(113.73)
Adjusted other assets (increase) decrease	-	-	(0.52)	(1.44)	4.74	3.96
Adjusted trade and other payable increase (decrease)	2.20	0.19	(30.71)	306.14	114.66	(320.21)
Adjusted other liabilities increase (decrease)	-	-	-	-	(4.60)	(106.07)
Depreciation and amortization	2.00	0.06	2.37	88.41	80.05	122.99
Estimated loss of construction projects increases	-	-	-	-	18.41	-
Adjusted unrealized loss (gain) on foreign exchange	-	-	-	6.47	6.64	(15.14)
Adjustment of unrealized loss (gain) of financial assets	-	-	-	-	12.35	-
Adjustment impairment loss recognized in profit or loss (reversal)	-	-	-	6.63	0.97	-
Adjustment expected credit loss (reversal)	-	-	-	-	(0.23)	-
Adjustment with impairment loss of digital assets	-	-	-	-	6.59	(6.58)
Adjusted loss on value of goods (reversal)	-	-	-	(1.22)	4.30	-
Adjusted loss (gain) from sale of investment in subsidiary	-	(88.00)	(177.21)	-	-	-
Adjusted loss (gain) from retirement of right-of-use-assets	-	-	-	-	(0.01)	-
Adjusted other provisions for employee benefits	0.33	1.60	0.63	4.80	6.22	3.41
Adjusted loss (gain) from assets disposals	-	-	(0.03)	-	10.70	(0.03)
Adjusted by the expenses of business transformation	-	-	-	-	-	-
Other adjustments on non-cash	-	-	-	0.16	-	-
Total adjust from reconciliation of gain (loss)	(10.88)	(95.39)	(205.25)	35.32	47.20	(373.23)
Net Cash Provided by (Used in) Operating	(12.07)	(8.92)	(45.95)	295.45	(67.72)	(253.13)
Cash received from dividend	-	-	-	-	-	-
Interest expense	-	(0.09)	(42.58)	(10.62)	(9.11)	(53.45)
Interest received	15.78	25.94	39.00	0.38	0.69	0.29
Income tax pay out	-	(18.29)	-	(29.18)	(94.50)	(18.63)
Cash paid for transfer to employee benefit plans for subsidiaries	-	-	-	-	4.88	-
Cash received (paid) for employee benefit	(0.02)	(2.36)	(6.99)	(1.11)	(1.30)	(8.66)
Net Cash Provided by (Used in) Operating Activities	3.69	(3.72)	(56.52)	254.92	(167.06)	(333.58)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Cash Paid for non - controlling interests	-	-	-	-	-	-
Deposits at financial institution with commitment (increase) decrease	-	-	-	(5.37)	2.60	(12.64)
Cash paid for investment of subsidiaries undertakings net of cash of subsidiary	-	(650.28)	(338.72)	-	(441.69)	-
Cash received from sale investment of subsidiary	-	308.00	507.21	-	308.00	507.21
Cash received from sale property, plant and equipment	-	-	0.40	0.36	1.55	8.82
Cash paid to purchase property, plant and equipment	-	-	(8.97)	(24.35)	(197.48)	(94.09)
Cash paid to purchase intangible assets	-	-	-	(3.08)	(1.40)	(0.21)
Cash received from loans to related parties	25.03	870.00	154.00	-	-	-
Cash paid for loans to related parties	-	-	-	-	-	-
Cash payment for purchase of general investment	(60.00)	(740.00)	(229.00)	-	-	-
Cash paid for expense of business transformation	-	(385.00)	-	-	-	-
Net Cash Provided by (Used in) Investing Activities	(34.97)	(597.28)	84.92	(32.44)	(328.42)	409.09
CASH FLOWS FROM FINANCING ACTIVITIES:						
Bank overdrafts increase (decrease)	-	-	-	(2.09)	(13.69)	(53.52)
Cash received from borrowings from the financial institutions	-	-	-	74.59	-	-
Cash received from borrowings from related parties	-	91.50	-	-	-	-
Cash received from issuing debentures	-	691.70	-	-	691.70	-
Cash paid financial costs	-	(22.70)	-	-	(22.70)	-
Cash paid to pay borrowings from the financial institutions	-	-	-	(113.43)	(13.50)	(18.00)
Cash paid to pay the person and related parties borrowings	-	(91.50)	-	-	-	-
Cash paid to pay lease liabilities	-	-	(1.57)	(89.85)	(90.75)	(5.18)
Cash paid to dividend	(39.60)	(39.60)	-	(39.60)	(39.60)	-
Cash received from sale and lease back	-	-	-	-	-	-
Cash paid for deposit for sale and lease back	-	-	-	-	-	-
Net Cash Provided by (Used in) Financing Activities	(39.60)	629.40	(1.57)	(170.38)	511.46	(76.70)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS						
BEFORE EFFECTS OF EXCHANGE RATES	(70.88)	28.40	26.83	52.10	15.98	(1.19)
EFFECTS OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	-	-	-	6.33	(0.89)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(70.88)	28.40	26.83	58.43	15.09	(1.19)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	94.54	23.66	52.06	537.96	596.39	214.37
FROM DISCONTINUED OPERATIONS	-	-	-	-	(397.11)	-
CASH AND CASH EQUIVALENTS END OF YEAR	23.66	52.06	78.89	596.39	214.37	213.18

2. New financial reporting standards

2.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

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

The management of the Group believes that the revision of this standard will not have any significant impact on the Group financial statements.

3. AUDITOR

Year	Name of Auditor	Certified Public Accountant	
		Registration Number	Name of Company
2020	Ms. Kannika Wipanurat	7305	Karin Audit Co., Ltd.
2021	Ms. Kannika Wipanurat	7305	Karin Audit Co., Ltd.
2022	Ms. Kannika Wipanurat	7305	Karin Audit Co., Ltd.
2023	Mr. Joompoth Priratanakorn	7645	D I A International Audit Co., Ltd.



AUDITOR'S REPORT

A) FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

Opinion

I have audited the financial statements of Asia Precision Public Company Limited and its subsidiaries (the Group), which comprise the consolidated and separate statements of financial position and as at December 31, 2020, the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Asia Precision Public Company Limited and its subsidiaries and Asia Precision Public Company Limited as at December 31, 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters	Audit procedures respond risk
<p>Revenue recognition by percentage of work completion, valuation of work, and service cost estimated</p> <p>The Group have service revenue recognition by percentage of completion which estimated by physical check of the Group's engineer, parallel with percentage of actual cost to total estimate cost. I focus on these because cost estimated has to subjective on discretion and work environment factors, economic and raw material and labor market in future. The actual cost might be different from estimating, which effected to revenue recognition as described in note to financial statement no. 34 and significant accounting policy.</p>	<p>I have to understanding and evaluating for percentage of completion, physical check work in progress in term of nearly ending accounting period, check the physical report of engineer, check the evident of estimated cost and actual cost, moreover I considered the percentage of work completion calculated by actual cost and estimated cost compared with the percentage of work completion by physical.</p>



B) FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Key audit matters	Audit procedures respond risk
<p>Revenue recognition by percentage of work completion, valuation of work, and service cost estimated</p> <p>The Group have service revenue recognition by percentage of completion which estimated by physical check of the Group's engineer, parallel with percentage of actual cost to total estimate cost.</p> <p>I focus on these because cost estimated has to subjective on discretion and work environment factors, economic and raw material and labor market in future. The actual cost might be different from estimating, which effected to revenue</p>	<p>My audit, I understood and assessed the estimated total contract cost prepared by management, in particular, the key assumptions including the expected recovery, and the historical financial performance and forecast out-turn against budget of other contracts of a similar nature and size. Compared gross profit from the start of projects up to now for analysis and assessment for the appropriateness of estimated costs.</p> <p>Performed site visit for significant projects, inquired the progress of projects from engineers and compared and assessed the appropriateness</p>



<p>recognition.</p>	<p>of the progress of construction projects for comparison with the progress measuring using input method. In addition, I also checked actual costs against supporting documents, tested the calculation of the progress of work based on actual construction costs incurred, and compared the progress as evaluated by the project engineer to the progress based on actual construction costs incurred.</p>
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C) FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

Opinion

I have audited the financial statements of Asia Precision Public Company Limited and its subsidiaries (the Group), which comprise the consolidated and separate statements of financial position and as at December 31, 2022, the related consolidated and separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated financial statements and notes to the separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Asia Precision Public Company Limited and its subsidiaries and Asia Precision Public Company Limited as at December 31, 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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



Key audit matters	Audit procedures respond risk
<p>Revenue recognition by percentage of work completion, valuation of work, and service cost estimated</p> <p>The Company has revenues from construction contracts which are recognized when the Company satisfies a performance obligation according to the contract over time by transferring control of asset from construction to a customer based on input method which is calculated from the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The management is required to make significant judgments in the estimation of the construction project costs.</p> <p>Therefore, the key audit matter is the accuracy and occurrence of calculation and recognition of revenues from construction contracts over time based on input method and the accuracy of recognition of total relevant costs of construction.</p>	<p>I have performed in accordance with Thai Standard on Auditing 600, “Special considerations — audits of group financial statements (including the work of component auditors)”. that is, I have jointly planned and supervised key audit guidelines and sent questionnaires to other auditors who audited the financial statements of that subsidiary whose accounts were included in the financial statements of that subsidiary. In addition, I would like to see the audit paper of that auditor as well, which contains:</p> <ul style="list-style-type: none"> • Understanding the revenue recognition process and internal control related to the estimation of total costs of construction, calculation and recognition of revenues from construction contracts over time based on input method which is calculated from the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. • Testing design and implementation and operating effectiveness of the internal control relating to the estimation of total costs of construction, calculation and recognition of revenues from construction contracts over time based on input method. • Performing substantive testing as follows: <ul style="list-style-type: none"> - Testing terms and condition of the construction contract, testing supporting documents and assumptions used in the estimation of total costs of construction. - Testing calculation of revenues from construction contracts based on input method and performing an analysis of proportion of significant components of costs of construction contracts and the estimation of total costs of construction. - Observing at sites of the construction projects to consider the progress of the construction projects against the progress as reported in the construction progress report. - Testing costs of construction incurred during the year and near the year end with supporting documents.



Key audit matters	Audit procedures respond risk
<p>Bitcoin Mining Business</p> <p>1. Measurement of assets with indications of impairment</p> <p>As disclosed in Note 13 to the financial statements, the Group has fixed assets related to the bitcoin mining business. which consists of plant and equipment of a subsidiary consisting of two mines that are considered to be the same cash-generating unit. As at December 31, 2022, the book value of assets in such business according to the consolidated financial statements amounted to Baht 614 million, representing 63 % of the property, plant and equipment and representing 63 % of total assets in the consolidated financial statements. During the year 2022, Bitcoin price (digital assets) has decreased, the company has made an estimate of the recoverable value of the cash-generating unit as of December 31, 2022. I have focused on the materiality of the amount from the estimation related to the recoverable amount, and the use of discretion in estimating future bitcoin selling prices against internationally accepted reference data.</p> <p>2. Measurement of intangible assets – digital assets</p> <p>As disclosed in Note 17 to the financial statements, the Group has intangible assets – digital assets generated from bitcoin mining of subsidiaries as of December 31, 2022. The book value in the consolidated financial statements amounted to Baht 37 million, representing 0.82% of total assets for the consolidated financial statements. I am interested in the reliability of the source of information that the Group has referenced in the measurement and the estimation of the recoverable amount at the end of the period.</p> <p>3. Revenue recognition from digital assets</p> <p>The Group has revenues from digital assets from bitcoin mining in the amount of 43 million baht in the consolidated financial statements for the year ended December 31, 2022. I am interested in the credibility of the sources of information that the Group uses to record mining revenue recognition, as well as the collection and reporting processes.</p> <p>Consequently, I consider that this is a key audit matter.</p>	<p>I have performed in accordance with Thai Standard on Auditing 600, “Special considerations — audits of group financial statements (including the work of component auditors)”. that is, I have jointly planned and supervised key audit guidelines and sent questionnaires to other auditors who audited the financial statements of the subsidiary companies that have the items in items 1 to 3 in the financial statements of the subsidiary.</p> <p>In addition, I also asked to see the audit paper of that auditor, and know that The subsidiary's management has arranged for the accounting under the digital asset mining business, I.e. building and equipment, digital assets which has credible evidence.</p> <p>The consideration of asset impairment by considering the recoverable amount from future estimates and reference to reliable information at an international level, and the recognition of revenue from digital assets is in accordance with financial reporting standards, with reports from internationally recognized programs</p>

Emphasis of Matter

I draw attention to Note 33.3 of the notes to financial statements, which describes the contingent liabilities as a result of the subsidiary being notified by a hirer regarding the claim for damages under service agreement. The subsidiary is currently negotiating with the hirer on such claim. However, I do not express a conditional opinion on this matter.

D) FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023



Opinion

I have audited the accompanying consolidated and separate financial statements of ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES (the Group) and of ASIA PRECISION PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES and of ASIA PRECISION PUBLIC COMPANY LIMITED as at 31 December 2023, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Revenue recognition from construction contracts

As mentioned in note to financial statements no 5.16 (b) and no 32 relating to revenue recognition from construction as presented in the consolidated financial statements amount of Baht 1,113 million. Revenue from construction is recognized when the Group has performed its obligations throughout the contract by transferring control of the construction assets to the customer. Revenue from construction is recognized by the inputs method, which is calculated in proportion to the cost of the contract works incurred up to date. It has risk that the Group does not appropriately recognize revenue from construction. Therefore, I have considered as key audit matter.



I have obtained on assurance in respect of revenue from construction of the Group by.

- Obtaining an understanding relating to revenue recognition from construction method , taking into consideration performance obligation of construction contract and relating to internal control system.
- Reviewing designing and testing significant control system relating to revenue recognition
- Performing analytical review revenue from construction incurred
- Randomly checking revenue from incurred during the year and at the end of the year including credit note issued after reporting period and
- Reviewing journal voucher to find out non-recurring transaction possibly incurred of revenue from construction

Valuation method of fixed assets relating to digital currency.

As disclosed in note to financial statements no 14, the Group has fixed assets related to the Bitcoin mining business consisting of building and equipment of subsidiary considered as same unit of cash generating assets. As at December 31,2023, the book value of assets in such business has material amount in the consolidated financial statements. During 2023, the price of Bitcoin had high fluctuation, I therefore, have paid much attention.

- Obtaining an understanding digital currency business and valuation method of fixed assets relating to bitcoin mining business.
- Reviewing valuation method and checking the accuracy of data of fixed assets relating to bitcoin mining business prepared by the Group.

4. Financial Ratio

Ration	Separate financial statement			Consolidated financial statement		
	2021	2022	2023	2021	2022	2023
<u>Liquidity Ratio</u>						
Current ratio (times)	146.20	106.52	1.12	1.75	1.94	1.18
A/R turnover ratio (times)	N/A	N/A	N/A	1.49	1.29	0.77
Inventory turnover ratio (times)	N/A	N/A	N/A	9.42	16.32	36.87
A/P turnover ratio (times)	N/A	N/A	N/A	1.32	1.63	1.27
<u>Profitability Ratio</u>						
Gross Margin (%)	N/A	35.91	N/A	12.72	(3.87)	6.70
Net Profit Margin ratio (%)	(6.55)	207.77	70.20	14.76	(6.16)	5.88
Return on Equity (%)	(0.08)	4.51	7.51	10.99	(5.94)	5.51
<u>Efficiency Ratio</u>						
Return on Asset (%)	(0.08)	3.67	5.54	6.11	(2.78)	2.39
Return on Fixed Asset (%)	14.81	1,274.48	1,372.00	41.22	(3.64)	19.42
<u>Financial Policy Ratio</u>						
Debt to Equity ratio (times)	0.01	0.45	0.42	0.81	1.12	1.11
Time interest earned ratio (times)	N/A	151.08	0.39	26.43	(20.13)	(4.90)



4

Data Authentication



Data Authentication

The Company has carefully reviewed the information in this Annual Report. The Company endorses that such information is correct, complete, and does not mislead others or lack of essential information that should be reported. Furthermore, the Company endorses that:

- (1) Financial statements and financial information summarized in the Annual Report presents accurate and complete information on essential matters relating to the financial position performance and cash flows of the Company and its subsidiaries.
- (2) The Company has established a proper information disclosure system to ensure that the company and its subsidiaries disclose essential information correctly and completely, as well as to control and supervise the implementation of the system.
- (3) The Company has set up a proper internal control system and supervises to ensure compliance with the system. The company has informed the results of internal control system assessment to financial auditors and the audit committee on December 31, 2023. This covers deficiencies and significant changes in the internal control system, including wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified, the Company has assigned Mrs. Pimparuda Pitakteeratham and Mr. Prasit Hanpiyavatanasakul to sign on every page of the document. For any documents that do not contain the signature of assigned Mrs. Pimparuda Pitakteeratham and Mr. Prasit Hanpiyavatanasakul, the Company will assume that it is not the information that the Company has certified.

Name	Position	Signature
1. Mrs. Pimparuda Pitakteeratham	Authorized Director / Chairman of Executive Committee / Chief Executive Officer / Acting Managing Director	
2. Mr. Prasit Hanpiyavatanasakul	Authorized Director / Executive Committee / Chief Finance Officer	



Assignee

Name	Position	Signature
1. Mrs. Pimparuda Pitakteeratham	Authorized Director / Chairman of Executive Committee / Chief Executive Officer / Acting Managing Director	
2. Mr. Prasit Hanpiyavatanasakul	Authorized Director / Executive Committee / Chief Finance Officer	



Section 89/20 Securities and Exchange Act B.E. 1992, which was amended by Securities and Exchange Act (No.4) B.E. 2008, stipulates that directors and executives must jointly be responsible damage caused for any person who trades in the Company's securities due to disclosure to shareholders or the general public that is materially false or conceals material facts that should have been disclosed in the case of financial statements and reports relating to the financial position and results of operations of the Company under Section 56. The responsibilities are not limited to only the Authorized Directors. Nevertheless, directors and executives who can prove that, by their position, cannot foresee the authenticity of the information or the lack of information that should be reported would not be guilty under section 89/20.



Directors and Executives



Mr. Narong Varongkriengkrai

Chairman of the Board /
 Chairman of the Audit Committee /
 Nomination and Remuneration Committee /
 Independent Director



Mrs. Ratana Anupasanant

Vice Chairman of the Board /
 Chairman of the Risk Management Committee /
 Audit Committee /
 Nomination and Remuneration Committee /
 Independent Director



**Maj.Gen Assoc.Prof
 Dr. Kriengchai Prasongsukarn**

Chairman of the Nomination
 and Remuneration Committee /
 Audit Committee /
 Independent Director



Mr. Apichart Karoonkornsakul

Director /
Authorized Director /
Risk Management Committee /
Chairman of Executive Committee



Mrs. Pimparuda Pitakteeratham

Director / Authorized Director /
Risk Management Committee /
Executive Committee / Managing Director /
Acting Chief Executive Officer



Mr. Suriyon Udcharchon

Director /
Executive Committee /
Risk Management Committee



Mr. Prasit Hanpiyavatanasakul

Director /
Authorized Director /
Risk Management Committee /
Executive Committee /
Chief Finance Officer



ATTACHMENT 1

Information of the Board of Directors,
Executives, Controlling Person, Chief Finance Office,
Authorized Supervising Accounting and Company Secretary



1. Information of the Directors, Executives, Controlling Persons and Company Secretary (as of 31 December 2023)

No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
1.	Mr. Narong Varongkriengkrai	Chairman of the Board / Chairman of the Audit Committee / Nomination and Remuneration Committee / Independent Director	73	- Bachelor of Mechanical Engineering, FACHHOCHSCHULE NIEDERRHEIN, GERMANY. - Master Mechanical Engineering, UNIVERSITAET SIEGEN, GERMANY. - Certification of Directors Accreditation Program (DAP 99/2012), Thai Institute of Directors	None	September 2022- Present 2011- September 2022 Feb 2019- Present 2016- Feb 2019 2014-Present 2012-Present	Chairman / Independent Director Vice Chairman / Independent Director Chairman of Audit Committee Audit Committee Nomination and Remuneration Committee Independent Director / Chairman of Audit Committee / Risk Management Committee / Nomination and Remuneration Committee Director Director Independent Director / Chairman of Audit Committee	Asia Precision PLC Thai Auto tool and Die PLC.	
2.	Mrs. Ratana Anupasanant	Vice Chairman of the Board / Audit Committee / Nomination and Remuneration Committee / Chairman of the Risk Management Committee / Independent Director	68	- Master of Business Administration (MBA), University of Detroit, Michigan, USA . - Bachelor of Law, Thammasat University - Bachelor of Business Administration, Thammasat	None	2016-Present 2017-Mar 2021 2016-2018 2022-Present 2022-Present 2021 – Present	Director Director Independent Director / Chairman of Audit Committee Director / Vice Chairman of the Board / Audit Committee / Nomination and Remuneration Committee / Chairman of the Risk Management Committee / Independent Director Director Nomination and Remuneration	Asia Precision PLC Thai - Germany Institute Bank of Thailand Nippon Kikai Engineering Co.,Ltd. Asia Precision PLC Asia Waste Energy Co.,LTD Chaopraya Mahanakorn PCL	



No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
				University - Graduate Diploma in Public Law, Thammasat University - Advanced Management Program (AMP 171) Harvard Business School, Harvard University, USA. - International Management Program (IMP) Sloan School of Management Massachusetts Institute of Technology, USA - Executive Development Program (EDP81) Kellogg School of Management Northwestern University, USA - Advanced Executive Program (AEP120) Kellogg School of Management Northwestern University, USA - Senior Executive Program, Class 6/2008, Capital Market Academy (CMA) - Director Accreditation Program (DAP 123/2016), Thai Institute of Directors - Director Certification Program			Committee / Independent Director / Chairman of Nomination and Remuneration Committee 2016 – Present Audit Committee / Independent Director / Chairman of Nomination and Remuneration Committee 2016 – 2020 Audit Committee / Independent Director / 2012 – Present 2010 – Present 2009 – Present 1997 – Present 2023	Techno Medical PCL Government Housing Bank Ramkhamhaeng University Krirk University Rangsit University Thammasat University Western University	

No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
				(DCP 224/2016), Thai Institute of Directors - Ethical Leadership Program (ELP 8/2017), Thai Institute of Directors - Anti-Corruption : The Practical Guide (ACPG 37/2017), Thai Institute of Directors - Advanced Audit Committee Program (AAP 26/2017), Thai Institute of Directors - Role of the Chairman Program (RCP 41/2017), Thai Institute of Directors - Board Matters and Trends (BMT 4/2017), Thai Institute of Directors - Risk Management Program for Corporate Leaders (RCL 9/2017), Thai Institute of Directors - Board that Makes a Difference (BMD) 5/2017, Thai Institute of Directors - Board Nomination and Remuneration Program (BNCP 3/2018), Thai Institute of Directors - Financial Statements for Director					



No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
				(FSD 35/2018), Thai Institute of Directors - Driving Company Success with IT Governance (ITG 7/2018), Thai Institute of Directors - Strategic Board Master Class (SBM 5/2018), Thai Institute of Directors - Corporate Governance Course For Directors and Executives - High Level of State-owned Enterprises and Public Organization Class 19/2018 Director and Executive Development Institute High-Level of government, King Prajadhipok's Institute - Digital Economy for Management (DE4M) 10/2019, IRDP - Successful Formulation & Execution of Strategy (SFE 31/2019), Thai Institute of Directors - Audit Committee Meeting of Listed Companies in 2021, SEC - Online discussion "Vision Challenges with the next step of					



No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
3.	Maj.Gen.Assoc.Prof.Kriengchai Prasongsukarn, MD.	Chairman of the Nomination and Remuneration Committee / Audit Committee / Independent Director	57	female referee, SEC - Easy Listening: Knowledge Accounting aspects that AC should not miss 2021-2022, SEC - Armed Forces Academies Preparatory School, Batch 27 - Doctor of Medicine Program (Second Class Honors) from Phramongkutklao College of Medicine. -Diploma, Thai Board of Surgery. -Diploma, Thai Board of Thoracic Surgery. - Directors Accreditation Program (DAP 93/2011), Thai Institute of Director - Directors Certification Program (DCP 155/2012), Thai Institute of Director	None	0.79	Sep 2022-present 25 Apr 2021- present 26 May 1997 – present 10 May 2010 – present Oct1 2015 – present Oct1 2018– present Oct1 2019– present Oct1 2020 - present	Chairman of Nomination and Remuneration Committee / Audit Committee Independent Director Surgeon Associate Professor-Expert Army Specialist Chief of staff Director of Army Institute of Pathology Director	Asia Precision Public Company Limited Phramongkutklao Hospital Phramongkutklao College of Medicine Royal Thai Army (Maj.Gen.) Phramongkutklao Medication Center Phramongkutklao Medication Center Fort Suranari Hospital
4.	Mr. Apichart Karoonkornsakul	Director / Risk Management Committee / Chairman of Executive Committee	61	- Bachelor of Business Administration (Marketing), Assumption University. - Master of MBA, University of Washington, USA. - Directors Accreditation Program (DAP 86/2010), Thai Institute of	None	2.49	1994-Present 2014-Present 2014-2023 2004-Present 1997-Present	Director / Chairman of Executive Director Director Risk Management Committee Chief Executive Officer Chairman of the Board, Chairman of Executive Director Director	Asia Precision PLC Qlustee Co., Ltd. Thephanyapa Co., Ltd.



No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
5	Mrs. Pimparuda Pitakteeratham	Director / Risk Management Committee / Executive Committee / Managing Director / Acting Chief Executive Officer (CEO)	40	Directors - Bachelor of Business Administration, International Program, Chulalongkorn University - Master of MSc Management, Cass Business School, United Kingdom - Certification of Directors Accreditation Program (DAP 185/2021), Thai Institute of Directors	None	0.13	1993-Present 1992-Present 2010-2023 2018-2023	Director Director Chairman of Executive Director Executive Director / Executive / Director	Demac Group Co., Ltd. Park Terrace Co., Ltd. Asia Precision A.T. Co., Ltd. Asia PrecisionTech Co., Ltd.
							2022-Present	Director/ Executive Director / Risk Management Committee / Managing Director	Asia Precision PLC.
							2023-Present	Acting Chief Executive Officer	A2 Technologies Mongolia LLC.
							2023-Present	Director/ Executive	A2 Technologies Vietnam Co., Ltd.
							2020-Present	Director/ Executive	A2 Water Management Co., Ltd.
							2018-Present	Chairman of the Board/ Executive	Cholkejj Sakol Co., Ltd.
							2017-Present	Chairman of the Board/ Executive	APCS Technologies Co., Ltd.
							2017-Present	Chairman of the Board/ Executive	APCS Technologies Co., Ltd.
							2016-Present	Director/ Chairman of Executive	A2 Technologies Co., Ltd.
							2016-Present	Director	AWS Asset Management Co., Ltd.
							2014-Present	Director	Pro Solar One for Society Co., Ltd.
							2018-Present	Director / Executive Director / Risk Management Committee	Asia Precision PLC
6.	Mr.-Suriyon Uddharchon	Director / Executive Committee / Risk Management Committee	57	- Bachelor of Engineering, Major Electronic Engineering, Chiang Mai University - Master of Science, Major Smart Grid Technology, School of	None	None	2023-Present 2020 -Present 2018-Present	Director / Executive Director / Executive Director / Executive	A2 Technologies Mongolia LLC. Cholkejj Sakol Co., Ltd A2 Water Management Co., Ltd.

No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
				Renewable Energy and Smart Grid Technology Naresuan University - Certification of Directors Accreditation Program (DAP 162/2019), Thai Institute of Directors			2017-Present 2016-Present	Director / Executive Director / Director / Nomination and Remuneration Committee / Executive	APCS Technologies Co., Ltd. A2 Technologies Co., Ltd.
7.	Mr. Prasit Hampiyavatanasakul	Director/ Risk Management Committee / Executive Committee / Chief Finance Officer (CFO)	52	- Bachelor of Accountancy, 2 nd class honors, University of the Thai Chamber of Commerce - Corporate Governance for Executives (CGE 21/2023), Thai Institute of Directors - Strategic CFO (SCFO) 10, The Stock Exchange of Thailand - Know and Advance Analysis to Financial Report no.2/66, Federation of Accounting Professions - The Art of CFO Leadership 2023, MAI Listed Company Association - Company Secretary Program (CSP 124/2021), Thai Institute of Directors - Boardroom Success through Financing & Investment (BFI	-	-	2023-Present 2023 2023 -Present 2022-Present 2022-Present 2022-Present 2021-Present 2019-2021 2006-2019	Director/ Risk Management Committee / Executive Committee / Chief Finance Officer Company Secretary Director/ Executive Director Director/Managing Director Director Director/Executive Committee / Company Secretary/ Executive Director/ Executive Committee / Executive (AVP Finance and Account) Director/ Executive/ Co-Branch Manager	Asia Precision PLC. A2 Technologies Mongolia LLC. Asia Waste Energy Co., Ltd. Green Energy Mining Co., Ltd. APCS Technologies Co., Ltd. A2 Technologies Co., Ltd. Unimit Engineering PCL Amec Larasia Sdn. Bhd. (IV) (Director) Foster Wheeler Management Operations Limited, South Korea Branch Foster Wheeler (Thailand) Limited,



No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
				9/2020), Thai Institute of Directors - Directors Accreditation Program (DAP 168/2020), Thai Institute of Directors - Chief Financial Officer in Practice Program 9/2019 - The Board's Role in Mergers and Acquisitions (BMA) 2/2022					Foster Wheeler International Corporation, Thailand, and Bangladesh Branch
8.	Mr. Krisda Mahasandana	Chief Operation Officer – Water Management	55	- Bachelor of Engineering (Water Resources Engineering), Kasetsart University - Master of Engineering (Environmental Engineering), Chulalongkorn University	None	None	2020 – Present	Chief Operation Officer – Water Management	Asia Precision PLC.
							2017 – Present	Managing Director	Cholkij Sakol Co., Ltd.
9.	MeeChai Thailand Law Office Co., Ltd. Ms.Duangdao Prasertsri	Company Secretary (Juristic Person) Responsible person in MeeChai Thailand Law Office Co., Ltd. in position Company Secretary	45	- Bachelor of Law, Chulalongkorn University - Company Secretary Program (CSP), Thai Institute of Directors	None	None	2001 - present	Legal and Contract Manager	MeeChai Thailand Law Office Co., Ltd. / Legal Consulting Business

Remark: Shares Held include Spouse and Child (Children) not over 20 years old

2. Details of position of executives and controlling person of the company and subsidiary (as of 31 December 2023)

	Name	Asia Precision Public Co., Ltd.	Subsidiary								
			A2 Technologies Co., Ltd.	APCS Technology Co., Ltd.	A2 Technologies Vietnam Co., Ltd.	A2 Technologies Mongolia LLC.	A2 Water Management Co., Ltd.	Cholkij Sakol Co.,Ltd.	Green energy mining Co., Ltd.	Asia Waste Energy Co., Ltd.	
1.	Mr. Narong Varongkriengkrai	PD,PA,N,ID									
2.	Mrs. Ratana Anupasanant	VPD,PR,A,N,ID									ID
3.	Maj.Gen.Assoc.Prof.Kriengchai Prasongsukarn, MD	PN,A,ID									
4.	Mr. Apichart Karoonkornsakul	D,PE,R,M									
5.	Mrs. Pimparuda Pitakteeratham	D,E,R,M	PD,PE,M	D,PE,M	D,M	D,PE,M	D,M	D,M	D,M	D,M	D,M
6.	Mr. Suriyon Udcharchon	D,E,R,M	D,E,M	D,E,M		D,E,M	D,M	D,M			
7.	Mr. Prasit Hanpiyavatanasakul	D,E,R,M	D,E,M			D,E,M		D,M	D,M	D,M	
8.	Mr. Thanakorn Pummaithong		E,M								
9.	Mr. Krissana Mahasantana	M						M			

Remarks :

Position	Board Of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive
Chairman	PD	PA	PE	PN	PR	-
Vice Chairman	VPD	-	-	-	-	-
Director	D	A	E	N	R	-
Independent Director	ID	-	-	-	-	-
Executive	-	-	-	-	-	M





ATTACHMENT 2

Details of Directors and Subsidiaries



Positions held by The Management and Authorized Controllers of Asia Precision Plc. and Subsidiaries for 2023

	Name	Asia Precision Public Co., Ltd.	Subsidiary							
			A2 Technologies Co., Ltd.	APCS Technology Co., Ltd.	A2 Technologies Vietnam Co., Ltd.	A2 Technologies Mongolia LLC.	A2 Water Management Co., Ltd.	Cholkij Sakol Co.,Ltd.	Green energy mining Co., Ltd.	Asia Waste Energy Co., Ltd.
1.	Mr. Narong Varongkriengkrai	PD,PA,N,ID								
2.	Mrs. Ratana Anupasanant	VPD,PR,A,N,ID								ID
3.	Maj.Gen.Assoc.Prof.Kriengchai Prasongsukam, MD	PN,A,ID								
4.	Mr. Apichart Karoonkornsakul	D,PE,R,M								
5.	Mrs. Pimparuda Pitakteeratham	D,E,R,M	PD,PE,M	D,PE,M	D,M	D,PE,M	D,M	D,M	D,M	D,M
6.	Mr. Suriyon Udcharchon	D,E,R,M	D,E,M	D,E,M		D,E,M	D,M	D,M		
7.	Mr. Prasit Hanpiyavatanasakul	D,E,R,M	D,E,M			D,E,M		D,M	D,M	D,M
8.	Mr. Thanakorn Pummaithong		E,M							
9.	Mr. Krissana Mahasantana	M						M		

Remarks:

Position	Board Of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive
Chairman	PD	PA	PE	PN	PR	-
Vice Chairman	VPD	-	-	-	-	-
Director	D	A	E	N	R	-
Independent Director	ID	-	-	-	-	-
Executive	-	-	-	-	-	M





ATTACHMENT 3

Details on the Head of Internal Auditor



Details on the Head of Internal Auditor (as of 31 December 2023)

Name	Position	Age (Year)	Education	Relationship with the Company	Shares Holding (%)	5 Years' Experience Background		
						Years	Position	Company
Ms. Parichad Kajohnklin	Internal Audit Manager	31	- Bachelor of Accountancy, (1st class honors), University of the Thai Chamber of Commerce - Master of Science, Faculty of Internal Auditing, University of the Thai Chamber of Commerce - Personal Data Protection Act for Internal Audit (PDPA for Internal Audit Class no. 15) - Internal Control Integrated Framework in COSO, Class no. 8	None	None	2023 – Present 2022 – 2022 2019 – 2022 2014 – 2018	Internal Audit Manager Chief Compliance Senior Finance and Accounting (Leader) Senior Auditor	Asia Precision PLC A2 Technology Co., Ltd. Globish Academia (Thailand) Co., Ltd. KPMG Phoomchai Audit Co. Ltd.



ATTACHMENT 4

Assets used in Business Incorporation and
Details of Asset Price Assessments



Assets used in Business Incorporation and Details of Asset Price Assessments

4.1 Fixed assets used In Business Incorporation

Fixed assets used in business incorporation of the Company and subsidiary companies based on the consolidated financial statements for the year ended 31st December 2023, the net book value less depreciation amounts to 1,039.97 million Baht with details as follows:

Type / Asset Nature	Ownership Type	Net book value less depreciation	Obligations
-Land and land improvements used for personnel development (Total land 1 Title Deeds, area 25-2-44 rais).	The Company owns	3,400,000.00	None
-Land for reservoir (Total land of 43 Title Deeds, area 438-2-97.5 rais)	The Company owns	309,351,837.65	Some comes with mortgage with a financial institution with the mortgage to be paid including constructions 271 million Baht.
Land Improvement	The Company owns	10,164,470.39	None
Total Land and land improvements		322,916,308.04	
Building and Building Improvement	The Company owns	59,658,101.08	None
Construction in progress	The Company owns	82,052,006.63	None
Machinery and Equipment	The Company owns	567,198,683.46	None
Furniture and Office Equipment	The Company owns	7,771,876.11	None
Motor Vehicles	The Company owns	369,732.52	None
Total		1,039,966,707.84	

4.1. Fixed assets used in business incorporation based on the financial statements specifically for Asia Precision Public Company as of 31st December 2023 have the net book value less depreciation of 13.40 million Baht.

Type / Asset Nature	Ownership Type	Net book value less depreciation	Obligations
Land used for personnel development (Total land 1 Title Deeds, area 25-2-44 rais).	The Company owns	4,184,226.81	None
Building and Building Improvement	The Company owns	7,534,555.84	None
Furniture and Office Equipment	The Company owns	1,677,459.74	None
Motor Vehicles	The Company owns	-	None
Total		13,396,242.39	



4.1.2 Fixed assets used in business incorporation based on the financial statements specifically for A2 Technologies Company Limited as of 31st December 2023

Type / Asset Nature	Ownership Type	Net book value less depreciation	Obligations
Building and Building Improvement	The Company owns	20,041,533.64	None
Construction in progress	The Company owns	14,063,145.75	None
Machinery and Equipment	The Company owns	42,958,767.62	None
Furniture and Office Equipment	The Company owns	5,590,404.58	None
Motor Vehicles	The Company owns	365,355.14	None
Total		83,019,206.73	

4.1.3 Fixed assets used in business incorporation based on the financial statements specifically for A2 Water Management Company Limited as of 31st December 2023

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Furniture and Office Equipment	The Company owns	52,171.58	None
Total		52,171.58	

4.1.4 Fixed assets used in business incorporation based on the financial statements specifically for A2 Technologies Vietnam Company Limited as of 31st December 2023

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Furniture and Office Equipment	The Company owns	17,290.15	None
Motor Vehicles	The Company owns	3,267.27	None
Total		20,557.42	

4.1.5 Fixed assets used in business incorporation based on the financial statements specifically for Cholkiy Sakol Company Limited as of 31st December 2023

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Land for reservoir (Total land of 43 Title Deeds, area 438-2-97.5 rais)	The Company owns	273,606,965.15	The Company has brought the land at factor cost by the amount of 271 million Baht to guarantee credits with a commercial bank. The Company has recorded a negative pledge with a

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
			commercial bank as a guarantee for long-term borrowing credits.
Land Improvement	The Company owns	1	None
Total Land and land improvements		273,606,966.15	
Building and Building Improvement	The Company owns	9,202,922.42	None
Machinery and Equipment	The Company owns	37,714,579.00	None
Furniture and Office Equipment	The Company owns	9,771.42	None
Construction in progress	The Company owns	-	None
Total		320,534,238.99	

4.1.6 Fixed assets used in business incorporation based on the financial statements specifically for Green Energy Mining Company Limited as of 31st December 2023

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Land Improvement	The Company owns	9,380,242.58	None
Building and Building Improvement	The Company owns	22,463,948.19	None
Cryptocurrency Mining and Equipment	The Company owns	488,979,445.16	None
Furniture and Office Equipment	The Company owns	425,888.76	None
Construction in progress	The Company owns	67,988,860.88	None
Total		589,238,385.57	

4.1.7 Fixed assets used in business incorporation based on the financial statements specifically for Asia Waste Energy Company Limited as of 31st December 2023

- None -

4.2 Details of Intangible Assets

As of 31st December 2023, intangible assets of the Company and subsidiary companies namely computer programs with the value according to the net book value of the consolidated financial statements, totaling 2.69 million Baht.

4.3 Investment Policy in Subsidiary Companies and Joint Subsidiary Companies

At present, the Company has incorporated and has main revenue from shareholding in other companies and there is no significance business incorporation of their own. Investments can be in domestic companies or foreign companies. A holding company will hold all shares or securities or more than 50 per cent of other companies with the



objective to control rather than to invest. The company established to specifically control another company is regarded as a Pure Holding Company.

The Company has a policy to invest in related businesses and promotes the business operations of the Company to enhance the business potentials. It also distributes risks from dependent on one particular group of customers, or one particular industry. At present, the Company has invested in 3 business groups.as follow:

1. Engineering Procurement Construction (“EPC”) (“Core Business”)
2. Water distribution business
3. Digital asset business operates on the bitcoin mining business



ATTACHMENT 5

Good Corporate Governance Policy
and Code of Conduct Business



Good Corporate Governance Policy and Code of Conduct Business

- The Corporate Governance Policy and Code of Conduct business are posted on the Company's website at <http://www.apcs.co.th>
- The Company has disclosed guidelines on corporate governance related to directors, shareholders and stakeholders in the topic "Corporate Governance".



ATTACHMENT 6

2023 Audit Committee's Report



2023 Audit Committee's Report

The Audit Committee, appointed by the Board of Directors, features 3 independent Directors, namely, Mr. Narong Varongkriengkrai as Chairman of the Audit Committee and Independent Mrs. Ratana Anupasanant and Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn, MD. It is for Audit Directors and Independent Directors. The term of office of the current Audit Committee has been renewed for another 3 years, Board of Directors' Meeting no.6/2022 on November 14, 2022, resolved approval which will complete that period on December 24, 2022, onward.

In the accounting cycle of 2023, the Audit Committee performed its duties under the scope of responsibilities in the charter approved by the Board, attending 4 meetings with the internal auditor and certified public auditor without presence of the executives. Every Audit Director attended all the four meetings. The Audit Committee had reported its review of the internal control, presented by the internal auditor and financial statements presented by the certified public auditor, and presented them with its opinions to the Board of Directors every quarter. Those can be summarized as follows:

1. Audit quarterly and annual financial statements of 2023, and the Audit Committee had similar opinions with the auditors that said financial reports had revealed complete and correct financial information in accordance with the accounting standards generally recognized.
2. Review of the internal control: The Audit Committee reviewed the internal audit reports, performed according to the annual audit plan, approved, covering significant working systems in APCS and reviewed the adequacy of the internal control in accordance with requirements by the Securities and Exchange Commission.
3. Audit to make sure that APCS observes the laws pertaining to securities and stock exchange and other related laws.
4. Consider operation information disclosure, audit, and offer opinions towards interrelated transactions or transactions that may trigger conflict of interest, agreement to make transactions whether it's reasonable and maximizes APCS business operation, transparent, correct, and complete data disclosure.
5. Screening a certified public auditor: The Audit Committee screened an auditor for APCS based on the applicant's independency, reliability, experience, track records and qualifications as well as appropriateness of the audit fees, and then made a proposal to the Board of Directors to present to the general assembly for shareholders to appoint an auditor for 2023.
6. Acknowledge and consider the results of the anti-corruption campaign and reviewing the audit of corruption according to the anti-corruption policy.
7. Review the charter and related policies of the Audit Committee and report performance results to the Board of Directors.

An evaluation in "self-evaluation of the Audit Committee" in 2023 showed that the Audit Committee had fulfilled its duties in accordance with the charter and under the scope of duties and responsibilities, assigned by the Board of Directors. The Audit Committee had worked prudently out of their knowledge, capability and independence without restrictions or conditions from corporate governance to ensure that APCS has an efficient management system in line with good governance principles, transparency, clarity, reliability and providing worthwhile advice on various matters concerned.

The Audit Committee has come to a conclusion that APCS has prepared correct financial statements in line with the accounting principles, generally recognized, has had adequate and efficient internal control and risk management without significant defects; complied with related legal provisions, rules and regulations; correctly disclosed interrelated transactions; complied with the good corporate governance principles in a sufficient, transparent and reliable manner; received no complaints about offenses or irregularities but regularly and continuously improved the quality of working systems in line with the prevailing business environment.



(Mr. Narong Varongkriengkrai)

Chairman of the Audit Committee

27 February 2024



ATTACHMENT 7

2023 Financial Statement



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Opinion

I have audited the accompanying consolidated and separate financial statements of ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES (the Group) and of ASIA PRECISION PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES and of ASIA PRECISION PUBLIC COMPANY LIMITED as at 31 December 2023, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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



Key Audit Matters

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

Revenue recognition from construction contracts

As mentioned in note to financial statements no 5.16 (b) and no 32 relating to revenue recognition from construction as presented in the consolidated financial statements amount of Baht 1,113 million. Revenue from construction is recognized when the Group has performed its obligations throughout the contract by transferring control of the construction assets to the customer. Revenue from construction is recognized by the inputs method, which is calculated in proportion to the cost of the contract works incurred up to date. It has risk that the Group does not appropriately recognize revenue from construction. Therefore, I have considered as key audit matter.

I have obtained on assurance in respect of revenue from construction of the Group by.

- Obtaining an understanding relating to revenue recognition from construction method , taking into consideration performance obligation of construction contract and relating to internal control system.
- Reviewing designing and testing significant control system relating to revenue recognition
- Performing analytical review revenue from construction incurred
- Randomly checking revenue from incurred during the year and at the end of the year including credit note issued after reporting period and
- Reviewing journal voucher to find out non-recurring transaction possibly incurred of revenue from construction

Valuation method of fixed assets relating to digital currency.

As disclosed in note to financial statements no 14, the Group has fixed assets related to the Bitcoin mining business consisting of building and equipment of subsidiary considered as same unit of cash generating assets. As at December 31,2023, the book value of assets in such business has material amount in the consolidated financial statements. During 2023, the price of Bitcoin had high fluctuation, I therefore, have paid much attention.

- Obtaining an understanding digital currency business and valuation method of fixed assets relating to bitcoin mining business.
- Reviewing valuation method and checking the accuracy of data of fixed assets relating to bitcoin mining business prepared by the Group.

Other Matter

The consolidated financial statements of ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES and the separate financial statements of ASIA PRECISION PUBLIC COMPANY LIMITED for the year ended 31 December 2022, presented herein as comparative information, were audited by another auditor whose report dated 28 February 2023, expressed an unqualified opinion on those statements.

Other Information

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

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

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



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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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



I also provide those charged with governance with a statement that I have complied with the Code of Ethics for Professional Accountants regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

D I A International Audit Co., Ltd.



(Mr. Joompoth Priratanakorn)

C.P.A. (Thailand)

Registration No. 7645

27 February 2024

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	7	213,179,968.09	214,369,225.36	78,888,007.33	52,062,509.43
Trade and other current receivables	6,8	1,133,682,278.01	867,851,194.67	10,264,631.51	2,161,366.84
Contract assets	9	847,253,283.12	960,454,039.98	-	-
Short-term loans to related parties	6	-	-	687,300,000.00	612,300,000.00
Inventories	10	22,181,996.61	53,677,717.26	-	-
Advances payment to suppliers and subcontractors		53,530,473.93	143,257,953.86	-	-
Derivatives	11	2,778,694.22	-	-	-
Assets classified as held for sale	12	-	877,245,389.69	-	329,999,970.00
Total current assets		2,272,606,693.98	3,116,855,520.82	776,452,638.84	996,523,846.27
Non-current assets					
Restricted bank deposits	19	12,637,011.84	12,062,448.36	-	-
Investments in subsidiaries	12	-	-	1,588,999,770.00	1,250,279,770.00
Investment property	13	3,252,787.35	3,252,787.35	-	-
Property, plant and equipment	14	1,039,966,707.84	1,075,503,855.95	13,396,242.39	5,427,989.36
Right under the raw water distribution contract	15	119,915,300.11	125,580,589.88	-	-
Right-of-use assets	24	43,072,599.03	44,481,028.98	6,605,543.79	-
Intangible assets	16	2,689,366.60	3,219,975.96	16,643.53	-
Digital assets	17	157,123,232.98	36,808,514.62	-	-
Deferred tax assets	18	53,596,128.99	40,338,844.68	38,840.58	-
Other non-current assets	19	79,527,559.74	50,303,427.09	1,517,910.27	178,845.42
Total non-current assets		1,511,780,694.48	1,391,551,472.87	1,610,574,950.56	1,255,886,604.78
Total assets		3,784,387,388.46	4,508,406,993.69	2,387,027,589.40	2,252,410,451.05

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term borrowings from financial institutions	20	56,196,552.35	109,717,322.73	-	-
Trade and other current payables	6,21	963,212,713.69	1,108,590,171.65	6,548,065.34	6,470,117.83
Short-term loan and interest payables from other companies	22	84,127,544.51	81,671,640.63	-	-
Current portion of long-term loan	23	16,401,768.00	18,000,000.00	-	-
Current portion of lease liabilities	24	12,034,804.66	12,154,196.86	1,506,989.71	-
Contract liabilities	9	96,665,761.12	143,687,122.27	-	-
Current portion of debenture	25	688,154,542.40	-	688,154,542.40	-
Income tax payable		2,276,149.39	90,728.25	-	-
Other current financial liabilities	11	-	10,424,192.29	-	-
Current provisions for employee benefit	26	-	2,885,000.00	-	2,885,000.00
Other current liabilities		70,000.00	-	-	-
Liabilities included in disposal groups classified as held for sale	12	-	116,065,283.75	-	-
Total current liabilities		1,919,139,836.12	1,603,285,658.43	696,209,597.45	9,355,117.83
Non-current liabilities					
Long-term loan	23	-	16,401,768.10	-	-
Lease liabilities	24	32,914,055.86	34,104,349.08	5,292,757.00	-
Debenture	25	-	682,607,673.41	-	682,607,673.41
Deferred tax liabilities	18	31,146,053.08	32,326,520.47	-	-
Non-current provisions for employee benefit	26	9,885,549.04	12,250,067.78	776,420.00	3,466,002.75
Other non – current liabilities		232,650.14	242,280.86	-	-
Total non – current liabilities		74,178,308.12	777,932,659.70	6,069,177.00	686,073,676.16
Total liabilities		1,993,318,144.24	2,381,218,318.13	702,278,774.45	695,428,793.99
Shareholders' equity					
Share capital					
Authorized share capital					
Ordinary shares Baht 1.00 par value 659,999,962 shares		659,999,962.00	659,999,962.00	659,999,962.00	659,999,962.00
Issued and paid share capital					
Ordinary shares Baht 1.00 par value 659,999,862 shares		659,999,862.00	659,999,862.00	659,999,862.00	659,999,862.00
Share premium		369,183,857.00	369,183,857.00	369,183,857.00	369,183,857.00
Retained earnings					
Appropriated					
Legal reserve	27	66,000,000.00	66,000,000.00	66,000,000.00	66,000,000.00
Unappropriated		587,539,841.05	602,083,602.27	589,565,095.95	461,797,938.06
Other components of shareholders' equity		101,598,928.56	125,294,461.83	-	-
Total shareholders' equity of the parent company		1,784,322,488.61	1,822,561,783.10	1,684,748,814.95	1,556,981,657.06
Non-controlling interests		6,746,755.61	304,626,892.46	-	-
Total shareholders' equity		1,791,069,244.22	2,127,188,675.56	1,684,748,814.95	1,556,981,657.06
Total liabilities and shareholders' equity		3,784,387,388.46	4,508,406,993.69	2,387,027,589.40	2,252,410,451.05

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit: Baht)				
Note	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit or loss:				
Revenues				
Revenues from Construction services	1,112,765,902.66	1,470,197,216.96	-	-
Revenues from sales and services	146,503,928.73	303,773,864.57	-	7,500,000.00
Revenues from digital assets	239,478,835.80	43,397,431.21	-	-
Profit from sale of investment	177,209,984.00	-	177,209,984.00	88,000,000.00
Profit from digital asset valuation	6,582,318.05	-	-	-
Gain from exchange rate	471,239.57	-	-	-
Other income	4,594,182.33	6,325,401.84	5,920,700.52	25,940,574.18
Total revenues	1,687,606,391.14	1,823,693,914.58	183,130,684.52	121,440,574.18
Expenses				
Costs of construction services	998,760,866.37	1,494,264,788.01	-	-
Costs of sales and services	143,454,748.24	320,612,145.93	-	4,806,767.66
Costs of digital assets	256,055,407.59	72,806,566.16	-	-
Administrative expenses	112,000,416.67	128,205,568.18	22,809,243.52	12,777,227.89
Other expenses	-	19,989,884.09	-	19,883.70
Total expenses	1,510,271,438.87	2,035,878,952.37	22,809,243.52	17,603,879.25
Operating profit (loss)	177,334,952.27	(212,185,037.79)	160,321,441.00	103,836,694.93
Interest income	286,908.61	-	47,103,808.08	-
Finance costs	29 (57,517,681.20)	(26,558,268.35)	(48,127,848.56)	(17,367,049.30)
Profit (Loss) before income tax expense	120,104,179.68	(238,743,306.14)	159,297,400.52	86,469,645.63
Tax (expense) income	18 (20,820,231.72)	25,345,838.94	(30,749,429.83)	(16,986,192.11)
Profit (Loss) for the year from continuing operation	99,283,947.96	(213,397,467.20)	128,547,970.69	69,483,453.52
Discontinued operation				
Profit (Loss) for the year from discontinued operation - net of income tax	-	110,532,497.71	-	-
Profit (Loss) for the year	99,283,947.96	(102,864,969.49)	128,547,970.69	69,483,453.52
Other comprehensive income from continuing operation				
Other comprehensive income to be reclassified				
to profit or loss in subsequent year:				
<i>Exchange differences on translating of financial statements</i>				
<i>in foreign currency</i>				
	(4,141,191.33)	(887,742.11)	-	-
<i>Other comprehensive income not to be reclassified</i>				
to profit or loss in subsequent year:				
Actuarial gain (loss)	244,876.20	536,819.40	(780,812.80)	-
Other comprehensive income for the year from continuing operations	(3,896,315.13)	(350,922.71)	(780,812.80)	-
Total comprehensive income for the year from continuing operations	95,387,632.83	(213,748,389.91)	127,767,157.89	69,483,453.52

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Other comprehensive income for the year		(3,896,315.13)	(350,922.71)	(780,812.80)	-
Total comprehensive income for the year		<u>95,387,632.83</u>	<u>(103,215,892.20)</u>	<u>127,767,157.89</u>	<u>69,483,453.52</u>
Profit (loss) from continuing operation attributable to					
Equity holders of the Company		99,069,220.43	(213,421,879.62)	128,547,970.69	69,483,453.52
Non – controlling interests		214,727.53	24,412.42	-	-
		<u>99,283,947.96</u>	<u>(213,397,467.20)</u>	<u>128,547,970.69</u>	<u>69,483,453.52</u>
Total comprehensive income from continuing operation attributable to					
Equity holders of the Company		95,172,905.30	(213,773,097.14)	127,767,157.89	69,483,453.52
Non – controlling interests		214,727.53	24,707.23	-	-
		<u>95,387,632.83</u>	<u>(213,748,389.91)</u>	<u>127,767,157.89</u>	<u>69,483,453.52</u>
Profit (loss) from discontinued operation attributable to					
Equity holders of the Company		-	101,133,291.35	-	-
Non – controlling interests		-	9,399,206.36	-	-
		<u>-</u>	<u>110,532,497.71</u>	<u>-</u>	<u>-</u>
Total comprehensive income from discontinued operation attributable to					
Equity holders of the Company		-	101,133,291.35	-	-
Non – controlling interests		-	9,399,206.36	-	-
		<u>-</u>	<u>110,532,497.71</u>	<u>-</u>	<u>-</u>
Basic earnings per share	31				
Basic earning (loss) per share from continuing operation		0.1504	(0.3234)	0.1948	0.1053
Basic earning (loss) per share from discontinued operation		-	0.1532	-	-
		<u>0.1504</u>	<u>(0.1702)</u>	<u>0.1948</u>	<u>0.1053</u>

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

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit: Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings		Unappropriated	
			Appropriated for Legal reserve	Unappropriated		
Balance as at 1 January 2022	659,999,862.00	369,183,857.00	66,000,000.00	431,912,658.26		1,527,096,377.26
Dividends payment	-	-	-	(39,598,173.72)		(39,598,173.72)
Total comprehensive income for the year	-	-	-	69,483,453.52		69,483,453.52
Balance as at 31 December 2022	659,999,862.00	369,183,857.00	66,000,000.00	461,797,938.06		1,556,981,657.06
Balance as at 1 January 2023	659,999,862.00	369,183,857.00	66,000,000.00	461,797,938.06		1,556,981,657.06
Total comprehensive income for the year	-	-	-	127,767,157.89		127,767,157.89
Balance as at 31 December 2023	659,999,862.00	369,183,857.00	66,000,000.00	589,565,095.95		1,684,748,814.95

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit: Baht)

Consolidated financial statements											
Shareholders' equity of the parent company											
Other components of shareholders' equity											
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings		Exchange differences on translating of financial statement in foreign currency	Change in the interest of the parent in subsidiary	Total other components of shareholders' equity	Total equity of the parent company	Non – controlling interests	Total shareholders' equity	
			Appropriated for Legal reserve	Unappropriated							
Balance as at 1 January 2022	659,999,862.00	369,183,857.00	66,000,000.00	753,433,839.67	5,731,383.86	101,146,478.10	106,877,861.96	1,955,495,420.63	6,507,320.85	1,962,002,741.48	
Change in the interest of the parent in subsidiary	-	-	-	-	-	19,304,341.98	19,304,341.98	19,304,341.98	-	19,304,341.98	
Decreased non-controlling interests from sale of investment	-	-	-	-	-	-	-	-	288,695,658.02	288,695,658.02	
Dividend payment	-	-	-	(39,598,173.72)	-	-	-	(39,598,173.72)	-	(39,598,173.72)	
Total comprehensive income for the year	-	-	-	(111,752,063.68)	(887,742.11)	-	(887,742.11)	(112,639,805.79)	9,423,913.59	(103,215,892.20)	
Balance as at 31 December 2022	659,999,862.00	369,183,857.00	66,000,000.00	602,083,602.27	4,843,641.75	120,450,820.08	125,294,461.83	1,822,561,783.10	304,626,892.46	2,127,188,675.56	
Balance as at 1 January 2023	659,999,862.00	369,183,857.00	66,000,000.00	602,083,602.27	4,843,641.75	120,450,820.08	125,294,461.83	1,822,561,783.10	304,626,892.46	2,127,188,675.56	
Change in the interest of the parent in subsidiary	-	-	-	(113,857,857.85)	-	(19,554,341.94)	(19,554,341.94)	(133,412,199.79)	-	(133,412,199.79)	
Decreased non-controlling interests from sale of investment	-	-	-	-	-	-	-	-	(298,094,864.38)	(298,094,864.38)	
Total comprehensive income for the year	-	-	-	99,314,096.63	(4,141,191.33)	-	(4,141,191.33)	95,172,905.30	214,727.53	95,387,632.83	
Balance as at 31 December 2023	659,999,862.00	369,183,857.00	66,000,000.00	587,539,841.05	702,450.42	100,896,478.14	101,598,928.56	1,784,322,488.61	6,746,755.61	1,791,069,244.22	

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

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit (loss) before income tax expense from continuing operations	120,104,179.68	(238,743,306.14)	159,297,400.52	86,469,645.63
Profit (loss) before income tax expense from discontinued operations	-	123,817,354.69	-	-
Adjustment to reconcile profit (loss) before income tax expense to net cash provided (paid) from operating activities				
Interest received	(286,908.61)	(685,133.40)	(47,103,808.08)	(25,940,574.18)
Depreciation and amortization	122,985,338.63	80,048,517.74	2,376,349.69	56,687.03
(Reversal) Allowance for impairment of digital assets	(6,582,318.02)	6,585,958.23	-	-
Unrealized loss (gain) on foreign exchange	(15,136,917.00)	6,641,256.29	-	-
(Gain) from sale of assets	(26,168.22)	10,698,817.33	(26,168.22)	-
(Gain) from sale of investment in subsidiary	-	-	(177,209,984.00)	(88,000,000.00)
Gain on termination of lease	-	(12,605.92)	-	-
Provision for long-term employee benefits	3,413,813.26	6,215,012.45	629,604.45	1,592,136.54
(Gain) Loss from changes in fair value of derivatives	-	12,355,601.55	-	-
(Reversal) Allowance for expected credit losses	-	(234,447.66)	-	-
(Reversal) Adjusted loss on value of goods	-	4,301,644.55	-	-
(Reversal) Impairment loss recognized in profit or loss	-	965,274.90	-	-
Finance costs	57,517,680.92	28,224,106.63	48,127,848.56	17,367,049.30
Profit (loss) from operations activities before changes in assets and operating liabilities	281,988,700.64	40,178,051.24	(13,908,757.08)	(8,455,055.68)
(Increase) decrease from operating assets				
Trade and other receivables	901,722,469.27	(227,129,494.28)	(814,939.89)	(666,729.49)
Contract assets	(847,253,283.12)	-	-	-
Digital assets	(113,732,400.34)	(43,394,472.85)	-	-
Inventories and construction supplies	(53,530,473.93)	29,407,130.87	-	-
Other current assets	15,459,742.12	4,741,723.04	-	2,000.00
Other non-current assets	(11,496,394.52)	-	(524,124.96)	-
Increase (decrease) from operating liabilities				
Trade and other current payables	(404,726,174.56)	114,657,318.72	(30,710,322.90)	193,025.34
Contract liabilities	84,511,564.26	-	-	-
Provision for loss on construction projects	-	18,414,339.41	-	-
Other current financial liabilities	(106,069,812.51)	(4,596,507.32)	-	-
Net cash from (used in) operating activities	(253,126,062.69)	(67,721,911.17)	(45,958,144.83)	(8,926,759.83)
Interest received	286,908.61	658,133.40	39,000,543.41	25,940,574.18
Cash paid for interest expense	(53,447,375.73)	(9,106,404.74)	(42,580,979.57)	(88,397.25)
Proceed from refund of corporate income tax	-	4,884,294.69	-	-
Cash Paid for corporate tax	(18,634,810.58)	(94,499,666.11)	-	(18,285,537.33)
Cash paid for employee benefit	(8,663,332.00)	(1,304,880.00)	(6,985,000.00)	(2,359,360.82)
Net cash provided by (used in) operating activities	(333,584,672.39)	(167,090,433.93)	(56,523,580.99)	(3,719,481.05)

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE MONTH YEAR ENDED 31 DECEMBER 2023

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales of investments in subsidiaries	507,209,954.00	308,000,000.00	507,209,954.00	308,000,000.00
(Increase) decrease restricted bank deposits	(12,637,011.84)	2,597,140.34	-	-
Cash paid to shares for investment	-	(441,686,914.11)	(338,720,000.00)	(650,279,800.00)
Proceeds from short-term loans to related parties	-	-	(229,000,000.00)	(740,000,000.00)
Cash paid for loans to related parties	-	-	-	(385,000,000.00)
Cash received for loans to related parties	-	-	154,000,000.00	870,000,000.00
Cash received from sale property, plant and equipment	8,820,862.28	1,547,480.46	400,000.00	-
Cash paid to purchase property, plant and equipment	(94,090,925.74)	(197,483,742.56)	(8,968,154.35)	-
Cash paid to purchase intangible assets	(212,919.53)	(1,395,271.56)	-	-
Net cash provided by (used in) investing activities	409,089,959.17	(328,421,307.43)	84,921,799.65	(597,279,800.00)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Increase (decrease) bank overdrafts and short-term borrowings				
from financial institutions	(53,520,770.38)	(13,692,659.15)	-	-
Cash received for the related person and related parties borrowings	-	-	-	91,500,000.00
Cash paid from borrowings from related person and related parties	-	-	-	(91,500,000.00)
Cash received from issuing debentures	-	691,700,000.00	-	691,700,000.00
Payment of principal portion of lease liabilities	(5,173,773.57)	(90,745,253.66)	(1,572,720.76)	-
Repayment of long-term loan from financial institution	(18,000,000.10)	(13,500,000.09)	-	-
Cash paid for financial costs	-	(22,702,032.89)	-	(22,702,032.89)
Dividends payment	-	(39,598,173.72)	-	(39,598,173.72)
Net cash provided by (used in) financing activities	(76,694,544.05)	511,461,880.49	(1,572,720.76)	629,399,793.39
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
<i>BEFORE EFFECTS OF EXCHANGE RATES</i>				
	(1,189,257.27)	15,977,139.13	26,825,497.90	28,400,512.34
EFFECTS OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	-	(887,578.51)	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,189,257.27)	15,089,560.62	26,825,497.90	28,400,512.34
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	214,369,225.36	596,386,988.05	52,062,509.43	23,661,997.09
CASH AND CASH EQUIVALENTS END OF YEAR FROM CONTINUING OPERATION	-	(397,107,323.31)	-	-
CASH AND CASH EQUIVALENTS END OF YEAR	213,179,968.09	214,369,225.36	78,888,007.33	52,062,509.43

Additional cash flow disclosures:

Non-cash are significant in the consolidated and separate financial statements are as follows:

Right-of-use assets increased by lease liabilities	14,747,283.73	23,077,900.80	-	-
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The accompanying notes to the consolidated financial statements are an integral part of the financial statements.

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. NATURE OF OPERATIONS

Asia Precision Public Company Limited (“the Company”) is incorporated and domiciled in Thailand. The Company is listed on Stock Exchange of Thailand. The address of the Company’s registered office is 223/53 Country complex Tower A, 13 floor, Sanphawut Road, Bangno-Tai, Bangna, Bangkok.

As at 31 December 2023, the Company has the largest shareholder is Advance Web Studio Co., Ltd. held 22.12% (As at 31 December 2022 held 22.12%)

The Company, subsidiaries and joint venture (“the Group”) is principally engaged in engineering and construction businesses both domestically and internationally, Construction contractor for a waste-to-energy power generation project, The digital asset business operates on the bitcoin mining business, Water distribution business and Including parts manufacturing.

On 23 August 2023, the Group established a subsidiary in Mongolia to provide Engineering Procurement Service on behalf of A2 Technologies Mongolia LLC and A2 Technologies Company Limited, which are direct shareholders of A2 Technologies Mongolia LLC where the company has 100 percent of the shareholding.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

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.

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand or million unless otherwise stated.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that the revision of this standard will not have any significant impact on the Group financial statements.

4. BASIS FOR PREPARATION OF THE CONSOLIDATION FINANCIAL STATEMENT

4.1 The consolidated financial statements include the financial statements of Asia Precision Public Company Limited and its subsidiaries which are under its control with more than 50 percent voting rights as follows:

Direct and Indirect Subsidiaries Company	Nature of business	Country of incorporation	Percentage of holding (%)	
			2023	2022
<u>Direct Subsidiaries Company</u>				
A2 Technologies Company Limited	Providing services in Engineering Service, Automation Solution, Project Construction Services and provide maintenance services for all types of renewable energy power plants.	Thailand	100.00	100.00
Asia Precision A.T. Company Limited (The related party transaction ended on January 4, 2023.)	Manufacturing and sales of metal parts.	Thailand	-	100.00
Green energy mining Company Limited	Trading, mining, cryptocurrency exchange.	Thailand	100.00	100.00
Asia waste energy Company Limited	Provide engineering service, project construction service and maintenance service for renewable energy power plants from biomass fuel.	Thailand	100.00	100.00

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Direct and Indirect Subsidiaries Company	Nature of business	Country of incorporation	Percentage of holding (%)	
			2023	2022
APCS Technologies Company Limited (The direct subsidiary started on October 1, 2023)	Distribution of materials, equipment, and spare parts are used for the structural construction of electrical enterprises and various energy businesses. Water treatment plants, water purification plants and chemical equations, environmental and design service. Engineering consulting services.	Thailand	100.00	-
A2 water management Company Limited (The direct subsidiary started on October 1, 2023)	Provision of construction services for projects related to utility systems.	Thailand	100.00	-
<u>Indirect Subsidiaries Company</u> (Held by Asia Precision A.T. Company Limited)				
Asia Precision Tech Company Limited (The related party transaction ended on January 4, 2023)	Manufacturing and sales of metal parts.	Thailand	-	100.00
<u>Indirect Subsidiaries Company</u> (Held by A2 Technologies Company Limited)				
Chonlakisakol Company Limited.	Production and distribution of raw water.	Thailand	98.12	98.12
APCS Technologies Company Limited (The direct subsidiary started on October 1, 2023)	Distribution of materials, equipment, and spare parts are used for the structural construction of electrical enterprises and various energy businesses. Water treatment plants, water purification plants and chemical equations, environmental and design service. Engineering consulting services.	Thailand	-	100.00
A2 water management Company Limited (The direct subsidiary started on October 1, 2023)	Provision of construction services for projects related to utility systems.	Thailand	-	100.00
A2 Technologies Vietnam Company Limited	Provision of construction consultancy and construction services.	Vietnam	100.00	100.00
A2 Technologies Mongolia LLC	Providing engineering procurement services.	Mongolia	100.00	-



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

- 4.2 Subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly through other subsidiaries, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
- 4.3 Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- 4.4 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- 4.5 Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- 4.6 The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- 4.7 Non – controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 4.8 The separate financial statements, prepared for the public use, present investments in subsidiaries under the cost method.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Cash and cash equivalents

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

5.2 Finished goods and work in process

Finished goods and work in process are valued at the lower of cost calculated by moving average or net realizable value. The costs of purchased inventories cost directly attributed to the acquisition of goods, direct labor, other direct costs and an appropriate share of production overheads based on normal operating capacity.

Raw materials are valued at the lower of cost calculated by moving average and net realizable value and are charged to production costs and cost of services whenever consumed. The costs of purchased inventories comprise of the purchase price, conversion cost and other costs directly attributed to the acquisition of goods.

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Allowance for diminution in value of inventories is recorded by considering obsolete inventories and slow – moving inventories.

5.3 Financial instruments

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

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortized cost

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

Financial assets at amortized cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in profit or loss.

Such financial assets include derivatives.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Group takes into account any discounts or premiums on



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

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

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Offsetting of financial instruments

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

5.4 Derivatives and hedge accounting

The Group uses derivatives such as forward foreign exchange contracts to hedge its exposure to fluctuations in foreign exchange rates.

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes including interest income are recognized in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5.5 Investments in subsidiary companies

Investments in subsidiary companies in the separate financial statements are recorded under the cost method net by the allowance for impairment (if any) and the recognition of the change in the investment in profit or loss is recorded when the investment is disposed or the impairment of the investment incurred.

5.6 Disposal assets (liabilities) groups classified as held for sale

Disposal assets (liabilities) groups is classified as held for sale if its carrying value will be recovered principally through a sale transaction rather than through continuing use, such asset (liabilities) is available for immediate sale in its present and its sale is highly probable.

Disposal assets (liabilities) groups classified as held for sale is measured at the lower of its carrying value and fair value less costs to sell.

5.7 Investment property

Investment property is measured initially at cost, including directly attributable costs and borrowing costs. Subsequently, they are carried at cost less accumulated depreciation and impairment. Land is not depreciated.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses of assets (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self – constructed assets include the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income or other expense in profit or loss.

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

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight – line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

	<u>Useful life (years)</u>
Building and building improvements	25 –30
Machinery and equipment	5 – 10
Land improvement	5 – 20
Furniture and office equipment	4 – 10
Vehicles	4 – 5

No depreciation is provided on land or assets under construction.

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5.9 Intangible assets

Intangible assets are shown at cost less by accumulated amortized expense and allowance for impairment (if any) of that asset. Amortization is calculated over the cost of the assets less its residual value (if any). Amortization is recognized in profit or loss on a straight – line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

	<u>Useful life (years)</u>
Computer Software	3 – 10

No amortization of intangible assets during installation

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

5.10 Digital assets

Revenue and expense recognition

Revenue from cryptocurrency mining

The Group, together with the Bitcoin mining pool, provides verification and validation of blockchain transactions and is compensated with cryptocurrencies by the Bitcoin mining pool. Revenue from cryptocurrency mining is recognised when the Group has provided a service and received cryptocurrency from the Bitcoin mining pool, at the fair value of the cryptocurrencies on the date of receipt, measured at the closing price on www.coinmarketcap.com (“CoinMarketCap”), a central source for cryptocurrency prices.

Cryptocurrency assets

The cryptocurrency business is a new business globally and there are not yet any directly applicable financial reporting standards. Therefore, since the Group considers the objective of investing in cryptocurrency assets to be for long-term investment. The Group has adopted the principles of TAS 38, Intangible Assets, and classifies them as non-current assets.

The Group initially recognises cryptocurrency assets at cost, which is the fair value on the asset on the date of receipt. Following initial recognition, the assets are carried at cost (weighted average method) less any accumulated impairment losses (if any). The Group does not amortise cryptocurrency assets because they are indefinite useful lives. The assessment of their status with indefinite useful lives is reviewed annually.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

At the end of each reporting period, the Group performs impairment reviews on cryptocurrency assets. An impairment loss is recognized when the carrying amount is higher than the asset's fair value at the end of the reporting period, with fair value measured using the closing price at the end of the reporting period on CoinMarketCap and converted into Thai baht at the exchange rate at the end of the period from the Bank of Thailand.

Cryptocurrency assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.11 Leases

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

The Group as a lessee

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

Right – of – use assets

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

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

	<u>Useful life (years)</u>
Building	2 - 8
Vehicle	3

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



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Lease liabilities

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

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

Short – term leases and leases of low – value assets

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

5.12 Impairment of assets

Impairment of assets, the carrying amounts of the Group's assets are reviewed at each financial reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash – generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

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

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

5.13 Trade and other accounts payable

Trade and other accounts payable are stated at cost.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5.14 Employee benefits

Short – term employee benefits

The Group recognizes salaries, wages, bonuses and contributions to Social Security Fund as expense when incurred.

Post – employment benefits (Defined contribution plans)

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group' contributions are recognized as expenses in profit or loss in the in which they aside.

Post – employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments, under labor law and benefits for the long service. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plans is determined by a professionally qualified actuary based on actuarial techniques, using the projected unit credit method on a regular basis. The projected unit credit method considers each of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs are recognized on a straight – line basis over the average until the amended benefits become vested.

Actuarial gains and losses arising from post – employment benefits are recognized immediately in other comprehensive income in the in which they arise and accumulated amounts are recognized as retained earnings in equity.

Other long – term employment benefits

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the obligation and be recognized as a liability in the statements of financial position. Current service cost, past service cost, net interest on the net defined benefit liability are recognized as expenses in profit or loss. Remeasurements of the net other long – term benefit liability or asset, including actuarial gains and losses are recognized in profit or loss immediately.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

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5.15 Provision

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

5.16 Revenue recognized

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates with the following policies:

a) Sale of goods

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore the amount of revenue recognized is adjusted for estimated returns, which are estimated based on the historical data.

b) Revenues from construction contract

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. Construction revenue is recognized when the company fulfills an obligation to fulfill a contract over the period by assigning control over the construction assets to the customer. Revenues from construction contract will be recognized over time on an input method based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. It is considered a reasonable method to mirror the transfer of the service.

When the outcome of a construction contract cannot be estimated reliably, revenue from construction contract is recognized only to the extent of contract costs incurred that it is probably will be recoverable.

Contract loss

When it is probable that total contract costs will exceed total contract revenue, the Group will recognize the expected loss on a contract in the statement of profit or loss and other comprehensive income.



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Unbilled construction revenues and unearned construction revenues

The Group becomes entitled to invoice customers for construction based on achieving a series of performance – related milestones. When a particular milestone is reached the customer is sent a relevant statement of work signed by a third – party assessor and an invoice for the related milestone payment. The Group recognizes unbilled construction revenues as part of trade and other current receivable in the statement of financial position. Such amount will be classified as trade receivables which it is invoiced to the customer. If the milestone payment exceeds the revenue recognized to date under the input cost method, the Company recognizes different amount as unearned construction revenues in the statement of financial position.

Work in progress

Costs that relate to future activity on the contract are recognized as work in progress provided it is probable that they will be recovered.

- c) Service income is recognized when the services are completed and delivered.
- d) Interest and other income are recognized on an accrual basis.
- e) Revenue from digital assets is recognized when returns are earned from mining the digital assets.

5.17 Expenses recognized

Expenses are recognized in profit or loss on an accrual basis.

5.18 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly – controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

5.19 Segment information

Business segments provide products and services that are subject to risks and returns that are different from those of other business segments. Geographic segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

Segment information is presented in business segments consist of; investment, Manufacture and sale of metal parts, construction, production and distribution of raw water distribution of materials and spare parts for the construction and construction consultation. Revenue less than 10 percent of total revenue, the consolidated financial statements not present information in segment information.

5.20 Basic earnings per share

Earnings per share are calculated by dividing the net profit (loss) for the year by the weighted average number of ordinary shares issued during the year.



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5.21 Foreign currency transactions

Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities or losses are included as incomes or expenses in profit or loss.

5.22 The related parties and related companies

The related parties and related companies with the Group meant individuals or enterprises which have the controlling power over the Group or are controlled by Group either directly or indirectly, or under the same control with the Group. Furthermore, the related parties or related companies also meant the associated companies and the parties whose holding the shares with voting rights, either directly or indirectly, and have significant influence to the Group, important management, directors or the employees of the Group who have the power to plan and control the operations of the Group including the family members close to the said persons which could persuade or power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.

5.23 Fair value measurement

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

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

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

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

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

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



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5.24 Significant use of accounting judgments and estimations

In the application of the Company's accounting policies described above, the management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the statement of financial position and the reported amounts of revenue and expense during the reporting. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. Significant accounting estimates are as follows:

5.24.1 Revenue from contracts with customers

Identification of performance obligations

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

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognizes revenue over time in the following circumstances:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognized over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on information provided by the Group's project managers and certificates of works from its customers.



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5.24.2 The Company estimates costs of each construction project based on details of the construction work taking into account the volume and value of construction materials to be used in the project, including labor costs and other miscellaneous costs to be incurred to complete construction service with consideration of trend of changes in construction materials price, labor and other expenses. The Company reviews estimated construction cost on a regularly basis and whenever actual costs significantly differ from estimated cost of each construction contract. In addition, the Company considers contract loss on each project by comparing total construction costs by contract revenue of each project.

5.24.3 Property, plant and equipment/ Depreciation

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

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

5.24.4 Deferred tax assets

The Group are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

5.24.5 Post – employment benefits under defined benefit plans and other long – term employee benefits

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

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5.24.6 Leases

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

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Lease classification – The Group as a lessor

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

Allowance for expected credit losses of trade receivables and contract assets

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

5.24.7 Provisions and contingent liabilities

The Group has contingent liabilities as a result of litigation. The management has used judgment in assessing the outcome of the litigation. And confident that no material losses will be incurred, and no provision for legal liability is recorded in the financial statements.



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6. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Group and those related parties which is normal business.

6.1 Relationship type

Name	Type of Relationship
Asia Precision A.T. Company Limited	Subsidiary by direct shareholding and common management team. *
Asia Precision Tech Company Limited	Indirect shareholder via subsidiary. *
A2 Technologies Company Limited	Subsidiary by direct shareholding and common management team.
Asia Waste Energy Company Limited	Subsidiary by direct shareholding and common management team.
Green Energy Mining Company Limited	Subsidiary by direct shareholding and common management team.**
APCS Technologies Company Limited	Subsidiary by direct shareholding and common management team.***
A2 Water Management Company Limited	Subsidiary by direct shareholding and common management team.***
A2 Technologies Vietnam Company Limited	Indirect shareholder via subsidiary.
Chonlakisakol Company Limited	Indirect shareholder via subsidiary.
A2 Technologies Mongolia LLC	Indirect shareholder via subsidiary.
Advance Web Studio Company Limited	Major Shareholders in Asia Precision Public Company Limited/ common management team.
AWS Asset Management Company Limited	Major Shareholders in Advance Web Studio Co., Ltd./ common management team in a subsidiary.

* The related party transaction ended on 4 January 2023. (Note 12.1)

** Started as a related party transaction on 1 July 2022 (Note 12.2)

*** Started as a related party transaction on 1 October 2023. (Note 12.3)

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6.2 The significant transactions with related parties for the years ended December 31, 2023 and 2022 are as follows:

Revenues and expenses with related parties.

					(Unit: Thousand Baht)
	Consolidated		Separate		Pricing Policy
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiaries</u>					
Revenue from services	-	-	-	7,500	Contract rate
Interest income	-	-	46,965	25,816	Contract rate
Other income	-	-	5,547	-	Contract rate
Interest expenses	-	-	-	88	Contract rate
Rental	-	-	1,800	24	With reference to market price

As at 31 December 2023 and 2022, the balance of the accounts between the Company, subsidiaries and those related parties are as follow:

					(Unit: Thousand Baht)
	Consolidated		Separate		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Trade and other receivables – related parties</u>					
A2 Technologies Company Limited	-	-	6,110	-	
Green Energy Mining Company Limited	-	-	1,444	-	
APCS Technologies Company Limited	-	-	132	-	
Total trade and other receivables – related parties	-	-	7,686	-	



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(Unit: Thousand Baht)

	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other payables – related party</u>				
A2 Technologies Company Limited	-	-	158	-
Total trade and other payables – related party	-	-	158	-

Short-term loans to related parties

As at 31 December 2023 and 2022, the balance of short-term loans to related parties and the momentum of these loans are as follows:

(Unit: Thousand Baht)

	Separate			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loans to related parties				
A2 Technologies Company Limited	612,300	187,000	(112,000)	687,300
Green Energy Mining Company Limited	-	42,000	(42,000)	-
Total	612,300	229,000	(154,000)	687,300

The short-term loans to related parties are unsecured, repayable at call and carried interest at the rates of 3.00 - 7.05 percent per annum.

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Directors and management's benefits

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	26,040	38,013	10,904	9,915
Post-employee benefits	1,974	2,215	680	1,548
Total	28,014	40,228	11,584	11,463

6.3 Guarantee and others

The Company and the Group have guarantees of liabilities in accordance with Note 34.3

7. CASH AND CASH EQUIVALENTS

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash on hand	937	78	-	22
Cash at banks – saving accounts	46,791	68,822	35,861	51,625
Cash at banks – current accounts	165,452	144,478	43,027	416
Cheque on hand	-	991	-	-
Total	213,180	214,369	78,888	52,063

Bank deposits carried interest at floating rates as by the bank.



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8. TRADE AND OTHER CURRENT RECEIVABLES

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables – other companies</u>				
Aged on the basis of due dates				
Not yet due	113,350	87,522	-	-
Up to 3 months	167,514	186,871	-	-
3 – 6 months	52,713	144,220	-	-
6 – 12 months	434,699	107,482	-	-
Over 12 months	167,544	85,758	-	-
Total trade receivables – other companies	<u>935,820</u>	<u>611,853</u>	<u>-</u>	<u>-</u>
<u>Other current receivables</u>				
Advances payments	89,670	93,311	-	-
Receivable from the Revenue Department	37,881	55,674	1,886	853
Prepaid expenses	23,961	36,448	227	4
Withholding tax	22,555	43,494	451	1,300
Undue input VAT	19,614	20,658	15	4
Other receivables - other companies	3,697	3,781	-	-
Prepaid corporate tax	448	2,586	-	-
Other receivables – related parties	-	-	7,686	-
Others	36	46	-	-
Total other current receivables	<u>197,862</u>	<u>255,998</u>	<u>10,265</u>	<u>2,161</u>
Total trade and other current receivables	<u><u>1,133,682</u></u>	<u><u>867,851</u></u>	<u><u>10,265</u></u>	<u><u>2,161</u></u>

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9. CONTRACT ASSETS/CONTRACT LIABILITIES

(Unit: Thousand Baht)

	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Contract assets				
Unbilled receivables	435,179	627,362	-	-
Retention receivables	412,074	333,092	-	-
Total Contract assets	<u>847,253</u>	<u>960,454</u>	<u>-</u>	<u>-</u>
Contract liabilities				
Advance received from customers	85,366	125,273	-	-
Provision for loss on construction projects	9,014	18,414	-	-
Provision for warranty cost	2,285	-	-	-
Total Contract liabilities	<u>96,665</u>	<u>143,687</u>	<u>-</u>	<u>-</u>

10. INVENTORIES

(Unit: Thousand Baht)

	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Raw materials and supplies	22,182	52,684	-	-
Finished goods	-	994	-	-
Total	22,182	53,678	-	-
<u>Less</u> Allowance for decline values	-	-	-	-
Total inventories	<u>22,182</u>	<u>53,678</u>	<u>-</u>	<u>-</u>



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11. OTHER CURRENT FINANCIAL ASSETS (LIABILITIES)

Hedge instruments

The Subsidiaries entered into many foreign currency forward contracts for foreign currency. The term of each contract was 5 to 8 months.

The balance of foreign currency forward contract (bank bought) as at 31 December 2023 amounted to USD 1.20 million (2022: USD 5.89 million).

Fair value of the foreign currency forward contracts and unrealized gain (loss) from hedging as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	<u>2023</u>	<u>2022</u>
Forward contract		
Fair value at end of year	40,825	200,850
Balance as per contract	38,046	211,274
Unrealized gain (losses) from hedging	<u>2,779</u>	<u>(10,424)</u>

Unrealized gains (losses) from hedging as the above mentioned were presented in the statement of financial position in the items of assets (liabilities) under foreign currency forward contracts and aggregately presented in “Other income” and “Other expense” in statement of comprehensive income.

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12. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries in the separate financial statements as at 31 December 2023 and 2022 which are stated at cost are as follow:

(Unit: Million baht)

	Paid share capital		Percentage of shareholding		Cost		Dividend income	
	2023	2022	2023	2022	2023	2022	2023	2022
Subsidiaries directly held by the Company								
A2 Technologies Company Limited	700	600	100	100	700	600	-	-
Asia Precision A.T. Company Limited	-	550	-	60	-	-	-	-
Green Energy Mining Company Limited	800	647	100	100	802	649	-	-
Asia Waste Energy Company Limited	8	1	100	100	8	1	-	-
APCS Technologies Company Limited ***	10	-	100	-	4	-	-	-
A2 Water Management Company Limited ***	69	-	100	-	75	-	-	-
Subsidiaries held through A2 Technologies Company Limited								
Cholakijksakol Company Limited	120	120	98	98	-	-	-	-
APCS Technologies Company Limited ***	-	10	-	100	-	-	-	-
A2 Water Management Company Limited ***	-	19	-	100	-	-	-	-
A2 Technologies Vietnam Company Limited	1	1	100	100	-	-	-	-
A2 Technologies Mongolia LLC	3	-	100	-	-	-	-	-
Subsidiaries held through Asia Precision A.T. Company Limited								
Asia Precision Tech Company Limited	-	1	-	100	-	-	-	-
Investments in subsidiaries – net					1,589	1,250	-	-

*** Started as a related party transaction on October 1, 2023.



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12.1 Sale of ordinary shares in a subsidiary

Asia Precision A.T. Company Limited

No. 1

On 6 May 2022, accordance with the resolution of the Board of Directors' Meeting No. 3/2022, resolved to approve the sale of ordinary shares that the Company holds in Asia Precision A.T. Company Limited (“APAT”), a subsidiary of the Company (in which the Company holds 54,999,997 shares, representing 99.99% of the total registered capital and paid-up capital of APAT) in the amount of 22,000,000 shares, representing 40% of the total number of shares with voting rights of APAT, at a price of Baht 14 per share, a total trading value of Baht 308 million.

On 30 June 2022 (disposal date), the Company sold 40% of the ordinary shares in Asia Precision A.T. Company Limited (“APAT”) in cash amounting to Baht 308 million, resulting in a reduction in the interest. decreased from 99.99% to 59.99% without a change in controlling power in the subsidiary The Company recognized the change in the parent company's interest in subsidiaries amounting to Baht 19.30 million and the Company had profited from the sale of such investment in the separate financial statements totaling Baht 88 million.

No. 2

According to the resolution of the Board of Directors Meeting of Asia Precision Public Company Limited No. 10/2022 held on 2 December 2022 which resolved to approve the disposal of assets of all ordinary shares of Asia Precision A.T. Company Limited (“APAT”) which is the Company’s subsidiary. The Company shall sell 32,999,997 shares which is equivalent to 59.99% of APAT’s total paid-up shares to TNA Company Limited (“TNA”) at Baht 15.37 per share, totaling Baht 507,209,954

On 26 December 2022, the company entered into a share purchase agreement. The contract specifies the payment terms as follows.

- a) The buyer will pay the first amount of money Baht 50,720,995.40 or 10 percent of the total share purchase price. (The company received payment on 4 January 2023)
- b) The buyer will pay the remaining amount Baht 456,488,958.60 or 90 percent of the total share purchase price. The buyer has issued two promissory notes, which agree to use the money to solve the seller. Details are as follows:
 - 1) Promissory note amount Baht 50,720,995.40, with the payment due on 15 February 2023 or any other date as agreed by the parties.
 - 2) Promissory note amount Baht 405,767,963.20, with the payment due on 15 April 2023 or any other date as agreed by the parties.

In such promissory notes, the purchaser has pledged shares of Asia Precision A.T. Company Limited as collateral.



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The Group's management has assessed that it is highly probable that the agreement will be completed. As a result, the Company has reclassified related assets and liabilities of the project as assets and liabilities held-for-sale in the consolidated statement of financial position and measured them at the lower than between carrying amount and fair value less costs of sell. The lower amount is the carrying amount

To comply with the requirements of TFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, the Company separately presented the assets, liabilities and equities relating to above companies under the caption of “Assets classified as held for sale”, “Liabilities directly associated with assets classified as held for sale” and “Amount recognized in equities relating to assets classified as held for sale” in the statement of financial position as at 31 December 2022. The operating results of the above companies were separately presented under “Profit (Loss) from discontinued operation for the year” in the consolidated profit or loss for the years ended 31 December 2023 and 2022 presented for comparative purposes.

As at 31 December 2023 the company has received full payment for shares.

Details of assets, liabilities and equity relating to above companies as at 31 December 2022 and the operating results and cash flow of above companies for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	2022	2022
Cash and cash equivalents	397,107	-
Trade and other current receivables	145,685	-
Inventories	91,405	-
Investments in subsidiaries	-	330,000
Property, plant and equipment	239,930	-
Other intangible assets	2,464	-
Other non – current assets	654	-
Current assets or disposal groups classified as held for sale	877,245	330,000
Trade and other current payables	92,594	-
Provisions for employee benefit	23,466	-
Other current liabilities	5	-
Liabilities included in disposal groups classified as held for sale	116,065	-



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	(Unit: Thousand Baht)	
	Consolidated	
	<u>2023</u>	<u>2022</u>
Income statement for the year ended 31 December		
Income	-	802,712
Expenses	-	(678,895)
Profit before income tax	-	123,817
Income tax	-	(13,285)
Profit for the year from discontinued operation	-	110,532

	(Unit: Thousand Baht)	
	Consolidated	
	<u>2023</u>	<u>2022</u>
Statements of cash flows		
Cash flows provided by (used in) from discontinued operation		
Net cash provided by (used in) operating activities	-	146,689
Net cash provided by (used in) investing activities	-	(4,346)
Net cash provided by (used in) financing activities	-	(79,387)
Net cash provided by (used in) from discontinued operation	-	62,956

12.2 Subsidiary purchase

Green Energy Mining Company Limited (Formerly known as “Super Green Mining Company Limited”)

On 17 June 2022 according to the resolution of the Board of Directors' meeting of Asia Precision Public Company Limited (“the Company”) No. 5/2022 approved the purchase of ordinary shares of Super Green Mining Company Limited (“SGM”) (registered capital of Baht 136 million, paid-up capital of Baht 64 million) in the amount of 13,599,998 shares, representing 100% of the total number of shares with voting rights of SGM from Super Energy Corporation Public Company Limited (“SUPER” or “Seller”) with a total purchase value of Baht 66 million. Then it will proceed to change the name of SGM from Super Green Mining Company Limited to Green Energy Mining Company Limited, and proceed to call for the remaining shares of Baht 72 million and increase the registered capital of Baht 664 million, totaling Baht 736 million. Investment plan for asset acquisition and working capital for mining crypto assets will gradually increase Capital according to the appropriate use of funds.

On 28 June 2022, the Company paid shares in the amounts of Baht 66 million to SUPER, and on 1 July 2022, the transfer of shares has been completed and the change in the list of shareholders has been completed.



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On 30 June 2022, the Company has loan to Green Energy Mining Company Limited in amount of Baht 385.00 million, due at call at an interest rate of 6.85 percent per annum, without collateral.

The total value that the Company paid for the purchase was Baht 451 million.

The acquisition is considered an asset acquisition because the fair value of the total assets acquired is almost entirely concentrated in property, plant and equipment. The value of assets acquired and liabilities assumed as of 1 July 2022 (date of acquisition of assets) consists of the following items:

	(Unit: Thousand Baht)		
	Net book value as of the asset purchase date	Adjust the value according to the purchase price	Realized value at asset purchase date
<u>Assets</u>			
Cash and cash equivalents	9,313	-	9,313
Other current receivables	50	-	50
Property, plant and equipment (work in progress)	445,833	290	446,123
Other non – current assets	9,069	-	9,069
<u>Liabilities</u>			
Trade and other current payables	(12,339)	-	(12,339)
Corporate income tax payable	(1,081)	-	(1,081)
Other – current liabilities	(135)	-	(135)
Purchase value			451,000
<u>Purchase value</u>			
Cash and cash equivalents			66,000
Short term – loan			385,000
			451,000
Net cash received from purchases			(9,313)
Net purchase price			441,687

On 8 July 2022, the Company received a letter requesting for additional payment of shares from Green Energy Mining Company Limited amounting to shares 9.60 million at a par value of Baht 7.5 per share, totaling Baht 72.00 million.

The Company has made payment for such shares on 18 July 2022.



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According to the resolution of the Board of Directors Meeting No. 6/2022, dated 11 August 2022, it was resolved to approve Green Energy Mining Company Limited to increase the registered capital from the original registered capital of Baht 136 million (shares 13.60 million, at a par value of Baht 10 per share). is a new registered capital of Baht 800 million (shares 80.00 million, at a par value of Baht 10) and approves the Company to purchase additional shares in Green Energy Mining Company Limited according to the existing shareholding proportion. During the period of 2022, the Company paid for the total capital increase of Baht 583.28 million.

12.3 Important changes in the structure of the group of companies

A2 Water Management Company Limited.

On 3 August 2023, accordance with the resolution of the Board of Directors' Meeting of Asia Precision Public Company Limited ("the Company") No. 2/2023, there was a resolution to approve the purchase of common shares in A2 Water Management Company Limited ("A2W") registered capital of Baht 275 million (paid-up registered capital of Baht 68 million) number of 27,499,997 shares, representing 99.99 percent of the total number of shares with voting rights of A2W from A2 Technology Company Limited ("A2" or "seller"). Total purchase value is Baht 75 million.

On 1 September 2023, the Company paid the first deposit for ordinary shares in the amount of Baht 25 million.

On 28 September 2023, the Company paid the second deposit for ordinary shares in the amount of Baht 20 million.

On 2 October 2023, the Company paid for common shares. In the remaining amount of Baht 30 million, the Company has completed the transfer of shares and notified the change in the list of shareholders.

APCS Technologies Company Limited

On 3 August 2023, accordance to the resolution of the Board of Directors Meeting of Asia Precision Public Company Limited ("the Company") No. 2/2023, there was a resolution to approve the purchase of common shares of APCS Technologies Company Limited ("APT") registered capital of Baht 10 million (paid-up registered capital of Baht 10 million) in the amounting of 9,997 shares, representing 99.97% of the total number of shares with voting rights of APT from A2 Technology Company Limited ("A2" or "seller"). Total purchase value is Baht 4 million.

On 2 October 2023, the Company paid for shares in the amount of Baht 4 million to A2 Technology Company Limited and the Company has completed the transfer of shares, notification of changes in the list of shareholders.

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12.4 Establishment of a new subsidiary

A2 Technologies Mongolia LLC

According to the resolution of the Executive Committee of A2 Technologies Company Limited No.3/2023 held on 27 June 2023, it was resolved to approve A2 Technologies Company Limited to invest in A2 Technologies Mongolia LLC a new company registered on 23 August 2023 with a registered capital of 100,000 USD (100,000 ordinary shares, 1 USD per share) held by A2 Technologies Company Limited. 100,000 shares or 100% of the registered capital.

Asia Waste Energy Company Limited

According to the resolution of the Executive Committee of Asia Precision Public Company Limited No. 5/2022 held on 13 September 2022, it was resolved to approve Asia Precision Public Company Limited to invest in Asia Waste Energy Company Limited a new company registered on 16 September 2022 with a registered capital of Baht 1 million (10,000 ordinary shares, Baht 100 per share) held by Asia Precision Public Company Limited. 9,997 shares or 99.99% of the registered capital.

According to the resolution of the Extraordinary General Meeting of Shareholders of the subsidiary No. 1/2023 on 24 May 2023, there was a resolution to approve Asia West Energy Company Limited to increase its registered capital from the original registered capital of 1 Baht million (10,000 common shares, par value Baht 100 per share) is a new registered capital of Baht 8 million (80,000 shares with a value of Baht 100 per share) and approved the company to purchase additional shares in the Company, Asia West Energy Company Limited, in proportion to the original shareholding during 2022. The Company paid for additional shares totaling Baht 7 million.

13. INVESTMENT PROPERTY

The Company's investment properties are land for rent. The group of companies has pledged the land as collateral for loans with financial institutions.

As at 31 December 2023, the Subsidiary's land has fair value of investment properties, which was determined based on a valuation performed by an independent appraiser using the market approach, amount to Baht 3.3 million (2022: Baht 3.3 million), which is level 3 of the fair value hierarchy.



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NOTES TO FINANCIAL STATEMENTS

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14. PROPERTY, PLANT AND EQUIPMENT

The movements in these items for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated							Total
	Land	Building and Improvement	Machinery and Equipment	Furniture and Office Equipment	Motor Vehicles	Land Improvement	Construction in progress	
Cost								
Balance as at 1 January 2022	349,522	151,244	1,508,092	17,813	21,579	814	14,847	2,063,911
Purchase	-	24,741	16,955	5,939	1,186	9,432	187,322	245,575
Transfer in (out)	-	6,643	383,651	1,410	(1,650)	-	(392,650)	(2,596)
Disposal/ Written off	-	-	(28,516)	(274)	(86)	-	-	(28,876)
Net assets acquired from business acquisition	-	-	290	-	-	-	445,833	446,123
Classified as liabilities held for sale (Note 12.1)	(35,986)	(118,843)	(1,384,008)	(8,212)	(8,403)	-	(1,200)	(1,556,652)
Balance as at 31 December 2022	313,536	63,785	496,464	16,676	12,626	10,246	254,152	1,167,485
Purchase	-	-	4,386	1,612	-	527	65,093	71,618
Transfer in (out)	(784)	11,512	222,548	1,617	-	784	(237,194)	(1,517)
Disposal/ Written off	-	(121)	-	(404)	(6,050)	-	-	(6,575)
Balance as at 31 December 2023	312,752	75,176	723,398	19,501	6,576	11,577	82,051	1,231,011

(Unit: Thousand Baht)

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	Consolidated							(Unit: Thousand Baht)
	Land	Building and Building Improvement	Machinery and Equipment	Furniture and Office Equipment	Motor Vehicles	Land Improvement	Construction in progress	
Accumulated depreciation								
Balance as at 1 January 2022	-	(73,760)	(1,257,657)	(13,028)	(16,686)	(697)	-	(1,361,828)
Depreciation for the year	-	(6,177)	(85,115)	(2,869)	(1,550)	(221)	-	(95,932)
Transfer (in) out	-	-	-	(250)	615	-	-	365
Disposal/ Written off	-	-	22,183	218	44	-	-	22,445
Classified as liabilities held for sale (Note 12.1)	-	70,100	1,260,803	6,304	5,761	-	-	1,342,968
Balance as at 31 December 2022	-	(9,837)	(59,786)	(9,625)	(11,816)	(918)	-	(91,982)
Depreciation for the year	-	(5,712)	(96,381)	(2,478)	(440)	(476)	-	(105,487)
Disposal/ Written off	-	31	(31)	375	6,050	-	-	6,425
Balance as at 31 December 2023	-	(15,518)	(156,198)	(11,728)	(6,206)	(1,394)	-	(191,044)
Net book value as at 31 December 2022	313,536	53,948	436,678	7,051	810	9,328	254,152	1,075,503
Net book value as at 31 December 2023	312,752	59,658	567,200	7,773	370	10,163	82,051	1,039,967



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(Unit: Thousand Baht)

	Separate					Total
	Land	Land improvement	Building and Building Improvement	Furniture and Office Equipment	Motor Vehicles	
Cost						
Balance as at 1 January 2022	4,184	-	1,935	709	6,050	12,878
Balance as at 31 December 2022	4,184	-	1,935	709	6,050	12,878
Purchase	-	-	6,686	1,892	-	8,578
Transfer (in) out	(784)	784	-	-	-	-
Disposal/ Written off	-	-	-	-	(6,050)	(6,050)
Balance as at 31 December 2023	3,400	784	8,621	2,601	-	15,406
Accumulated depreciation						
Balance as at 1 January 2022	-	-	(634)	(709)	(6,050)	(7,393)
Depreciation for the year	-	-	(57)	-	-	(57)
Balance as at 31 December 2022	-	-	(691)	(709)	(6,050)	(7,450)
Depreciation for the year	-	-	(395)	(214)	-	(609)
Disposal/ Written off	-	-	-	-	6,050	6,050
Balance as at 31 December 2023	-	-	(1,086)	(923)	-	2,009
Net book value as at 31 December 2022	4,184	-	1,244	-	-	5,428
Net book value as at 31 December 2023	3,400	784	7,535	1,678	-	13,397

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As at 31 December 2023 and 2022, the Group has pledged land with a net book value of Baht 285.45 million as collateral against bank overdrafts and short-term borrowings from financial institutions (Note 20) and long-term borrowings (Note 23).

Measurement of asset units with impaired indications

The Group determines the recoverable amount of any cash-generating unit (CGU) associated with the bitcoin mining business. The subsidiary company's buildings and equipment consisted of two mines considered to be the same cash-generating asset unit (CGU). During the year 2023, the Bitcoin price (Digital assets) has fluctuated, the company, therefore, has assessed the expected recoverable amount of the cash-generating unit (CGU) as of 31 December 2023.

The recoverable amount of this cash-generating unit (CGU) was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the cash-generating unit (CGU). As of 31 December 2023, the recoverable amount exceeded the book value of the cash-generating unit (CGU).

The management has considered the key assumptions used in determining value in use based on future Bitcoin price based on www.buybitcoinworldwide.com which is an internationally accepted source of information on future forecasts on the cryptocurrency asset market and a pre-tax discount rate of 8%.

15. RIGHT UNDER THE RAW WATER DISTRIBUTION CONTRACT

As at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)
	Consolidated
Balance as at 1 January 2022	131,246
Amortization during the year	(5,665)
Balance as at 31 December 2022	125,581
Amortization during the year	(5,665)
Balance as at 31 December 2023	119,916

The value of the right under the raw water distribution contract is based on the independent appraisal report dated 23 June 2016, using the income approach, based on the minimum volume of water to be supplied throughout the remaining contract term of 29 years less the fair value of the property, plant and equipment.

The Management has estimated that the expected useful life from the right under the raw water distribution contract will cover a total period of 350 months, starting from the date the Company exercises control over the subsidiary to the contract expiration date. The amortization expense is charged to profit and loss on a straight-line basis.



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16. INTANGIBLE ASSETS

The movements for the years ended 31 December 2023 and 2022 are as follow:

(Unit: Thousand Baht)

	Consolidated		
	Intangible assets		Total
	Computer software	during installation	
<u>Cost</u>			
Balance as at 1 January 2022	6,221	2,722	8,943
Addition	953	442	1,395
Transfer in (out)	2,900	(2,900)	-
Classified as liabilities held for sale (Note 12.1)	(4,774)	-	(4,774)
Balance as at 31 December 2022	5,300	264	5,564
Addition	217	-	217
Transfer in (out)	264	(264)	-
Balance as at 31 December 2023	5,781	-	5,781
<u>Accumulated amortization</u>			
Balance as at 1 January 2022	(3,100)	-	(3,100)
Amortization for the year	(1,554)	-	(1,554)
Classified as liabilities held for sale (Note 12.1)	2,310	-	2,310
Balance as at 31 December 2022	(2,344)	-	(2,344)
Amortization for the year	(748)	-	(748)
Balance as at 31 December 2023	(3,092)	-	(3,092)
Net book value as at 31 December 2022	2,956	264	3,220
Net book value as at 31 December 2023	2,689	-	2,689

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	(Unit: Thousand Baht)
	Separate
	Computer software
<u>Cost</u>	
Balance as at 31 December 2022	-
Additional during the year	21
Balance as at 31 December 2023	21
<u>Accumulated amortization</u>	
Balance as at 31 December 2022	-
Amortization for the year	4
Balance as at 31 December 2023	4
Net book value as at 31 December 2022	-
Net book value as at 31 December 2023	17

17. DIGITAL ASSETS

The movements for the years ended 31 December 2023 are as follow:

	(Unit: Thousand Baht)	
	Consolidated	Separate
Balance as at 1 January 2023	36,809	-
Additional during the year	207,895	-
Disposal during the year	(94,161)	-
Transfer in (out)	(2)	-
Reversal allowance for impairment of digital assets	6,582	-
Balance as at 31 December 2023	157,123	-

The Group measures the fair value of digital assets based on the closing price from CoinMarketCap. The fair value measurement is categorized as level 2 in the fair value hierarchy.



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18. INCOME TAX

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	Consolidated		(Unit: Thousand Baht) Separate	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge for the year from continuing operations	(33,804)	16,249	(30,593)	16,986
Current income tax charge for the year from discontinued operations	-	13,285	-	-
	<u>(33,804)</u>	<u>29,534</u>	<u>(30,593)</u>	<u>16,986</u>
Deferred income tax:				
Deferred tax from temporary differences from continuing operations	12,983	(41,595)	(156)	-
Expense (income) deferred income tax from discontinued operations	-	-	-	-
	<u>12,983</u>	<u>(41,595)</u>	<u>(156)</u>	<u>-</u>
Expense (income) tax from continuing operations	(20,821)	(25,346)	(30,749)	16,986
Expense (income) tax from discontinued operations	-	13,285	-	-
Total	<u>(20,821)</u>	<u>(12,061)</u>	<u>(30,749)</u>	<u>16,986</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated		(Unit: Thousand Baht) Separate	
	2023	2022	2023	2022
Deferred tax relating to actuarial gain	<u>110</u>	<u>114</u>	<u>(195)</u>	<u>-</u>

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The reconciliation between accounting (profit) loss and income tax expenses for the year ended 31 December is as follows.

(Unit: Thousand Baht)

	Consolidated	
	<u>2023</u>	<u>2022</u>
Accounting profit (loss) before tax	120,104	(114,926)
Applicable tax rate	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	24,021	(22,985)
Effects of utilization of previously unrecognized deferred tax on unused tax loss and temporary differences	(4,961)	(3,279)
Effects of:		
Forbidden expenses	1,453	14,001
Non-taxable income/Deductible expenses	(2,498)	(17,881)
Tax loss brought forward	2,306	(988)
Unused tax losses	378	7,314
Intercompany profit income tax	-	11,687
Others	122	70
Total	<u>1,761</u>	<u>14,203</u>
Income tax expenses reported in profit or loss	<u>20,821</u>	<u>(12,061)</u>



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(Unit: Thousand Baht)

	Separate	
	<u>2023</u>	<u>2022</u>
Accounting profit before tax	159,297	84,470
Applicable tax rate	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	31,859	17,294
Effects of utilization of previously unrecognized deferred tax on unused tax loss and temporary differences	156	-
Effects of:		
Forbidden expenses	-	16
Expenses that are not considered tax expenditures	-	318
Increase deductible eligible expense	(1,266)	(472)
Current year loss not recognized as deferred tax assets	-	(170)
Total	(1,266)	(308)
Income tax expenses reported in profit or loss	30,749	16,986

The components of deferred tax assets and deferred tax liabilities as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated			
	<u>Recorded as income (expense) in</u>			
	<u>1 January</u>	<u>Profit</u>	<u>Other</u>	<u>31 December</u>
	<u>2023</u>	<u>(loss)</u>	<u>comprehensive</u>	<u>2023</u>
			<u>income</u>	
Deferred tax assets				
Provision for long-term employee benefits	1,618	208	(110)	1,716
Provision for loss on construction projects	3,683	(1,884)	-	1,799
Provision for warranty cost	-	457	-	457
Unused tax losses	35,000	14,587	-	49,587
Others	38	-	-	38
Total	40,339	13,368	(110)	53,597
Deferred tax liabilities				
Fair value adjustment of assets from business combination	32,327	(1,180)	-	31,147
Total	32,327	(1,180)	-	31,147



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(Unit: Thousand Baht)

	Consolidated			
	Recorded as income (expense) in			
	<u>1 January</u>	<u>Profit</u>	<u>Other</u>	
			<u>comprehensive</u>	<u>31 December</u>
<u>2022</u>	<u>(loss)</u>	<u>income</u>	<u>2022</u>	
Deferred tax assets				
Provision for long-term employee benefits	-	1,732	(114)	1,618
Provision for loss on construction projects	-	3,683	-	3,638
Provision for warranty cost	-	-	-	-
Unused tax losses	-	35,000	-	35,000
Others	38	-	-	38
Total	<u>38</u>	<u>40,415</u>	<u>(114)</u>	<u>40,339</u>
Deferred tax liabilities				
Fair value adjustment of assets from business combination	33,507	(1,180)	-	32,327
Total	<u>33,507</u>	<u>(1,180)</u>	<u>-</u>	<u>32,327</u>

(Unit: Thousand Baht)

	Separate			
	Recorded as income (expense) in			
	<u>1 January</u>	<u>Profit</u>	<u>Other</u>	
			<u>comprehensive</u>	<u>31 December</u>
<u>2023</u>	<u>(loss)</u>	<u>income</u>	<u>2023</u>	
Deferred tax assets				
Provision for long-term employee benefits	-	-	195	195
Others	-	(156)	-	(156)
Total	<u>-</u>	<u>(156)</u>	<u>195</u>	<u>39</u>



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19. OTHER NON – CURRENT ASSETS

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		2023	2022	2023	2022
Type	Guarantee				
– Saving account	Credit line	6,107	6,147	-	-
– Fixed deposits	Credit line and letter of guarantee	531	531	-	-
	Raw Water buy and sell Contract	5,229	4,617	-	-
	Fleet Card	770	767	-	-
		12,637	12,062	-	-
	Withholding tax over 1 year	61,712	32,849	1,478	179
	Deposits	3,348	4,509	40	-
	Others	14,468	12,946	-	-
	Total	92,165	62,366	1,518	179

20. BANK OVERDRAFTS AND SHORT – TERM LOANS FROM FINANCIAL INSTITUTION

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		2023	2022	2023	2022
		Interest rate (% p.a.)			
		2023	2022		
Bank overdrafts	MOR	4,590	4,629	-	-
Promissory note from financial	2.00 – 3.40	51,606	74,800	-	-
Trust receipts and letter of credit	3.00 – 3.40	-	30,288	-	-
		56,196	109,717	-	-

Short-term loans from financial institutions in the form of promissory notes and trust receipts are secured by the pledge of the Group's fixed deposit and guaranteed by the Company and a related company.

The subsidiary's bank overdrafts are secured by the subsidiary's fixed deposit.

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21. TRADE AND OTHER CURRENT PAYABLES

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables	717,595	811,588	-	-
Retention payables	134,411	143,924	-	-
Suspense output tax	57,158	31,739	-	-
Accrued expenses	29,043	41,442	4,794	5,497
Other payables	19,256	73,796	462	62
Revenue department payables	3,351	4,088	1,134	-
Unearned revenue from construction	-	1,102	-	-
Withholding tax-payable	-	911	-	911
Other payables – related parties	-	-	158	-
Others	2,399	-	-	-
Total trade and other current payables	<u>963,213</u>	<u>1,108,590</u>	<u>6,548</u>	<u>6,470</u>

22. INTEREST PAYABLE AND SHORT – TERM LOAN FROM OTHER COMPANIES

As at 31 December 2023 and 2022 are as follow:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short – term loan and accrued interest payables				
Loans from former shareholders and other company	48,033	48,033	-	-
Accrued interest payables	36,094	33,639	-	-
Total	<u>84,127</u>	<u>81,672</u>	<u>-</u>	<u>-</u>

As at 31 December 2023 and 2022, the above short – term loans are loans from former shareholders of two subsidiaries in the form of promissory notes. The payment was due at call with interest rates of 5.50% - 7.75 per annum. On December 18, 2020, a former shareholder of the subsidiary sued the subsidiary for repayment. Details as mentioned in Note 33.



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23. LONG – TERM BORROWINGS

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Long – term borrowings from financial institutions	16,402	34,402	-	-
Current portion of long – term liabilities	(16,402)	(18,000)	-	-
Long-term loan from financial institution, net current portion	-	16,402	-	-

Movements of long – term borrowings for year ended 31 December 2023 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
Balance as at 1 January 2023	34,402	-
<u>Less Repayment</u>	(18,000)	-
Balance as at 31 December 2023	16,402	-

Long – term borrowing has detail of interest and repayment term which can be summarized as follows:

Credit limit	Credit limit		Period	Interest rate	Amount (Per Installments)
	2023	2022			
1	210	210	September 2017 to December 2024	MLR p.a.	<ul style="list-style-type: none"> - Shall monthly repay at least 1,500,000 Baht from January 2021 to July 2023. - Shall monthly repay from at least 1,500,000 Baht November 2021 to December 2023. - Shall monthly repay at least 2,000,000 Baht from January 2023 to July 2024. - Shall monthly repay from at least 2,000,000 Baht November 2023 to December 2024 and remaining debts must be repaid within December 2024.

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Long-term loan from financial institutions, credit line of Baht 210 million, interest rate MLR per annum. Subsidiary's land (Note 13, 14) Subsidiary's fixed deposit. Subsidiary's directors jointly guarantee and authorize to receive money from a company to a lender.

The above loan agreement contains certain requirements that must be met in relation to dividend payments. Maintaining financial ratios for borrowing from related parties or parties Increasing liabilities and maintaining shareholder structure, etc.

24. LEASE

The Group has lease contracts asset rental agreement for use in the Group's operations. The contract period is 3-8 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarized below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
As at 1 January 2022	64,434	-
Increases	23,078	-
Transfer in	(21,891)	-
Disposal/Written off	1,400	-
Accumulated depreciation	(22,540)	-
As at 31 December 2022	44,481	-
Increases	13,505	8,373
Depreciation for the year	(14,913)	(1,767)
As at 31 December 2023	43,073	6,606

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	2023	2022	2023	2022
Lease payments	51,970	51,257	7,729	-
Less: Deferred interest expense	(7,021)	(5,039)	(929)	-
Total	44,949	46,258	6,800	-
Less: Portion due within one year	(12,035)	(12,154)	(1,507)	-
Lease liabilities – net of current portion	32,914	34,104	5,293	-



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25. DEBENTURES

During the year, the Group issued long-term unsubordinated and unsecured debentures. The value is Baht 1,000 per unit, with details as follows:

Debentures	Number of shares	Deal date	Due date	Interest rate (%)
APCS246A	385,100	16 June 2022	16 June 2024	6.00
APCS24NA	306,600	11 November 2022	11 November 2024	6.20

Movements of debentures for the year ended 31 December 2023 are as follows:

	(Unit: Thousand Baht)
	Consolidated/ Separate
As at 1 January 2023	682,608
Cost of issuing debentures - amortization	5,547
As at 31 December 2023	<u>688,155</u>

Such debentures There are certain important conditions that the company must comply with throughout the bond life, such as maintenance of the debt-to-equity ratio shareholders, etc.

ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

26. EMPLOYEE BENEFITS OBLIGATION

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	12,250	34,342	3,466	7,101
Included in profit or loss:				
Service cost - compensation	-	1,250	-	1,250
Current service cost	2,973	3,919	339	271
Interest cost	456	901	95	69
Estimating current liabilities for employee benefit	-	(2,885)	-	(2,885)
Included in other comprehensive income:				
(Profit) Loss from actuarial estimates	(355)	(650)	976	-
Benefits paid during the year	(5,439)	(1,162)	(4,100)	(2,340)
Classified as liabilities held for sale (Note 12.1)	-	(23,465)	-	-
Provision for long-term employee benefits at end of year	<u>9,885</u>	<u>12,250</u>	<u>776</u>	<u>3,466</u>

The Group expects to pay Baht 10 million of long-term employee benefits during the next year (the Company only: Baht 0.7 million) (2022: Baht 12 million, the Company only: Baht 3 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 8 - 15 years (the Company only: 15 years) (2022: 9 - 18 years, the Company only: 19 years).

Significant actuarial assumptions are summarized below.

	(Unit: Percent per annum)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.64-3.46	1.20-3.46	3.12	1.20
Salary increases rate	5.13	3.65-6.19	5.13	6.04



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FOR THE YEAR ENDED 31 DECEMBER 2023

The result of sensitivity analysis for significant assumptions that affect the present value of the long – term employee benefit obligations as at 31 December 2023 and 2022 are summarized below:

(Unit: Million Baht)

	2023			
	Consolidated		Separate	
	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>
Discount rate	(0.3)	0.3	(0.1)	0.1
Salary increases rate	0.3	(0.3)	0.1	(0.1)

(Unit: Million Baht)

	2022			
	Consolidated		Separate	
	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>
Discount rate	(0.9)	1.7	(0.1)	0.1
Salary increases rate	1.6	(0.9)	0.2	(0.2)

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

27. STATUTORY RESERVE

According to the Thai Civil and Commercial Code, the Company is required to set aside to a statutory reserve an amount equal to at least five percent of its net profit each time the Company pays out a dividend, until such reserve reaches ten percent of its registered share capital. The statutory reserve cannot be used for dividend payment.

28. DIVIDEND

On 30 April 2022 according to the minute of Annual General of Shareholders' Meeting 2022 has approved dividend in the rate of Baht 0.06 per share amounting to Baht 39.60 million. The payment made on 30 May 2022.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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FOR THE YEAR ENDED 31 DECEMBER 2023

29. FINANCE COST

(Unit: Thousand Baht)

	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	55,717	25,193	47,662	16,082
Interest expenses on lease liabilities	1,801	1,365	466	1,285
Total	<u>57,518</u>	<u>26,558</u>	<u>48,128</u>	<u>17,367</u>

30. EXPENSE BY NATURE

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cost of construction material	563,196	927,018	-	-
Cost of construction	455,927	757,926	-	-
Utilities expense	174,304	65,676	-	-
Depreciation and amortization	126,960	51,890	2,380	57
Salaries, wages and other employee benefits	116,461	124,349	15,139	11,173
Professional fee and fees	20,651	22,539	1,570	2,278
Rent and services	19,363	21,877	1,012	24
Cost of raw material	9,079	13,769	-	-
Other	24,331	30,845	2,678	4,052



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31. BASIC EARNINGS (LOSS) PER SHARE

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

The following table sets forth the computation of basic earnings (loss) per share for the years ended 31 December 2023 and 2022:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit (loss) of parent Company for the years				
Profit (loss) used to calculate earnings per share from continuing operations	99,284	(213,422)	128,548	69,483
Profit (loss) used to calculate earnings per share from discontinued operations	-	101,133	-	-
	<u>99,284</u>	<u>(122,289)</u>	<u>128,548</u>	<u>69,483</u>
 The number of ordinary shares by the weighted average method (Thousand shares)	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>
Basic earnings (loss) per share (Baht: share)				
Basis earnings (loss) per share from continuing operations	0.1504	(0.3234)	0.1948	0.1053
Basis earnings (loss) per share from discontinued operations	-	0.1532	-	-
	<u>0.1504</u>	<u>(0.1702)</u>	<u>0.1948</u>	<u>0.1053</u>

32. SEGMENT INFORMATION

The Group presents financial information by business segments. Based on the management system. The Group's management and internal reporting structure is a component of segment reporting.

Performance by segment and segment assets Include items directly related to the division. Or that can be rationalized to the segment. Most unallocated items consist of assets, other income, selling expenses, administrative expenses and financial costs.

The Group operates in three geographic segments are Thailand, Vietnam and Mongolia.

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FOR THE YEAR ENDED 31 DECEMBER 2023

Details of information classified by operating segments of the Group. For the year ended 31 December 2023 and 2022 are as follows:

(Unit: Million Baht)

	Consolidated							
	Revenues from digital assets		Revenues from sales and services		Revenues from construction contract		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
			Sale of building And material administration	Water resources management	Engineering and Construction (EPC)			
Revenues from external customer	239	43	68	61	1,131	1,470	1,499	1,817
Segment profit (loss)	(17)	(30)	4	31	83	(24)	101	(70)
Unallocated income and expenses:								
Other income							5	6
Administrative expenses							(112)	(128)
Profit from sale of investment in subsidiaries							177	-
Profit from digital assets valuation							7	-
Other expenses							-	(20)
Financial costs							(58)	(27)
Tax (expense) income							(21)	26
Profit (loss) for the year from continuing operation							99	(213)
Profit (loss) for the year from discontinued operation							-	110
Assets classified by business segments of the Group as at 31 December 2023 and 2022 are as follows:								
Property, plant and equipment							1,040	1,076
Other assets							2,744	3,432
Total assets							3,784	4,508

Transfer prices between business segments are as set out in Note 6 to the consolidated financial statements.



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FOR THE YEAR ENDED 31 DECEMBER 2023

Geographical segments information

Revenue of the Group's Geographical segments information for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
Thailand	1,379	1,757
Foreign	119	60
	<u>1,498</u>	<u>1,817</u>

Major customer

For the year ended 31 December 2023, the Group had revenue from 5 major customers amounting to Baht 196 million, Baht 144 million, Baht 121 million, Baht 118 million and Baht 110 million derived from construction services of electrical substation, construction services related to water and construction services of solar power plants (2022: revenue from 5 major customers amounting to Baht 650 million, Baht 357 million, Baht 250 million, Baht 214 million and Baht 213 million derived from construction services of solar power plants, construction services of electrical substations, construction services related to water and sales of construction materials).

33. LAWSUIT

On 18 December 2020, a former shareholder of subsidiary sued the subsidiary to repay the promissory note (Note 22) plus interest totalling Baht 71.97 million. (Principal amount Baht 44.93 million and accrued interest of Baht 27.04 million),

On 23 September 2021, the Civil Court has ordered the subsidiary to pay the amount of Baht 71.97 million to the former shareholder with interest at a rate of 5% per annum of the principal amounting to Baht 44.93 million from 18 December 2020 until the payment is completed.

On 17 August 2023, the Court of Appeal pronounced a judgement ordering the subsidiary to make payment to the former shareholder only loan principal of Baht 44.93 million, but not to pay interest. The subsidiary and the plaintiff filed petitions against the judgement of the Court of Appeal.

Currently, the case is pending consideration by the Supreme Court. However, since the case is yet to finalize, the subsidiary therefore has not reversed the interest payable amounting to Baht 33.89 million that had been recognised in its account up until 31 December 2023.

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FOR THE YEAR ENDED 31 DECEMBER 2023

34. COMMITMENTS AND CONTINGENT LIABILITIES

34.1 Project construction cost commitments

As at 31 December 2023, the Group has commitments related to agreements of project construction costs with subcontractors of Baht 227 million (the Company only: -) (31 December 2022: Baht 952 million, the Company only: -).

34.2 Capital commitments

As at 31 December 2023, the Company had capital commitments of approximately Baht 14 million (2022: Baht 2 million), relating to office improvements (the Company only: Baht 14 million, 2022: Baht 2 million).

34.3 Guarantees

As at 31 December 2023, the Subsidiary Company had guaranteed credit facilities to indirect subsidiary. Received from banks in the total amount of Baht 210 million (2022: Baht 210 million).

As at 31 December 2023, the Group has outstanding letters of guarantee issued by banks on behalf of the group, amounting to Baht 259.57 million (2022: Baht 282 million) in relation to the group's normal performance obligations.

The Group didn't charge any guarantee fees among its related parties.

34.4 Claim for damages by hirer of work

In 2021, the Subsidiary Company had contingent liabilities as a result of the Subsidiary Company being notified by a hirer regarding the damages incurred from the Subsidiary Company's provision of services under service agreement. Subsequently, on 21 February 2022, 4 August 2022, 5 September 2022, 21 October 2022, 8 December 2022, 28 December 2022 and 12 January 2023, the hirer sent letters to the Subsidiary Company seeking payment of damages in connection with the Subsidiary Company's provision of services under service agreement amounting to Baht 490 million. The Subsidiary Company has denied the claim and there have been no additional claims after the denial to the hirer. The Subsidiary Company is in the process of discussing with the hirer with plan to accept additional work. The Subsidiary Company is currently negotiating such claim with the hirer, meanwhile, the Subsidiary Company is negotiating with its subcontractors to demand responsibility for such claim. The Subsidiary Company's management were of the opinion that no significant effect as a result thereof.



ASIA PRECISION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

34.5 Stopping operations on community waste power plants

On 8 April 2022, the Subsidiary Company received an order to cease operations on the community waste power plant. The Subsidiary Company has a management service agreement with an employer. As a result, the Subsidiary Company is unable to provide management services to such power plants from the date of receiving the order by the department. The Subsidiary Company's management believes that the Subsidiary Company will not suffer material damage from such an event. On 1 August 2022, the Subsidiary Company was allowed to resume operations on the community waste power plant.

Subsequently, on 16 February 2023, the Subsidiary Company was ordered to stop operating at the municipal waste power plant.

As of 31 December 2023, the Subsidiary Company has proceeded to clarify the facts, and improve as required by relevant agencies complete suggestions have been made.

35. FINANCIAL INSTRUMENT

Policy on financial risk management

The Group is exposed to normal risk regarding to the change of market interest rate and currency exchange rate and non – performance of contractual obligations by counter parties. The Group will consider to use appropriate financial instruments when it considers necessary to manage such risks. However, the Group has no policy to use financial instruments for speculating or for trading.

Risk on credit provision

The Group is exposed to credit risk primarily with respect to trade accounts receivable. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, The Group does not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and notes receivable as stated in the statement of financial position.

Risk on interest rate

Interest rate risk is occurred from changes in market interest rates which will affect the results of the Group operations and its cash flows. The Group exposure to interest rate risk relates to their cash at banks and loans.

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However, because most financial assets and liabilities have interest rates that fluctuate with market rates or have fixed interest rates, which is close to the current market rate The Group's interest rate risk is therefore low, which has the following details:

(Unit: Million Baht)

	Consolidated						Effective interest rate (% per annum)
	2023						
	Fixed interest rate			Floating interest bearing	Non – interest bearing	Total	
	Within 1 year	More than 1 year to 5 years	Over 5 years				
Financial assets:							
Cash and cash equivalents	-	-	-	47	166	213	Note 7
Trade and other current receivables	-	-	-	-	1,134	1,134	-
Contract assets	-	-	-	-	847	847	-
Restricted bank deposits	13	-	-	-	-	13	0.38-1.05
Total	13	-	-	47	2,147	2,207	
Financial liabilities:							
Bank overdrafts and Short – term loans from financial institution	51	-	-	5	-	56	Note 20
Trade and other current payable	-	-	-	-	963	963	-
Current portion of Long – term loan	-	-	-	16	-	16	Note 23
Short-term loans and interest from other companies	48	-	-	-	36	84	Note 22
Debenture	688	-	-	-	-	688	Note 25
Lease liabilities	12	33	-	-	-	45	6.13
Total	799	33	-	21	999	1,852	



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(Unit: Million Baht)

	Consolidated						Effective interest rate (% per annum)
	2022						
	Fixed interest rate			Floating interest bearing	Non – interest bearing	Total	
	Within 1 year	More than 1 year to 5 years	Over 5 years				
Financial assets:							
Cash and cash equivalents	-	-	-	72	142	214	Note 7
Trade and other current receivables	-	-	-	-	868	868	-
Contract asset	-	-	-	-	960	960	-
Restricted bank deposits	12	-	-	-	-	12	0.38-1.05
Total	12	-	-	72	1,970	2,054	
Financial liabilities:							
Bank overdrafts and Short – term loans from financial institution	105	-	-	5	-	110	Note 20
Trade and other current payable	-	-	-	-	1,109	1,109	-
Short-term loans and interest from other companies	48	-	-	-	34	82	Note 22
Long – term loan from financial institution	-	-	-	34	-	34	Note 23
Debenture	-	683	-	-	-	683	Note 25
Lease liabilities	12	34	-	-	-	46	6.13
Total	165	717	-	39	1,143	2,064	

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(Unit: Million Baht)

	Separate						Effective interest rate (% per annum)
	2023						
	Fixed interest rate			Floating interest bearing	Non – interest bearing	Total	
	Within 1 year	More than 1 year to 5 years	Over 5 years				
Financial assets:							
Cash and cash equivalents	-	-	-	36	43	79	Note 7
Trade and other current receivables	-	-	-	-	10	10	-
Short-term loans to related parties	687	-	-	-	-	687	Note 6
Total	687	-	-	36	53	776	
Financial liabilities:							
Trade and other current payable	-	-	-	-	7	7	Note 21
Debenture	-	688	-	-	-	688	Note 25
Lease liabilities	2	5	-	-	-	7	6.13
Total	2	693	-	-	7	702	



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(Unit: Million Baht)

	Separate						Effective interest rate (% per annum)
	2022						
	Fixed interest rate			Floating interest bearing	Non – interest bearing	Total	
	Within 1 year	More than 1 year to 5 years	Over 5 years				
Financial assets:							
Cash and cash equivalents	-	-	-	50	2	52	Note 7
Trade and other receivables	-	-	-	-	2	2	-
Short-term loans to related parties	612	-	-	-	-	612	Note 6
Total	612	-	-	50	4	666	
Financial liabilities:							
Trade and other current payable	-	-	-	-	6	6	-
Debenture	-	683	-	-	-	683	Note 25
Total	-	683	-	-	6	689	

Risk on exchange rate

The Group has a foreign currency risks in respect of the sales purchase transactions. The Group Company manages its exposure to foreign currency risk by natural balancing net position of receipt and payment of the foreign currency transactions. In each period, The Group seeks to reduce the risk on net position by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

As at 31 December 2023 and 2022, the outstanding balances of the Group's financial assets and liabilities denominated in foreign currencies which did not perform the forward contract so as hedge against risk of currencies are as follows:

(Unit: Million Baht)

	Consolidated			
	Financial assets		Financial liabilities	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Currencies:				
USD	-	0.04	-	7.00

(Unit: Million Baht)

	Separate			
	Financial assets		Financial liabilities	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Currencies:				
USD	-	0.04	-	-

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non – financial assets and liabilities. The fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/ or disclosure purposes based on the following methods:

The fair value of cash and cash equivalents, trade and other accounts receivable, short – term loans, other current assets, bank overdrafts, short – term borrowings, trade and other accounts payable and other current liabilities is taken to approximate the carrying value.

The fair value of long – term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.



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Risk on credit provision

The Group is exposed to credit risk primarily with respect to trade accounts receivable. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, The Company does not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and notes receivable as stated in the statement of financial position.

36. PROVIDENT FUND

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 1987. The Group and their employees will contribute the same amount at 2% of staffs' salary to this fund. A local financial institution is managing the provident fund and will be paid to the employees upon termination in accordance with the fund rules. For the years ended 31 December 2023 and 2022, in the consolidated financial statements, the Group contributions amounted to approximately Baht 0.70 million and Baht 1.69 million, respectively and separate financial statements amounted to approximately Baht 0.10 million and Baht 0.16 million, respectively.

37. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain assurance of shareholder, investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Company defines as result from operating activities divided by total shareholders' equity, excluding non – controlling interests and also monitors the level of dividends to ordinary shareholders.

As at 31 December 2023 and 2022, in the consolidated financial statements, debt to equity ratio is 1.12: 1 and 1.12: 1 respectively and the separate financial statements, debt to equity ratio is 0.42: 1 and 0.45: 1 respectively.

38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved to be issued by the Company's board of directors on 27 February 2024.

“ENGINEERING FOR TOMORROW”



APCS

(Head Office)

223/53, 13th Floor, Country Complex Tower A,
Sunphawut Road, Bangna Tai Subdistrict, Bangna,
Bangkok 10260, Thailand

☎ +66 (0) 2361-5494



<https://www.apcs.co.th/>