

รายงานประจำปี 2564
ANNUAL REPORT 2021
(แบบ 56-1 One Report)

Passion
& Technology



“ Precision Metal Component Specialist ”

56-1 One Report 2021



ASIA PRECISION PUBLIC COMPANY LIMITED

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Important terms and abbreviations

Company (APCS)	:	Asia Precision PLC
APAT	:	Asia Precision A.T. Co., Ltd. ¹⁾
AST	:	AsiaPrecisionTech Co., Ltd.
A2	:	A2 Technologies Co., Ltd
APT	:	APCS Technologies Co., Ltd.
A2T	:	A2 teeravat joint venture Co., Ltd.
A2V	:	A2 Technologies Vietnam Co., Ltd.
Consortium	:	Joint venture
CK	:	Cholkij Sakol Co., Ltd.
Holding	:	Investment business and holding other companies
EPC	:	Engineering and Construction Service Business
Parts	:	High Precision Machining & Cold Forging
IEAT	:	Industrial Estate Authority of Thailand
Product Maker	:	Manufacturers and distributors of finished goods to consumers such as Car manufacturers in the automotive industry, etc.
1 st Tier Supplier	:	Manufacturers and supply equipment to product manufacturers such as Manufacturers of car wipers, etc.
2 nd Tier Supplier	:	Manufacturer and supply of parts to be used as components in equipment for 1st stage parts manufacturers such as wiper core manufacturers To be assembled into a set of wipers in the car, etc.
SEC	:	The Office of the Securities and Exchange Commission
SET	:	The Stock Exchange of Thailand

1) On February 25, 2019 P2 Precision Co., Ltd. changed its company name to Asia Precision A.T. Co., Ltd.

Message from the Chairman

Asia Precision Public Company Limited (“APCS”) originally engaged in the business of precision metal parts manufacturing since 1995, with the key customers in automotive industry. The Company has expanded its operation into Engineering, Procurement, and Construction (EPC) business in 2016 as the Company saw high growth potential in the industry and lucrative business opportunities. Revenue from EPC business compared to the group’s total revenue increased significantly; from 2019 to 2021, revenue from EPC business contributed to 67.04%, 68.85%, and 60.78% of the group’s total revenue respectively. As a result, The Stock Exchange of Thailand changed APCS’s business industry from Automotive (AUTO) to Property & Construction (CONS) since July 1, 2020.

EPC business consists of 4 categories including Solar Energy, Waste Energy, Power Distribution, and Water Distribution. The Company is trusted by clients from both the private and public sectors. In 2020, the Company expanded its operation to Vietnam, by setting up a new subsidiary: A2 Technologies Vietnam Co., Ltd. The Company received a number of consultation projects and construction projects in Vietnam, with a total contract value of over 1 billion Baht. This demonstrated a great sign of potential in the oversea investment and expansion. Nevertheless for the precision metal parts business, the Company remained focus in manufacturing improvement to drive down cost, as well as exploring new opportunities in Medical Industry to support sustainable growth.

Furthermore, the Company strives to give back to the Thai society and conducted various social responsibility projects. This includes, ‘Asia Volunteer Project’ which collaborated with Social Innovation Foundation to uplift living standard for disables, and ‘Home Town Development Project’.

On behalf of the Board of Directors, I wish to express our sincerest thanks to the shareholders, clients and business alliances, who have been providing continuous support to us, and wish to thank the management and staff for their commitments and contributions through hard work for APCS’s sustainable growth and development. I wish to confirm to you all that our business administration will base on the principles of moral, integrity and transparency as well as strict compliance with the good corporate governance.



Prof. Udomsil Srisaengnam, MD

Chairman, Board of Directors

February 18, 2022

Section 1

Business Operations and Performance

1. Structure and Business Operations of APCS



1.1 Business Policy and Overview

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.

Revenue from EPC business has grown continuously; in 2021, EPC business contributed to 60.78% of total revenue. Furthermore, the EPC business has the tendency to expand continuously; therefore, the Company is aware of the need to restructure the business for clarity and ease of management to support expansion in the future. APCS will operate as a holding company, with the main focus on investment in subsidiaries. Currently, the group operates in 2 business streams: Engineering, Procurement, and Construction (EPC) business, Precision Metal Parts Manufacturing business.

Business Operations:

APCS's business operations in 2021 are divided as follows:

For the year ended	HOLDING		AUTO		EPC		WATER		CONSOLIDATED		CHANGE	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	AMT	%
Revenues	-	-	813	634	1,325	1,472	35	27	2,173	2,133	40	1.9%
Profit (loss) from operating	(1)	87	204	49	76	70	15	(3)	274	83	191	230.1%
Financial costs									14	18	(4)	(22.2%)
Tax (expenses) income									49	27	22	81.5%
Expenses for business restructuring									-	29	(29)	(100.0%)
Profit (loss) for the period									211	9	202	2,244.4%
Attributable to Non-controlling interests									-	5	(5)	(100.0%)
Profit (loss) attributable to Owners of parent									211	14	197	1,407.1%

* AUTO : Precision Metal Parts / EPC : Construction/ WATER : Water management

Operating Results:

Overall operating results of the Company and its subsidiaries in the consolidated financial statement for the year ended 31 December 2021 compared with same period of 2020 are as follows: Revenue increased by Baht 42 million (1.96%).

AUTO	EPC	WATER
Revenue increases from the same ending date of the past year due to the economic slowdown in 2020 as a result of the Coronavirus 2019 pandemic which caused interruptions in the supply chain of the automobile production activities. However, in 2021, the business has recovered with returning purchase orders.	Revenue decreases from the same ending date of the past year due to the slowdown in 2020 as a result of the Coronavirus 2019 pandemic which affected some customers who waited to sign contracts or was in the middle of studying the project, put off their proceeding. The Company has adjusted the recognized revenue target based on the situation and reflecting the reality. However, in 2021 the construction business continued to slow down due to the new wave of Coronavirus pandemic which affected delayed transportation of construction devices and equipment and thus affects the revenue recognition	Revenue increases from the same ending date of the past year due to higher demand for water usage. And in 2021, the seasonal rainwater volume was sufficient to support the purchasing orders from customers. The Company could sell water fully according to the contracts causing the cost of raw water distribution business to increase due to higher labor cost and depreciation

1. Engineering, Procurement and Construction (EPC)

Asia Precision Public Company Limited expanded its line of business beyond manufacturing of precision metal parts to Engineering, Procurement, and Construction (EPC), which operates under the companies: A2 Technologies Co., Ltd. (“A2”), APCS Technologies Co., Ltd., A2teeravat joint venture Co., Ltd., and A2 Technologies Vietnam Co., Ltd., 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

2. Precision Metal Parts Manufacturing

Asia Precision A.T. Co., Ltd., and Asia Precision Tech Co., Ltd. (AUTO Group) manufacture and distribute high precision parts and components made from metals such as steel, forged steel, stainless steel and aluminum. Shapes, characteristics and specifications are as designed by customers. The Company’s customers are 1st tier suppliers of auto parts. At present, the Company aims at producing and distributing products to the automotive industry By focusing on business expanding into BIG BIKE section which is a new rising star of the Thai automobile industry, air conditioning and refrigeration compressor industry, digital camera industry, and medical industry.

The policy is to expand its customer base to other industries so as to spread its risks and increase growth opportunities. The Company also continues to improve its process for better coverage, add competitive edge as well as support its flexibility.

3. 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.

1.1.1 Vision, Strategies and Business Directions of APCS Group



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. 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.

- Solar Energy Unit – The Company focuses on construction of solar power plant, especially solar farm type which is installed on ground. However, the public sector does not have 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 by 2023.
 - Power Sub-Station Unit – Electricity is considered as one of the key public infrastructure 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. which in 2021, the Company has taken the construction works of 3 power stations, i.e. Chum Pae Power Station, Ban Phai Power Station, Khon Khaen 2 Power Station, Sri Trang Gloves Power Station – Trang Branch, and SPP Hybrid Power Station, Sa Kaew including transmission lines. Every place is expected to complete by 2022.
 - The subsidiary has a policy to expand power plant EPC business abroad, namely to Vietnam. Vietnamese economy is rapidly growing, and therefore has an increase in demand for power. 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. Precision metal parts manufacturing
- This remains as one of the core businesses, and the group will continue to expand this division sustainably. The group will try to capture diversified industries to spread its risks, not depending on a particular industry and to find additional business alliances who want to relocate their production base to Thailand. Those business alliances must have similar or related businesses with the group to enhance production synergy and share production technology. Parts and components we produce must be complicated in design or production process in order to add value to our products.
3. Raw Water Distribution
- 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

- 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.

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%.

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
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 - Metal parts manufacturing. Manufacture and sales of High Precision Machining and Cold Forging metal parts for automotive, air-conditioning and refrigeration compressor and camera industries. - Raw Water – Distribution of raw water
Industry category	:	Construction services
Head Office	:	Amata Nakorn Industrial Estate, 700/331 Moo 6, Donhualor, Muang Chonburi, Chonburi 20000
Company Registration No.	:	0107554000011
Tel No.	:	(660) 38-468-300
Fax No.	:	(660) 38-458-751
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 600,000,000.00
Paid-up Capital	:	Baht 600,000,000.00
Number of paid-up shares	:	60,000,000 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
Branch Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496

• **Asia Precision A.T. Co., Ltd. ("APAT")**

Registered Capital	:	Baht 550,000,000.00
Paid-up Capital	:	Baht 550,000,000.00
Number of paid-up shares	:	55,000,000 common shares
Par Value (Baht)	:	10.00 per share
Type of Business	:	Manufacture and sales of High Precision Machining and Cold Forging metal parts metal parts for automotive, air-conditioning and refrigeration compressor and camera industries.
Head Office	:	Amata Nakorn Industrial Estate, 700/331 Moo 6, Donhualor, Muang Chonburi, Chonburi 20000
Branch Office	:	Amata Nakorn Industrial Estate, 700/102, Moo1, Ban Kao, Phan Thong, Chonburi 20160.
Company Registration No.	:	0205560020808
Branch Tel No .	:	(660) 38-468-300
Fax No.	:	(660) 38-458-751
Change name and address	:	On February 25, 2019, P2 Precision Company Limited changed its name to Asia Precision A.T. Company Limited Address from 700/102 Moo 1, Ban Kao, Phan Thong, Chonburi 20160 is 700/331 Moo 6, Donhualor, Muang Chonburi, Chonburi 20000

• **Asiaprecisiontech Co., Ltd. ("AST")**

Registered Capital	:	Baht 1,000,000.00
Paid-up Capital	:	Baht 1,000,000.00
Number of paid-up shares	:	200,000 common shares.
Par Value (Baht)	:	5.00 per share
Type of Business	:	Manufacture sales of metal parts.
Head Office	:	Amata Nakorn Industrial Estate, 700/331 Moo 6, Donhualor, Muang Chonburi, Chonburi 20000
Company Registration No.	:	0205561031706
Tel No.	:	(660) 38-468-300
Fax No.	:	(660) 38-458-751

• **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	:	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.	:	0205560020808
Branch Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496

• **A2 teeravat joint venture Co., Ltd. (“A2T”)**

		Preferred Shares	Common Shares	Total
Registered Capital	:	36,750,000.00 baht	38,250,000.00 Baht	75,000,000.00 Baht
Paid-up Capital	:	9,187,500.00 baht	9,562,500.00 Baht	18,750,000.00 Baht
Number of paid-up shares	:	3,675,000 shares	3,825,000 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		
Branch Tel No.	:	(662) 361-5494-5		
Fax No.	:	(662) 361-5496		

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

Registered Capital	:	Baht 1,000,000.00
Paid-up Capital	:	Baht 1,000,000.00
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	:	33 Le Duan, Ben Nghe Ward, District I, Ho Chi Minh City, Vietnam
Company Registration No.	:	0205560020808
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	:	Engineering, Procurement, and Construction services for alternative energy power plants.
Head Office	:	Production and distribution of raw water.
Company Registration No.	:	0105549083841
Branch Tel No.	:	(662) 361-5494-5
Fax No.	:	(662) 361-5496

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.	A2	Engineering Service, Automation Solution, and construction, operation and maintenance of power plants	Construction	19 October 2010	600,000,000.00	60,000,000	10.00	10.00	59,999,997	Owned by APCS 100.00
2. APCS Technologies Co., Ltd.	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 to communities and environmentally-related businesses 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 A2 99.97
3. A2teeravat joint venture Co., Ltd., ¹⁾	A2T	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 10.00	2.50 2.50	Preferred shares 3,674,997	Owned by A2 49.00
4. 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
5. Cholkij 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
6. Asia Precision A.T. Co., Ltd. ²⁾	APAT	Manufacturing of high volume precision metal parts	Metal parts manufacturing	22 October 2010	550,000,000.00	55,000,000	10.00	10.00	54,999,997	Owned by APCS 100.00
7. AsiaPrecisionTech Co., Ltd.	AST	Manufacturing of precision metal parts	Metal parts manufacturing	30 August 2018	1,000,000.00	200,000	5.00	5.00	199,997	Owned by APAT 100.00

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	Investment (%)	Consolidate Financial Statement ¹					
			2019		2020		2021	
			Revenue	%	Revenue	%	Revenue	%
1. Engineering, Procurement and Construction service (EPC)	A2 Technologies Co., Ltd	100.00%						
	A2teeravat joint venture Co., Ltd.	100.00%						
	APCS Technologies Co., Ltd.	100.00%	1,870.79	67.10	1,472.02	69.02	1,324.75	60.97
	A2 Technologies Vietnam Co., Ltd.	100.00%						
2. Precision Metal Parts Manufacturing	Asia Precision A.T. Co., Ltd. ²	100.00%	853.64	30.62	633.70	29.71	813.13	37.43
	AsiaPrecisionTech Co., Ltd.	100.00%						
3. Production and distribution of raw water	Cholkij Sakol Co., Ltd.	98.12%	63.72	2.28	27.08	1.27	34.78	1.60
			2,788.15	100.00	2,132.80	100.00	2,172.66	100.00

Note: 1. The consolidated financial statements with combined revenues have been reconciled.

2. On February 25, 2019 P2 Precision Co., Ltd. changed its company name to Asia Precision A.T. Co., Ltd.

Group business divisions as of February 18, 2022

Asia Precision PLC (“Company”) has 7 subsidiaries, details as follows:



From 2020 onwards, Asia Precision Public Company Limited operates as a Holding Company, which primarily engages in investment other companies, following the business restructuring plan approved by shareholders during the 2019 Annual General Meeting, dated on 20 April 2019. The whole of 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. The purposes of this restructuring are to clearly separate companies into proper division for more effective management and to facilitate future expansion of the group. The new group structure is divided into 3 divisions as follows:

Business group	Company in the business group
Engineering, Procurement, and Construction (EPC)	-A2 Technology Co., Ltd -A2teeravat joint venture Co., Ltd. -APCS Technology Co., Ltd. - A2 Technologies Vietnam Company Limited
Precision Metal Parts Manufacturing (Auto)	- Asia Precision A.T. Co., Ltd. ² - AsiaPrecisionTech Co., Ltd.
Distribution of Raw Water (Water)	Cholkij Sakol Co., Ltd.

EPC and Precision metal parts manufacturing are the core businesses of the group.

Once the restructuring is completed, the Company remains listed on The Stock Exchange of Thailand, but will change its category to Holding Company. APAT will be one of the companies operating the core business of precision metal parts manufacturing, in which all operations and assets including employees have been transferred from the Company. The Company owns 100% in APAT, and therefore the restructuring has no significant effect on the group’s total asset.

The operations of each division are as follows:

1. Manufactures and distributes high precision parts and components made from such metals as steel, forged steel, stainless steel and aluminum. Shapes, characteristics and specifications are as designed by customers. The Company’s customers are 1st tier suppliers of auto parts. At present, the Company aims at producing and distributing products to the automotive industry, air conditioning and refrigeration compressor industry and digital camera industry.
2. Engineering, Procurement and Construction service, including design, maintenance, equipment, and spare parts, of all renewable energy power plants, power subs-station, and water management system.
3. Distribution of raw water.

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, spare parts for the construction of power plants, 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 and A2teeravat.

(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 plant including, solar power plant, waste-powered power plant, power sub-station, and water management facility. Key customers are large private sector companies and public sector e.g. PEA.



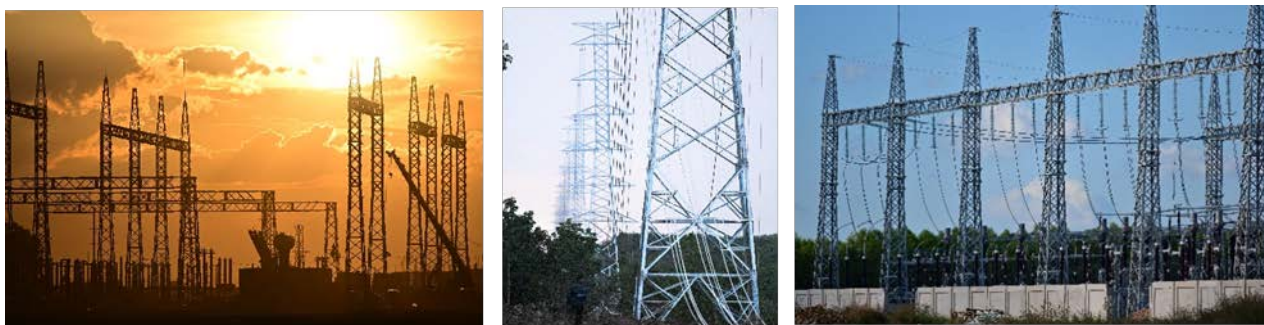
Solar Plant – installed on rooftop, on ground, and floating on water (from left to right)



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 A2 management will first contact a client and obtain initial information about the client’s requirements and make an initial decision whether to make a proposal to handle that project. If yes, the management will appoint a project manager to be in charge of the proposal.

The project manager, appointed by the management, will assign an engineer to survey the site conditions where construction will be made in order 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 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 designing and construction.

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

After data conclusion, the engineering manager and site manager will start purchasing materials, machinery and hire subcontractors to handle different portions of the project. In terms of the 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 the 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 has to 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

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 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)
Solar	9,290
Floating solar and hydroelectricity power plant	2,725
Biomass	3,380
Pracharat Biomass Power Plant in the 3 Southern Border Provinces	120
Wind	1,485
Biogas (waste water / waste / energy crops)	1,183
Communal waste	400
Industrial waste	44
Small hydro	69
Total	18,696

From the said policy, the private sector has turned to investment in alternative energy. And those private investors are A2's 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 enterprise 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: A2 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. That's why they're well recognized by designers, engineering consultants and project developers. They're well qualified to deal with clients. In addition, A2 has a team specialized and experienced in designing, planning and construction as planned as well as complicated and delicate procedures in obtaining licenses. A2 team has a full team, well qualified and acquainted with delicate procedures – A2's significant competition strategies.

- **Customer features and target customers**

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

- **Channels of distribution**

A2 enters into bidding of government construction projects, focuses mainly in projects related to utility. For private sector, A2 gets involve with those invested in energy and helps develop and propose projects for its customers. Projects include various renewable energy power plant, power sub-station, utility facilities. All of the revenue generated in 2021 is from domestic projects. Nevertheless, A2 has plans to expand its construction and consultation service for investors who are interested to go invest in energy abroad e.g. Vietnam.

- **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 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	<p>The company has been certified for quality management system ISO 9001: 2015 UKAS Quality Management.</p> <p>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. By obtaining this standard of quality system certification, it will be the cornerstone that is a valid tool in the continuous development of the organization and to create standardized products and services.</p>

(D) Procurement of materials

A2 will procure materials for the construction according to the Bill of Quantity (BOQ), featuring costs of materials and labor costs. Most clients have given A2 BOQ, featuring materials they require for A2 to calculate the material cost. In case a client has not identified materials, A2 will figure out materials and their costs from the drawings.

In terms of construction, A2 will select subcontractors in a bid or direct employment. Only subcontractors who have power plant construction references. A2 project engineer will be assigned to supervise the construction until completion.

(E) Environmental impact

A2 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, 2021, 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 (Baht)	Obligations
Land, Buildings and Equipment (Conso)	Company owned	417.95	Land valued at 271 million baht is mortgaged with a financial institution.
Land, Buildings and Equipment (Separate)	Company owned	51.42	None

(G) Projects not yet delivered to the clients

The number of projects provided to the subsidiary's construction is as follows:

(Unit: Million Baht)

No.	Description	Project	Project Value	Recognized as revenues during the year 2020	Recognized as revenues during the year 2021	Balance
1	Construction projects completed in 2021	17	949.37	810.95	138.42	-
2	Projects under construction	23	2,762.40	156.02	934.11	1,672.28
3	Projects whose contracts have been signed but construction not yet started	1	94.39	-	-	94.39
	Total		3,806.17	966.97	1,072.53	1,766.67

1.2.1.2 Procurement and distribution of equipment for construction

This unit engages in procurement and distribution of construction projects including renewable energy power plant system and equipment, power sub-station and utility facility system. 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, utility facility construction. Examples of products are solar panels, inverter, switch gear system, transformer, monitoring system, and 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 of such components depended on the demand of alternative energies.

(C) Marketing policy and features

- **Competition strategies**

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

- **Target customers**

Target customers are customers with construction projects on hand. Projects include power plant construction, utility facility construction. Customers are both private and public sector 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 reduce inventory cost. In 2018, materials were procured from within the country and from abroad.

(E) Assets used in Business

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Buildings and building improvements	Company owned	14,144,385.61	None
Work in progress	Company owned	13,409,135.83	None
Machinery and Equipment	Company owned	18,436,648.00	None
Furnishings and office supplies	Company owned	2,842,292.84	None
Vehicle	Company owned	2,831,461.35	None
Total		51,663,923.63	

(F) Projects not yet delivered

-None-

(G) Environmental impact

--None-

1.2.2.2 Manufacturing of metal parts

Revenue by Product/ Manufacturing of metal parts	Consolidate Financial Statement ¹					
	2019		2020		2021	
	Revenue	%	Revenue	%	Revenue	%
1. Automobiles	469.27	54.97	356.62	56.28	404.56	49.75
2. Motorcycles	117.20	13.73	83.46	13.17	141.74	17.43
3. Compressor	130.76	15.32	135.34	21.36	123.69	15.21
4. Camera	79.72	9.34	38.36	6.05	67.84	8.34
5. Medical equipment	55.47	6.50	15.57	2.46	58.54	7.20
6. Other Part	1.22	0.14	4.35	0.68	16.76	2.07
	853.64	100.00	633.70	100.00	813.13	100.00

Note: 1. The consolidated financial statements with combined revenues have been reconciled. (See details in Section 12, interrelated transactions.)

The Company is a producer and distributor of high precision parts and components made metals such as steel, cast iron, forged steel, stainless steel, and aluminum. The part designs and characteristics are set by customers.

Parts manufactured for each customer will differ in details, depending on their requirement for usage. The characteristics of the parts manufactured are different such as shape, dimension, types of materials, material specifications, smoothness of surface, etc.

Though APCS parts may be applied to a variety of industries and products, depending on objectives of their uses and designs of customers, most customers are automotive, Automotive industry, motorcycle group, Big Bike, medical equipment air-conditioning and refrigeration compressors and digital cameras industries. APCS's products used as components and accessories in those industries are as follows:

1.2.2.2.1 Automotive parts**(A) Products or services and business innovation development**

APCS is the manufacturer and supplier of high precision metal components to customers who are product makers of automobiles and motorcycles and 1st tier suppliers, by which they will bring Company's products as components of their automobiles, such as engine parts, driving controls, air-conditioning, motor wipers and starters. The 1st tier suppliers of motorcycles will apply APCS parts as components of engines and clutch systems. Some of APCS customers includes Isuzu Engine Manufacturing (Thailand) Co., Ltd., Valeo Siam Thermal Systems Co., Ltd., Thai Summit

Mitsuba Electric Manufacturing Co., Ltd., Jtekt Automotive (Thailand) Co., Ltd., Siam Kubota Corporation Co., Ltd., Triumph Motorcycle (Thailand) Co., Ltd., T.Rad (Thailand) Co., Ltd., and etc.

Examples of automotive products using APCS parts as components



A3003, A6061, A6063, ADC10
 Bar Extrude, Cold Forge, Cast
Round, Hex, Profile : 8-230 mm
 Turn, Mill, Drill, Ream, Assembly
Tolerance : +/- 0.007 mm
Roundness : 0.005 mm max
Roughness : 0.4 Ra



SCM415, S45C, SUM23, SUS410Q
 Bar (HR, CD)
Round : 6-150 mm
 Turn, Mill, Drill, Grind, Roll, Serration,
 Heat Treatment
Tolerance : +/- 0.005 mm
Roundness : 0.005 mm
Roughness : 0.2 Ra



FC250, FCD450
 Iron Cast
Profile: 10-300 mm, 0.2-3.0 Kg
 Turn, Mill, Drill, Grind, Polish
Tolerance : +/- 0.010 mm
Roundness : 0.010 mm
Roughness : 0.4 Ra



SCM415, SCM420, SCM440,
 S45C, SUJ2,
 Bar (HR, CD), Cold Forge, Hot Forge,
 Cold Form
Round, Profile : 10-150 mm
 Turn, Mill, Drill, Grind, Heat Treat
Tolerance : +/- 0.010 mm
Roundness : 0.010 mm
Roughness : 0.8 Ra

(B) Marketing and Competition Automotive industry

Automotive industry

The automotive industry in 2021 had produced approximately 1.69 million units, of which the local sales were 0.76 million units and 0.96 million units were exported.

The production quantity in 2021 Increased from 2020 by 0.26 million units or 18.11 percent, and production quantity in 2021 decreased from 2019 by 0.33 million units or 16.29 percent.

Domestic sales of vehicle in 2021 decreased from 2020 by 0.03 million units or 4.17 percent, and Domestic sales of vehicle in 2021 decreased from 2019 by 0.25 million units or 24.66 percent.

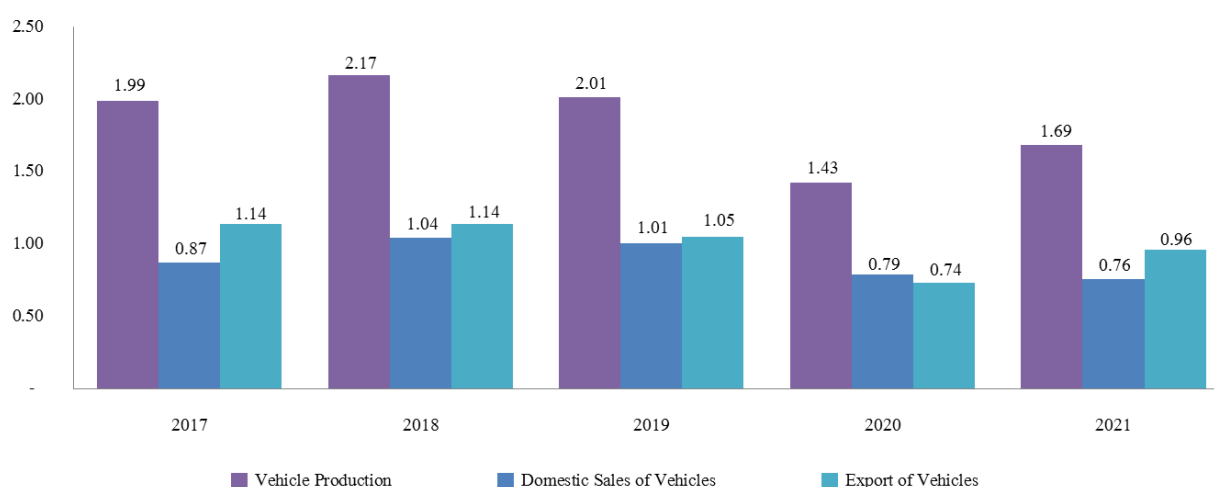
Export sales of vehicle in 2021 Increased from 2020 by 0.22 million units or 30.35 percent, and Export sales of vehicle in 2021 decreased from 2019 by 0.09 million units or 9.00 percent.

The overall automobile industry in 2021: the volume of production expanded as compared with the same period of the previous year. This is due to the increase in the export market following the expansion of economic activities of trading partner countries after the ease up of the Coronavirus 2019 pandemic (COVID-19). With respect to the domestic market, it still slows down. However, the new-strain COVID-19 pandemic must be closely monitored which may affect the ease up the pandemic control measure and therefore may affect the automobile industry.

Year	Vehicle Production		Domestic Sales of Vehicles		Export of Vehicles	
	Quantity	Growth Rate	Quantity	Growth Rate	Quantity	Growth Rate
	(Unit)	(%)	(Unit)	(%)	(Unit)	(%)
2017	1,988,823	2.28	871,650	13.38	1,139,696	(4.11)
2018	2,167,694	8.99	1,041,739	19.51	1,140,640	0.08
2019	2,013,710	(7.10)	1,007,552	(3.28)	1,054,103	(7.59)
2020	1,427,275	(29.12)	792,146	(21.38)	735,842	(30.19)
2021	1,685,705	18.11	759,119	4.17	959,194	30.35

Source: Thailand Automotive Institute

(Unit : Million)



Source: Thailand Automotive Institute

Industry trends and automotive competition.

Based on the information from the automobile industry, shown in the industrial economic reports by the Office of Industrial Economics, Ministry of Industry, the estimate production in 2022 is approximately 1,700,000 vehicles, an increase of 6.25 percent from the same period last year, divided into 40-45 percent for domestic sales and 45-50 percent for export.

Motorcycle Industry

The motorcycle industry in 2021 produced some 1.78 million units motorcycles with local sales of 1.61 million units and export sales of 0.97 million units motorcycles.

The production motorcycle quantity in 2021 increased from 2020 by 0.17 million units or 10.24 percent, and production quantity in 2021 decreased from 2019 by 0.17 million units or 8.61 percent.

Domestic sales of vehicle in 2021 increased from 2020 by 0.09 million units or 5.96 percent, and Domestic sales of vehicle in 2021 decreased from 2019 by 0.11 million units or 6.52 percent.

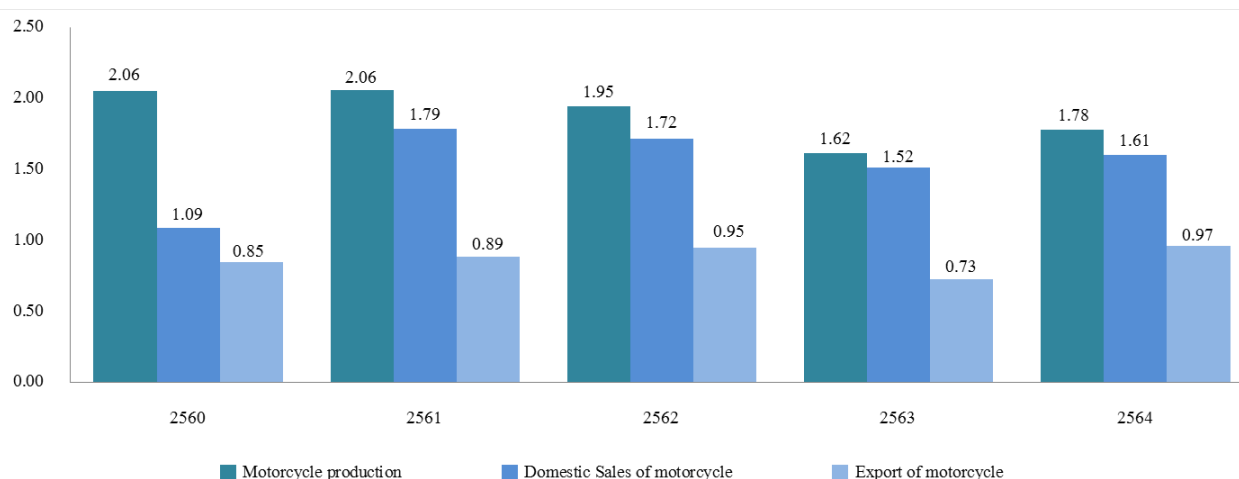
Export sales of vehicle in 2021 increased from 2020 by 0.24 million units or 32.84 percent, and Export sales of vehicle in 2021 increased from 2019 by 0.02 million units or 1.81 percent.

The overall motorcycle industry in 2021: the production of motorcycle expanded as compare with the same period of the previous year. This is due to the domestic market demand and the export market following the ease up of the COVID-19 pandemic. However, the new-strain COVID-19 pandemic must be closely monitored which may affect the ease up the pandemic control measure and therefore may affect the motorcycle industry.

Year	Motorcycle production		Local sales of motorcycle		Export of motorcycle	
	Quantity	Growth Rate	Quantity	Growth Rate	Quantity	Growth Rate
	(Unit)	(%)	(Unit)	(%)	(Unit)	(%)
2017	2,055,193	12.90	1,087,168	(37.46)	849,081	(8.20)
2018	2,063,076	0.38	1,788,323	64.49	886,275	4.38
2019	1,948,480	(5.55)	1,718,587	(3.90)	948,839	7.06
2020	1,615,319	(17.10)	1,516,096	(11.78)	727,152	(23.36)
2021	1,780,654	10.24	1,606,481	5.96	965,967	32.84

Source: Thailand Automotive Institute

(Unit : Million)



Industry trends and motorcycle rivalry

An industrial economic report by the Office of Industrial Economics expects a stable production of 2,000,000 motorcycles in 2022. This is a revision from the previously estimated production volume. Production for domestic sales of approximately 85-90 percent and production for export 10 percent. -15 are expected.

Automotive component industry

The automotive component industry is one of the industries that the government focuses and provides support as it plays a key role in supporting the automobile industry, which Thailand is one of the most significant and largest producers in the world. The industry is also significant to the Thai economy, creating huge employment and links with other related industries.

In terms of competition, the automotive component industry is not in a head-on competition. Most automotive component producers are specialized in certain products and their clients usually own larger businesses than component producers. That's why the clients often have several component producers as their suppliers. The relationship between the clients and component producers is usually based on supplier development so that the component producers may be able to supply components to the clients for a long time. It's not easy to develop a supplier to produce quality products at the clients' expectations. If a component develops a problem, the clients may be badly affected as they cannot make a delivery by the schedule. However, if a supplier is developed, the supplier will grow along with his client. In terms of APCS, APCS is not producing parts or components for a particular industry but its high-precision products can serve a variety of clients. That's why APCS does not have any specific competitors.

The automatic parts industry in 2021 saw an increase. The total export value was THB 263,746 million, comprising engine parts worth THB 41,568 million or 15.76 percent, spare parts worth THB 24,406 million or 9.25 percent, equipment parts and accessories worth THB 196,025 million or 74.32 percent and other parts worth THB 1,747 million or 0.66 percent. The Information Technology & Communication Center, Office of the Permanent Secretary for Commerce said major export markets for automotive parts were Japan, United States of America and Indonesia while motorcycle part were Cambodia, Japan and Brazil

Quantity of Export Automotive & Auto Parts

	(Unit : Million Baht)				
	2017	2018	2019	2020	2021
Engine	39,728	37,226	31,998	23,817	41,568
Spare parts	36,127	26,941	24,120	19,275	24,406
O.E.M. Part	198,242	215,680	181,254	133,806	196,025
Others	480	633	823	1,037	1,747
Total	274,577	280,480	238,195	177,935	263,746
Growth Rate (%)	6	2	(15)	(25)	48

Source: Thailand Automotive Institute

Industry trends and automotive parts competition

In 2022 the overall automobile parts industry for the parts produced for automobile plants is likely to be stable or slightly increase according the economic situation that gradually recovers from the impacts of the COVID-19 pandemic since the business recovery follows the economic trend of the country and foreign

countries. However, the new-strain COVID-19 pandemic must be closely monitored which may affect the ease up the pandemic control measure and therefore may affect the automobile parts industry.

1.2.2.2.2 Air-conditioning and refrigeration compressor industry

(A) Characteristics of Products

APCS is a manufacturer and supplier of parts to product makers in the air-conditioning and refrigeration compressor industries. Customers include Emerson Electric (Thailand) Co., Ltd. Emerson Climate Technology Co., Ltd., etc.

Examples of products in the air-conditioning and refrigeration compressor industries using APCS parts as components:



SCM415, S10C, S15C, S20C, S45C, 316L
 Bar (HR, CD), Cold Forge, Hot Forge
Round, Profile : 10-150 mm
 Turn, Mill, Drill, Grind, Polish,
 Heat Treat, Copper Plate
Tolerance : +/- 0.010 mm
Drill Hole : 0.6 x 7.0 mm
Roundness : 0.020 mm
Roughness : 0.4 Ra

(B) Marketing and Competition

Compressor Industry

The production compressor quantity in 2021 increased from 2020 by 1.77 million units or 20.65 percent, and production quantity in 2021 increased from 2019 by 0.29 million units or 2.83 percent.

Domestic sales of vehicle in 2021 decreased from 2020 by 0.36 million units or 8.47 percent, and Domestic sales of vehicle in 2021 decreased from 2019 by 0.44 million units or 8.86 percent.

The volume of export sales for the year 2021 increases from that of 2020 by the amount of 0.99 million, equivalent to 21.53 per cent and that of the year 2021 increases from the year 2019 by the amount of 0.24 million, equivalent to 4.43 percent.

	2017	2018	2019	2020	2021
Compressor Industry Production (Unit : Million)	9.49	8.76	10.07	8.58	10.36
Growth Rate (%)	(8.83)	(7.68)	14.93	(14.77)	20.65
Local Sales of Compressor Industry (Unit : Million)	5.12	4.49	5.01	4.21	4.57
Growth Rate (%)	(9.84)	(12.36)	11.71	(15.98)	8.47
Oversea Sales of Compressor Industry (Unit : Million)	4.72	5.11	5.33	4.58	5.57
Growth Rate (%)	2.38	8.16	4.45	(14.07)	21.53

Source: The Office of Industrial Economics

In 2021, the overall compressor industry has the sale volume of compressor increases. As the world economy starts to recover from the COVID-19 pandemic, this may positively affect the demand for electrical appliances, particular new models of electric appliances that care for health as well as good sales can be organized more convenient, therefore consumers can access to information and make a decision to purchase easier.

Industrial prospects and competition

According to the report on industrial economic outlook of the Office of Industrial Economics (OIE), Ministry of Industry, it has forecast that the trend of electrical appliance industry such as compressor, air-conditioner, etc. in 2022 expects to increase production and exports approximately 3 per cent and 5 per cent, respectively, as compared with those of the previous year. As the world economy and key export markets of Thailand recover from the COVID-19 pandemic, innovation development, modern technology improvements, particularly new model of electrical appliances that focus on health care such as Air Coo Long Fan, Air Purifier and Air Fryer, etc. as well as goods sales via online channels, these help consumers to access to information and make purchasing decision easier, resulting in the trend on demand for electrical appliances increases constantly in the year 2022.

1.2.2.3 Medical equipment

A. Nature of products

The Company produces and distributes parts to manufacturers of disposable medical devices for which customers of the Company include AUSA MEDICAL DEVICES PRIVATE LIMITED, BARD PERIPHERAL VASCULAR INC, ADROIT USA INC, CR BARD C/O BD, FERROSAN MEDICAL DEVICES SP.Z O.O., INFUS MEDICAL CO.,LTD., etc.



Raw Material: SS17-4 PH H900, SS316, SS304

Process: Turn Mill

B. Marketing and Competitive Conditions

The Thai medical device industry is expected to grow at the average rate of 6.71 per cent per annum during the period between 2020 – 2021, which is higher than the growth of the world’s medical devices which is expected to grow at the average rate of 4.1 – 5.1 per cent per annum during the same period.

The main cause of continuous growth in the Thai medical device industry is the aging society because of longer longevity. There is an increase in the number of patients particularly patients with non-communicable diseases such as heart disease, diabetes, cancer and cerebrovascular disease, which result in an increased use of medical devices. In addition, factors that help the Thai medical device industry to grow is the public policy that promotes a comprehensive medical industry (medical hub) which has invited investments from multinational companies as well as increased access to medical services from foreigners whether who work and reside in

Thailand and those who travel together with obtain medical service (medical tourism). This leads Thai private hospitals to have a plan to expand its operations. Key factors in the future that increasingly affect the market value, namely technology advancement which includes AI and Big Data in disease diagnostics by collecting data from personal devices (health-related personal devices).

1.2.2.2.4 Digital cameras Industry

(A) Characteristics of Products

APCS is a manufacturer and supplier of parts for digital camera product makers. Such parts include zoom equipment. A major APCS customer is ENT (Thailand) Co., Ltd.

Examples of products in the digital camera industry using APCS parts as components:



A5056

Extrude, Cold Forge, Cast

Round : 50-100 mm

Turn, Drill, Cam Mill, Anodize

Tolerance : +/- 0.005 mm

Roundness : 0.010 mm max

Roughness : 0.15 Ra

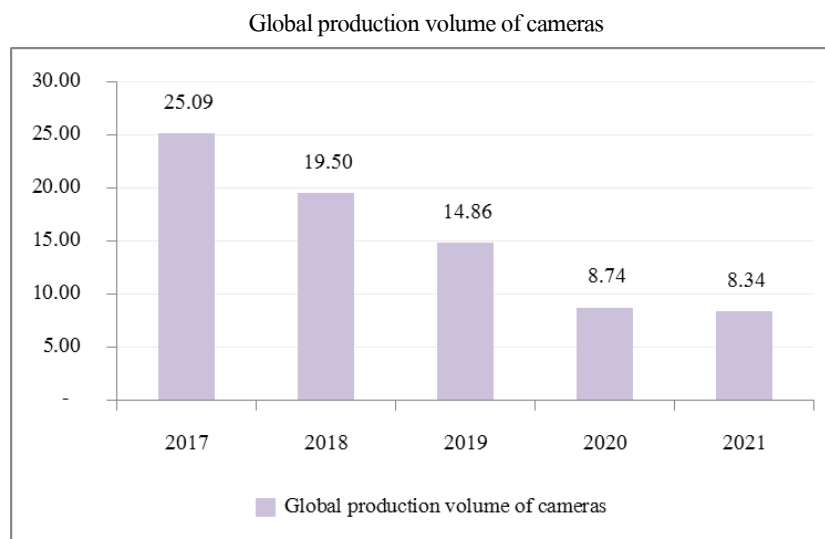
(B) Marketing and Competition

Digital cameras industry in Thailand

In 2021, the digital camera industry was stable because smart phone manufacturers had improved their photography technology in their smart phones for much clearer pictures and that development had been continuous. Today, some models of the smart phone could take pictures as clear as compact cameras, thus increasing number of consumers had turned to smart phones and badly affecting the digital camera industry.

Today, there are 3 kinds of digital cameras:

- Compact cameras are easy to use and carry. They are the main products in the digital camera industry.
- Digital Single Lens Reflex or DSLR cameras are of high quality and rather large in size, sold at high prices, lens replaceable, good for professional photographers as DSLR cameras are quite costly. The customer base for DSLR cameras is much smaller than the compact cameras.
- Mirror less cameras are compact and lens replaceable. Their quality is close to the DSLR cameras.



Source: Camera & Imaging Products Association

Industrial prospects and competition

In 2022, APCS believes the digital camera industry is likely to continue to decline in the future because consumers use smartphones instead of digital cameras. However, there are still some consumer groups remain using cameras, especially high performance and expensive cameras.

The following section describes overall picture of business in automotive industry, including policies, market characteristics, raw material sourcing, impact on environment and work in progress. Details as follows:

(C) Policy and Market Nature of Important Products

- **Competitive Strategies**

APCS is the manufacturer and supplier of high precision machining and cold forging products, whose product and service quality have been recognized by clients. APCS is attentive from the start of the process, procuring raw materials, production process designs, production control as well as quality inspection and assurance and on-time delivery to customers to ensure that parts manufactured by APCS meet the clients' requirements and designs.

Producers who use APCS parts as components include product makers, manufacturers and 1st Tier suppliers both local and overseas. The competitive strategies employed by APCS are as follows:

(1) Parts quality: APCS has focused on quality control of parts manufacture to ensure that they meet the clients' specification requirements and designs. APCS procures raw materials according to the clients' specifications, design production process by a computerized system, monitor production process and process quality assurance for parts manufactured. APCS handles two levels of quality inspection: (1) Inspection and quality control during the production process and (2) final inspection before delivery to ensure that all parts manufactured and delivered by APCS may meet specifications specified and designed by customers.

(2) On-time delivery: APCS also focuses on the control and delivery of parts to customers on time and on a regular basis to support the clients' continuous production process and earn confidence from the clients.

(3) Stability of Production: APCS is capable of producing and sourcing parts to meet the clients' demand and quantity required, thus resulting in the clients' ability to manage their production process to avoid waste of production factors on a just-in-time basis.

(4) Ability to increase or expand production capacity: APCS is capable of increasing or expanding its production capacity to meet the rising demand in and expansion of the clients' businesses. APCS can produce parts in an increased quantity if customers require.

(5) Expansion of operation scope: APCS has increased continuous production lines which are continuous process from its main production lines in order to increase product value such as surface plating, which began in the 2nd quarter of 2011.

In the past, APCS outsourced the said processes, thus incurring expenses on transportation and coordination, employing outsiders as well as expenses on quality control employment. Furthermore, employing outsiders has resulted in longer production time because of the time required to ship parts back and forth and the third party's operation time is beyond APCS control.

APCS's expansion to cover the said process has resulted in better efficiency in cost management, quality control and production time.

(6) Development of production process and management for better efficiency: APCS has determined to develop its production processes and cost management. Initially, it implemented TOYOTA Production System (TPS) in 2008 and applied Cold Forging and Anodizing to its production process. In addition, APCS looks forward to better labor productivity by introducing automation process to its production lines for increased efficiency in using machines, increasing production and enhancing quality, as well as providing opportunity to employees to develop their ability for higher skilled works .

(7) Responsibility and good relationship with customers:

- Ability to increase production capacity to meet customers' demand: In certain cases, customers may need additional parts from APCS during a period and on emergency. APCS is able to adjust production lines to increase production capacity to match the demand of customers within a short period so that customers can produce and work continuously,
- Maintaining long term relationship with customers: APCS maintains a policy to preserve long term customer relationship by preparing and maintaining production capacity to support continuous operation of customers until the end of the models, as well as expansion of production capacity and increasing new processes for a complete cycle of services.
- Confidentiality: APCS realizes the significances of customer confidentiality by controlling technical data on parts customers employed APCS to produce or other data of confidentiality of customers not to be revealed to the public or use the data for personal benefit, as well as other data which may affect APCS competitiveness and activity.

- **Characteristics of clients and target clients**

APCS produces and distributes a variety of precision machined parts and components to supply different industries, depending on the clients' applications. Most APCS customers are in the automotive, compressor for air-conditioners and chillers and digital camera industries.

Examples of clients

Industry	Current Clients
1. Automotive industry	Automobile and motorcycle manufacturers, component producers for engines, driving control, air-conditioners, rain wiper motors, and starters, engine and clutch components for motorcycles, etc.
2. Compressor for air-conditioners and chillers	Compressor manufacturers for air-conditioners and chillers.
3. Medical equipment	Medical device manufacturer
4. Digital camera industry	Digital camera manufacturers.
5. Other industries	Manufacturers of printers, printer shafts, medical tools and hydraulic machinery.

- **Distribution channels**

APCS distributes most parts to the 1st Tier Suppliers and product makers both local and overseas. In 2021, APCS supplied parts to local customers at 71.30% of the total revenue and 28.70% to overseas customers, as detailed below:

APCS's revenue structure by distribution channels manufactures high precision parts and components made from metals

Year	Separate Financial Statement						Consolidated Financial Statement					
	2019		2020		2021		2019		2020		2021	
	Value (Million Baht)	%	Value (Million Baht)	%	Value (Million Baht)	%	Value (Million Baht)	%	Value (Million Baht)	%	Value (Million Baht)	%
Domestic	691.39	75.27	4.36	48.93			626.51	73.39	465.29	73.42	579.78	71.30
Overseas	227.13	24.73	4.56	51.07			227.13	26.61	168.41	26.58	233.35	28.70
Total sale	918.52	100.00	8.92	100.00			853.64	100.00	633.70	100.00	813.13	100.00

APCS has supplied its products to such countries as China, Brazil, Belgium, Poland, United States of America, Argentina, Italy, Ireland, France, India, and etc.

- **Pricing Policy**

APCS has a policy of cost plus pricing. Both APCSS and the client will jointly settle a price of metal parts before production.


Since the majority of the cost of parts comes from raw materials such as iron, stainless steel, aluminum, etc., which are commodity goods and their prices are set by the demand and supply of each type of raw materials in the world market which suffer constant changes, APCS therefore suffers risks from fluctuation of the said raw materials.



In case the raw material prices go up substantially, APCS will negotiate with customers to adjust parts prices in order to maintain a reasonable profit margin. If the market price of a raw material rises by more than 10 percent from the price stated in the agreement, APCS will negotiate with the customer for a change in selling price to meet the actual cost of raw materials. On the other hand if the price of raw material decreases, the customer will negotiate with APCS for an adjustment in parts price, similarly. The ratio of price adjustment up or down will not be fixed mainly, but will depend on negotiation in each time, which normally there will be a sharing of costs, in which the customer will bear the major cost. However there may be lag time while the raw materials are under the responsibility of APCS, thus there are certain risks on material price changes.

However, APCS maintains a price setting policy to customers on the bases of Arm's Length and equality, without considering any other relationship other than normal trading relationship. Even though products ordered by each customer will be different in size, shape, production procedure and types of raw materials, APCS holds the policy to set price on the same basis by considering cost plus pricing which the same standard pricing and trade terms criteria are applied. Besides, the profit margins and terms of trade of each customer may differ depending on competitive condition of each industry and quantity of orders. (The margin of the APCS in 2021, customers in the automotive industry average of 53.06 industrial air conditioning compressor and refrigeration average of 15.03, and industrial digital cameras average percent. the industry average was 11.73 percent, 20.18), the Company will take into account the best interests of the Company.

- **Certificates and International Standards**

APCS is committed to development of production and management efficiency to raise the standards of APCS factories to the level acceptable by clients. To date, APCS has received the following international standard certificates:

No.	Standards	Period Certified	Certification
1.	ISO 9001 : 2015 	Jun 2, 2020 to Apr 12, 2023	The ISO 9001: 2015 standard is a standard that international organizations regulate (International Standardization and Organization), established with the aim to promote a systematic approach to management and administration of corporate quality. The company has received such standards throughout the organization. Scope of Certification: The Manufacture of precision

No.	Standards	Period Certified	Certification
			machined parts. Permitted Exclusions : Product Design
2.	IATF 16949 : 2016 	Apr 13, 2020 to Apr 12, 2024	The IATF 16949:2016 is developed from the ISO 9001:2015 by adding requirements to the IATF 16949 to the automotive industry, which are applicable to the quality management of the automotive industry across the world. APCS has been certified with that standard throughout the organization. (IATF 16949 changes its name from ISO/TS 16949) Scope Certification : Manufacturing of precision parts
3.	ISO 14001: 2015 	Jun 03, 2020 to Jun 2, 2024	The ISO 14001:2015 has been figured out by the International Standardization and Organization to encourage organizations to have efficient environmental management. APCS has been certified with that standard throughout the organization. Scope Certification : Manufacture of precision parts for automotive, office automation, electronic, electrical appliance and industrial machine

(D) Procurement of materials and production

- **Production and production capacity**

Today, APCS has one factory, located at in the Amata Nakorn Industrial Estate, 700/331, Moo 6, Donhualor, Muang, Chonburi. Province. The maximal production capacity as of December 31, 2021 was 2,974,198 hours/year. From 2019 to 2021, APCS's actual production capacity was as follows:

	Unit	2019	2020	2021
Machines	(Per Unit)	467	467	485
Capacity ¹	(Per Hours)	3,007,698	2,952,838	2,974,198
Producing Actual	(Per Hours)	1,810,544	1,280,009	1,317,668
Capital Ratio	(%)	60.2	43.3	44.3

^{1/}The maximal production capacity is calculated from 300 production days per year, * producing 21 hours a day * number of machines.

- **Raw materials**

The main raw materials for precision machined components are steel, aluminum and stainless steel, usually specified by clients. Then APCS will find materials based on prices and terms best appropriate to APCS. Most materials are imported as the steel, aluminum and stainless steel, made in the country feature size and

qualities irrelevant to the clients' specifications. APCS has no policy to buy raw materials from a particular supplier but spread the purchase from several suppliers for the benefit of material selection. APCS has a leading supplier of steel, aluminum and stainless approximately 49 suppliers.

In 2021, APCS imported raw materials at about 10 percent of the total value of material procurement, Taiwan, South Korea, China, England, USA and while the other 90 percent from local suppliers or overseas representatives in Thailand. In 2021, APCS bought raw materials not more than 20 percent of the total value of material procurement from a single supplier. The largest supplier was about 9.89 percent of the total value of material procurement in 2021.

Raw material purchase from suppliers is at arm's length. APCS treats every supplier equally, based on normal business relationship, pricing, quality and terms best appropriate for APCS. APCS has no policy to buy raw materials from a particular supplier but spread the purchase from several suppliers for the benefit of material selection. To prevent inappropriate purchase is to have quotes from several suppliers, from which APCS will choose to buy raw materials for APCS's optimal benefits

(E) Environmental impact of manufactures high precision parts and components made from metals

As a manufacturer of automotive and electronics parts, located in Amata Nakorn Industrial Estate, Chon Buri, APCS's production process may cause environmental impact. APCS has consequently introduced measures to cope with that possible impact to employees' health, environmental quality in the factory and nearby areas and control every parameter not to exceed the standard requirements and in line the related government agencies' regulations.

- Air -What may affect the air quality is oil mist from the production process. APCS has installed oil mist and dust detectors at the production line to prevent impact to the air quality. In addition, the Ministry of Industry and Ministry of Interior require APCS not to discharge waste, whose parameters exceed the regulations. A test of the waste samples shows that APCS waste is under the standard criteria. The test on Oct 18, 2021 by Vcare Environment Services Co., Ltd. an environmental quality analyst whose laboratory has been registered with the Department of Industrial Works, shows the following findings:

- Air pollutants discharged from the APCS factory,

Parameter	Result	Criteria	Unit
Nickel Acetate (as Ni)	<0.003	0.5 ⁽¹⁾	mg/m ³
Sulfuric Acid	<0.556	25 ⁽¹⁾	ppm
Sulfur Dioxide	<1.298	500 ⁽¹⁾	ppm
Oxide of Nitrogen as Nitrogen Dioxide	<1.063	-	ppm
Total Suspended Particulate	2.660	400 ⁽¹⁾	mg/m ³
Sodium Tetraborate as Sodium	0.170	-	mg/m ³
Nitric Acid	0.067	-	ppm

Notes: Ministry of Industry's Notification on volume of pollutants discharged from the factory of 2006.

⁽¹⁾ : Standards CHWI

- : No standard

: Results measurement, calculate the temperature 25 degrees Celsius, the pressure of one atmosphere or 760 mm Hg dry conditions.

- Air quality in the workplace

Parameter	Result	Criteria	Unit
Sodium Hydroxide	<0.001-0.333	5 ^[1]	mg/m ³
Sulfuric Acid	<0.029-0.061	1 ^[1]	mg/m ³
Nitric Acid ^[3]	<0.01	2 ^[1]	ppm
Potassium Hydroxide	0.247-0.493	2 ^[2]	mg/m ³
Iron Fume	<0.003	10	mg/m ³
Methanol	<0.06	200	ppm
Iron Chloride as FeCl ₃	<0.003	10	mg/m ³
Sodium Nitrate as Na	0.028	-	mg/m ³
Isopropyl Alcohol	<0.04-0.05	400	ppm
Carbon Monoxide	<1	50 ^[1]	ppm
Total Dust	0.167-0.635	15	mg/m ³
Respirable Dust	0.100-0.329	5	mg/m ³
n-Hexane	<0.01	500 ^[1]	ppm
Oil Mist	<0.001-0.33	5	mg/m ³
Aluminum Dust	<0.002-0.004	15	mg/m ³
2-Methyl-2,4-Pentanediol ^[2]	<0.15	125	mg/m ³
2-Butoxy Ethanol	<0.02	50 ^[1]	ppm
Sodium Tetraborate as Na	0.042-0.389	-	mg/m ³
Naphtha	<0.15-93.41	2,000 ^[1]	mg/m ³
Xylene	<0.02-0.05	100 ^[1]	ppm
Ethyl Acetate	<0.03	400 ^[1]	ppm
Methyl isobutyl ketone	<0.05	100 ^[1]	ppm
2-Propanal	<0.05	400 ^[1]	ppm
Toluene	<0.02	200 ^[1]	ppm
Ethylene Glycol Monobutyl Ether	<0.02	50 ^[1]	ppm
1-Metoxo-2-Propanol as Propylene Glycol Monomethyl Ether	<0.02	100 ^[1]	ppm
Propane	<0.08	1000 ^[1]	ppm
Butane	<0.13	800 ^[1]	ppm
2-Butoxy Ethanol	<0.02	50 ^[1]	ppm
Acetone	<0.05	1000 ^[1]	ppm
Methylcyclohexane	0.28	500 ^[1]	ppm

Notes : Occupational Safety and Health Administration (OSHA)

^[1] : Ministry of Interior's Notification on safety at work concerning environment (Chemicals)

^[2] : Ministry of Interior's Notification on safety at work concerning environment (Chemicals)

^[3] : Analyzed by Emex Association Co., LTD

- : No applicable standard

- **Water** Water is one of the main resources consumed in the production process, for instance, washing metal products in the production process, blended with the coolant to keep machinery cool, product plating process, and washing other things as well as for human consumption. Wastewater from the coolant and inorganic waste

will be collected and a company licensed to handle waste disposal from the Department of Industrial Works, Industry Ministry, would take it for proper disposal

- **Wastewater** : APCS can treat wastewater from 2 sources. Firstly, wastewater from the plating process, APCS can treat 6 cubic meters/hour, efficient enough to treat all the wastewater from the production process. Secondly, wastewater from human consumption.

APCS monitors the wastewater quality and parameters involved to make sure that they meet the Industrial Estate Authority of Thailand's requirements. Wastewater discharged to the Amata Nakorn Industrial Estate's main drain is sampled on a monthly basis by the Amata Nakorn Industrial Estate. APCS's wastewater parameters do not exceed the criteria.

The latest sampling on December 13, 2021 by Test Tech Co., Ltd. (Amata Nakorn Branch), the water and wastewater analyst in the Amata Nakorn Industrial Estate, whose laboratory has been registered with the Department of Industrial Works, Ministry of Industry, showed:

Parameter	Results	Criteria	Unit
Temperature	28.6	≤45	°C
Biochemical Oxygen Demand	<2.0	≤500	mg/l
Chemical Oxygen Demand	16	≤750	mg/l
Total Suspended Solid	10	≤200	mg/l
pH	7.84	5.5 – 9.0	-
Total Dissolved Solids	490	≤3,000	mg/l
Grease & Oil	<2.0	≤10	mg/l

- **Raw material scraps** : Scrap from the production process are metal scraps from lathing and/or drilling process. APCS will collect those lathe scraps and hire a company licensed for waste management to pick them up. The trucks will be weighed before and after scrap loading under an APCS staff's supervision. Before loading the scraps, those scraps will be squeezed for less storage space and a byproduct from that process is oil from the scraps, which can be recycled.

As the factory is located in Amata Nakorn Industrial Estate under supervision of the Industrial Estate Authority of Thailand, waste discharge, in terms of volume and quality, is strictly controlled by the Industrial Estate Authority of Thailand. Waste discharged by APCS from 2007 to 2021 has been under the criteria of the Amata Nakorn Industrial Estate.

APCS has been certified with ISO 14001:2015 on Jun 03, 2021 and received the Green System Award, Level 3 from the Ministry of Industry on September 14, 2020 for its standards of environmental management and operation. That guarantees our focus on pollution prevention from affecting the environment.

(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, 2021, 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 (Baht)	Obligations
Land is used as the plant location (5 Title Deeds of land, 12-3-52 rais)	The Company owns	113,344,000.00	The Company has taken the land and buildings with net book value as at December 31, 2021 and 2020 amounting to 46.20 million baht and 46.20 million baht, respectively, to guarantee credit with commercial banks.
Buildings and building improvements	The Company owns	74,800,930.49	None
Work in progress	The Company owns	1,438,129.78	None
Machinery and equipment	The Company owns	195,281,780.53	None
Furnishings and office supplies	The Company owns	1,926,752.71	None
Vehicle	The Company owns	1,706,512.13	None
Total		388,498,105.64	

(G) Products not yet delivered

None.

1.2.2.3 Raw Water Business Unit

The unit engages in 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 today 5 reservoirs with 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 2021. Water usage has slowed due to the Covid-19 outbreak

- Trends of the industry and competition**

The trend of the Thai Industry sector for the year 2022 expects the consumer price index (CPI) to increase from the period of the year 2021 due to the problem of COVID-19 pandemic has subdued both domestically and internationally. This makes the industrial sector, import, exports, tourism and the manufacturing sector improve from the previous year. The CPI for the year 2021 declines from that of 2020 for almost all sectors resulting from the new-strain COVID-19 pandemic that cause a halt in some of the industrial

sector following the government's announcement. This also affects the construction industry in some areas and those works in foreign countries.

(C) Marketing policy and features

- **Competition strategies**

Raw water of CK is of high quality and meets the standards of inland water, category 3, the standards required by customers. Cholkij Sakol has installed a system to check the quality and quantity of water for clients to be confident in raw water, supplied by Cholkij Sakol. In addition, Cholkij Sakol 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 household and industrial sector and ect.

- **Channels of distribution**

Today, CK sells raw water to a domestic customer, Our customer is the industrial sector, water management companies that distribute to household and industrial sector.

- **Storage and distribution**

The current situation is Thailand is in 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 cost and depreciation

(D) Raw materials

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

- **Pricing policy**

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

(E) Environmental impact

CK collect only rainwater to its 5 reservoirs in the rainy season (August-November). Therefore, there is no environmental impact but CK's operation help 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, 2021 consists 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

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
			with a commercial bank as collateral for long-term loans.
Land improvement	The Company owns	117,807.06	None
Total land and land improvements		273,724,772.21	
Buildings and building improvements	The Company owns	9,990,385.54	None
Machinery and equipment	The Company owns	46,263,155.93	None
Furnishings and office supplies	The Company owns	19,673.40	None
Total		329,997,987.08	

(F) Projects not yet delivered

- None -

1.3 Shareholding Structure

1.3.1 Shareholding Structure



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 at 30 December 2021	No. of Common shares	Amount of 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 December 30,2021

Name	No. of Common shares	% of total shares all issued
1. Advance Web Studio Co., Ltd. ¹⁾	146,000,000	22.12
2. Karoonkornsakul Group ²⁾	109,751,157	16.63
3. Mr.Somchai HongRatanavijit	40,000,000	6.06
4. Ms.Daranee Attanand	33,357,131	5.05
5. Mr.Annop Limprasert	20,924,300	3.17
6. Bank Of Singapore Limited	20,000,000	3.03
7. Mr.Chanchai Gulthavorakorn	19,160,900	2.90
8. Ms.Janyaporn Valyasevi	13,557,600	2.05
9. Mr. Swechak Lochaya	12,555,000	1.90
10. Mr.Sirote Sangthawaiporn	11,000,000	1.67
	426,306,088	64.59

¹⁾ See detail Advance Web Studio Co.,Ltd at no.4

²⁾ See detail Karoonkornsakul Group at no.5

(3) Portion shareholders of the Company according to the latest book closing date on December 30,2021

Name	No. of Shareholders	No. of Common shares	% of total shares all issued
1. Advance Web Studio Co., Ltd ¹⁾	1	146,000,000	22.12
2. Karoonkornsakul Group ²⁾	8	109,751,157	16.63
3. Mr.Somchai HongRatanavijit	1	40,000,000	6.06
4. Minority shareholders	1,772	364,248,705	55.19
	1,782	659,999,862	100.00

Note : No. of Thailand shareholders 1,175 person (Total shares 637,354,676 shares or 96.57%) and
No. of foreign shareholders 7 persons (Total shares 22,645,186 shares or 3.43%)

Remark : ¹⁾ See detail Companies Advance Web Studio at no.4

²⁾ See detail Karoonkornsakul Group at no.5

(4) Portion shareholders of Advance Web Studio Co., Ltd. as follows (as at 31 December 2021)

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

(5) Portion shareholders of Karoonkornsakul Group as follows (as at 30 December 2021)

Name		No. of	% of total shares all issued
		Common shares	
1.	Mr. Apichart Karoonkornsakul	91,668,398	13.89
2.	Mr. Pete Karoonkornsakul	1,972,425	0.29
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
6.	Mrs. Panee Karoonkornsakul	6,366	-
7.	Mr. Udom Karoonkornsakul	170,000	0.03
8.	Mr. Chairoj* Vetnaruman	12,335,682	1.87
		121,285,157	16.63

Note : * Mr. Chairoj Vetnaruman is Miss Anchalee Karoonkornsakul's husband.

(6) Portion shareholders of AWS Asset Management Co., Ltd. as follows (as at 31 December 2021)

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

1.3.4.1 Shareholding Structure of Subsidiaries - Asia Precision A.T. Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of Common shares (Shares)	Amount of per share (Baht)	Amount (Baht)
Registered Capital	55,000,000	10.00	550,000,000
Paid-up Capital	55,000,000	10.00	550,000,000

(2) Shareholders of Asia Precision A.T. Company Limited

Name		No. of	% of total shares all issued
		Common shares	
1.	Asia Precision Public Company Limited	54,999,997	99.99999
2.	Minority shareholders (3 persons)	3	0.00001
		55,000,000	100.00000

Remark : On February 25, 2019 P2 Precision Company Limited changed the company's name to Asia Precision A.T. Company Limited

1.3.4.2 Shareholding Structure of Subsidiaries - Asiaprecisiontech Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of Common shares (Shares)	Amount of 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

1.3.4.3 Shareholding Structure of Subsidiaries - A2 Technologies Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of Common shares (Shares)	Amount of per share (Baht)	Amount (Baht)
Registered Capital	60,000,000	10.00	600,000,000.00
Paid-up Capital	60,000,000	10.00	600,000,000.00

(2) Shareholders of A2 Technologies Company Limited

Name	No. of Common shares	% of total shares all issued
1. Asia Precision Public Company Limited	59,999,997	99.99999
2. Minority shareholders (3 persons)	3	0.00001
	60,000,000	100.00000

1.3.4.4 Shareholding Structure of Subsidiaries - APCS Technologies Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of Common shares (Shares)	Amount of 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 Common shares	% of total shares all issued
1. A2 Technology Company Limited	9,997	99.97
2. Minority shareholders (3 persons)	3	0.03
	10,000	100.00

1.3.4.5 Shareholding Structure of Subsidiaries - A2teeravat joint venture Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of Common shares (Shares)	No. of Preferred Shares (Shares)	Amount of 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 A2teeravat joint venture Company Limited

Name	No. of Common shares (Shares)	No. of Preferred Shares (Shares)	% of total shares all issued
1. A2 Technology Company Limited	3,825,000	3,674,997	99.9997
2. Minority shareholders (3 persons)	-	3	0.00003
	3,825,000	3,675,000	100.00000

Voting rights in shareholders meeting of A2teeravat joint venture Company Limited

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

1.3.4.6 Shareholding Structure of Subsidiaries - Cholkij Sakol Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of shares (Shares)	Amount of 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 person)	3	0.00025
	1,200,000	100.00000

1.3.4.7 Shareholding Structure of Subsidiaries - A2 Technologies Vietnam Company Limited**(1) Number of Registered Capital and Paid-up capital**

As at 31 December 2021	No. of shares (Shares)	Amount of per share (Baht)	Amount (Baht)
Registered Capital	100,000	10.00	1,000,000.00
Paid-up Capital	100,000	10.00	1,000,000.00

(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

1.4 Number of Registered Capital and Paid-up capital

As at 30 December 2021	No. of Common shares	Amount of 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

1.5 Issuing other securities

- None -

1.6 Dividend PolicyCompany 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.

Dividend Payout	Separated Financial Statements		
	2019	2020	2021
Par Value (Baht)	1	1	1
Shares (million shares)	660	660	660
Net profit/(loss) (million Baht)	83.55	176.08	(1.88)
Dividend per share	0.06	0.06	-

* The Board of Directors meeting No.2/2022 on March 15, 2022 resolved in dividend payment for from retained earnings and profit allocation, which will be proposed in the Annual General Meeting on April 30, 2022 for approval.

Subsidiaries dividend policy

The Company has a dividend policy to payout no less than 50 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

Dividend payment of A2 Technologies Company Limited

Dividend Payout	Separated Financial Statements		
	2019	2020	2021
Par Value (Baht)	10	10	10
Shares (million shares)	50	50	60
Net profit/(loss) (million Baht)	134.48	192.07	(9.47)
Dividend per share (Baht)	-	2	-

* The Board of Directors meeting No.1/2022 on February 17, 2022 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 a result, the actual May differ significantly from expectations or predictions may.

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 for more business running guidelines. Moreover, efficient risk management is a crucial component in investment decision making. All that was said, will lead to creation of 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 in order 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 not, and communicate and control the Company to establish a measure to solve the situation in an appropriate and timely manner.

Internal Audit Agency

The Internal Audit agency 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 Agency 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 in order to develop and improve the risk management procedures of the Company.

Risk Management Framework

The Company classifies risks into 4 types as follows:

- 1. Strategic Risk: SR** by considering the work plan and how the plan is put into practice in an appropriate manner, changes due to external and internal factors that affect the determination of strategies, operations towards the main objectives, goals and operational guidelines of the organization, etc.
- 2. Financial Risk: FR** by considering liquidity management with respect to credits, investments, interest rate changes, exchange rates, a risk of nonobservance of agreed obligations by the contract party, etc.
- 3. Operational Risk: OR** the risk involves operations of each procedure or activity within the organization including the risk involved in managing information on information technology and other knowledge in achieving the specified goals where operational risks may affect the efficiency of the operational procedures and achievement of the main objectives of the organization as a whole.
- 4. Compliance Risk: CR** Observance of rules and regulations, requirements of the supervisory agency, risks concerning laws related to business operations of the Securities Exchange Group, 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 reports to the Risk Management Committee until the risk is within the acceptable level.

Risk Management Culture

The Company is well aware that risk management culture is an important component to the success of the 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 of 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 2021, 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 down or come into a halt.

- The COVID-19 pandemic in 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.

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. 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, in order 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 own 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 in order to win the bidding. The aforementioned 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 in, and able to 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 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 perform 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 keeping the information in 2 separate places. For the first place, the company will store information using an external storage device, 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 a year to ensure complete backups of the system.

2.2.2 Risk in Automotive Industry (Auto)

2.2.2.1 Risks from dependency on major customers and automotive customers

In 2021, APCS's major customers were still in the 4 major industries, as follows

Industry	Percentage of revenue from precision manufacturing business	Percentage of total revenue in consolidated financial statements
1. Automotive	67.18	25.15
2. Compressor and Refrigerating	15.21	5.69
3. Medical Equipment	8.34	3.12
4. Camera	7.21	2.70
5. Others	2.06	0.77
Total	100.00	37.43

In 2021, about 25.15 percent of the Group's sales revenue came from customers in the automotive industry. The Group's sales revenue from the 10 top customers constituted some 67 percent of all sales revenue in metal parts manufacturing business. This is a risk on the volatility of income from major customers in case of a decline in the automotive industry, which will affect APCS income.

However, APCS has the policy of revenue source distribution not to rely heavily on any one customer or group of customers, and spreading sources of income to other industries other than the automotive industry. But however because of the top 10 major customers are large companies with sales revenue from one billion Baht to ten billion Baht per year, and the value of parts they order from APCS contributes a minor portion of their total orders of the said customers, but a high portion of APCS's income. In the year 2021, APCS did not have a particular customer accounting for more than 20 percent of the total revenue.

Furthermore, APCS is capable of changing production of parts for a product to another product as well as ability in searching for new markets and quite adapt to changing production of parts for a product to another product. APCS is therefore good at adjustment in the event of decline in any industry conditions.

2.2.2.2 Risks on pricing and sourcing of raw materials

Main raw materials used in parts manufacturing include iron, aluminum and stainless steel. They are commodity goods and their prices are set by their demand and supply in the world market in each period of time which is beyond the APCS control.

If the prices of those raw materials go up, costs of other manufacturers in the same industry will be affected and APCS's profit will therefore drop as APCS will have to share its clients' burden.

Though those raw material prices are beyond APCS control, APCS closely monitor world market prices by a special team, who will also analyze price trends at each period and assess APCS demand in each period so that APCS may manage ordering and delivery time to match production. This will help APCS not to over stock raw materials. Furthermore, in the event the price changes are substantial, APCS will negotiate product prices with customers. Normally, the burden will be shared with customers, who will take a greater burden. However, the said negotiation will have lag time while the materials are under APCS responsibility and therefore APCS still carries the risk of raw material price changes. On the other hand, if the raw material prices drop, customers will ask for a price cut-down.

2.2.2.3 Risks from exchange rate fluctuations

In 2021, the Thai Baht depreciates against the US Dollar, from 31.2933 THB/USD in 2020 to 31.9996 THB/USD in 2020. As a result, this provided a better position for the sale of products to foreign customers in foreign currency. And the company has considered the policy to emphasize the balance foreign exchange transactions, including using a foreign currency deposit account, in order to reduce the risk of foreign exchange fluctuation. The exchange rate changes are also regularly monitored.

2.2.2.4 Risks from 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 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.

2.2.2.5 Risks from automotive manufacturers relocating their production base to other countries

Factors that may drive automotive manufacturers to relocate their production base from Thailand to other countries include:

- (1) Formation of the ASEAN Economic Community (AEC)

The formation of the ASEAN Economic Community (AEC) has brought about competition among member countries. Thailand, the first and foremost automobile manufacturer in ASEAN, has

been successful in manufacturing 3 automobile models, namely, one-ton pickup trucks, energy-saving or eco cars and high-quality small vehicles.

APCS as a manufacturer of automotive parts and components has to maintain its production standards and apply new modern technology in its production as well as develop products and machinery so that it may manufacture different automotive parts designs. The success of the automotive parts production keeps APCS growing in spite of stronger competition.

(2) Political stability

In 2018, political situations slowed down the nation's overall economy with no exception to the automobile industry. However, the government tried to do things to gain investors' confidence and highlight investment promotion.

2.2.2.6 Risks from being sued by consumers due to product quality problems and liability to compensation for damage in accordance with Liability to Damage from Unsafe Goods Act

Thailand has promulgated the Liability to Damages Caused by Unsafe Goods Act of 2008 ("Liability Act"), which protects consumers injured or damaged from physical health, hygiene, mind or property from unsafe goods. Consumers may sue and claim compensation for damage from manufacturers, hirers or importers of the said unsafe goods.

If goods manufactured by APCS's customers such as cars, motorcycles, air-conditions, camera are complained by APCS consumers and sue customers that the goods manufactured by the customers of APCS are unsafe, APCS may be required to jointly pay damage compensation in the case the unsafe goods arisen from failure of components, manufactured by APCS.

Parts manufactured by APCS are parts designed by the customer and specifications of raw material used in manufacturing. If the failure is from designs and specification of raw materials used in the production, APCS will not have to be jointly liable to the unsafe products.

However, parts manufactured by APCS are not directly related to safety. If a customer's product is claimed and the cause of the claim arises from the failure in APCS production, the repercussion of the said claim will not be a serious damage and will not affect consumer safety. Most APCS parts are in the assembly line of the 1st Tier Suppliers, which if there is any failure in the parts manufacturing, they will be found and corrected in the production line of the manufacturer and 1st Tier Suppliers before the goods are completed and delivered to consumers.

APCS therefore faces minimal risk to share the liability. And if it has to be jointly liable, the expense will not be high as the said failure does not directly affect customer safety. In the past, APCS had never been sued by consumers.

Besides, at present no insurance company in Thailand accepts the said type of insurance and insurance expenses on foreign insurance companies are not worth the benefits to be received by APCS. APCS therefore does not take out such insurance.

2.2.2.7 Risks on safety, environment and community

APCS is the manufacturer and supplier of parts used in the automotive industry, air-conditioning and cold storage compressor industry and digital camera industry. APCS has employed machines mainly in its production process, and subsequently generates and discharges little waste and pollution for its production process.

However, since APCS is located in Amata Industrial Estate, supervised by the Industrial Estate Authority of Thailand (“IEAT”), waste discharge is closely inspected to make sure that it meets IEAT standards. In 2018, APCS’s waste discharge successfully met the IEAT standards. (See details of no.1 : Characteristics of Products section Environmental impact)

2.2.2.8 Risks from impact from Government policies

Business enterprises have to comply with the law as well as the authorities’ rules and regulations and the government policies. In those laws, rules, regulations or government policies are changed; it may affect APCS’s competitiveness or business operation. For instance, the change in the minimal labor wages, minimal monthly salary of fresh graduates in bachelor’s degree or the change in interest rate by the Bank of Thailand or the rates of corporate income tax, etc. Such changes by one way or another will definitely affect entrepreneurs.

However, those factors are out of APCS’s control. The management has monitored and assessed impact from those changes in order to cut down risks or impact from those changes. APCS has applied automation in its production process since 2010 and will continue to apply additional automation to cope with the problems of labor shortage and rising labor costs. Thus, APCS will consequently be more competitive.

2.2.2.9 Risk from the Impact of COVID-19 pandemic

In 2020, the automobile parts industry had a declining trend following the automobile manufacture industry, particularly OEM parts. The result of the COVID-19 pandemic caused production activities in the automobile chain to halt in the first half of the year 2020 amidst the sharp contraction of purchasing power worldwide including Thailand.

However, in 2021, the Company recovered from adjustments along with the situation and determined the strict risk prevention by having a measure on entrance – exit the area in order to reduce spreading in the Company’s area, temperature was measured before entering the area while ATK examined in high-risk groups from travelling to and from provinces, separating working space for high-risk groups as well as employing the Work From Home measure to reduce aggregation. Vaccinations were provided for all employees. Disinfectants were sprayed throughout the area on a regular basis. This results in the Company has not yet found any cases of COVID-19 spreading.

2.2.3 Risks in distribution of raw water business

2.2.3.1 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 located in case of drought for 2 consecutive years.

2.2.3.2 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.

2.2.3.3 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.

2.2.3.4 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.

2.2.3.5 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.

2.2.4 Management risks

Risks from impact from APCS subsidiaries' operating results and financial status. APCS is required to consolidate operation and financial standing of all 7 subsidiaries in its financial statements. In 2021, all 7 subsidiaries' operating results improved, and the combined total sales of all 7 was equivalent to 100 percent of the Group's total revenue.

APCS has involved in policy setting in its subsidiaries, control and monitor the subsidiaries' operation as well as sending its directors and/or senior managers to serve as directors and/or senior managers in those subsidiaries in order to set policies and protect APCS benefits and that APCS and its subsidiaries may pursue the same operation direction, which will eventually lead to effective cost management and maximal operation efficiency.

2.2.5 Financial risks

As of December 31, 2021, the consolidated financial statements showed the current ratio at 1.79 times, rose from the previous year (1.95 times in 2020); this decrease was due to major investment by the company or subsidiaries during the year. Current ratio of 1.79 is deemed as appropriate.

2.2.6 Investment Risks for Shareholders

-None-

2.2.7 Risks Facing Investing in Foreign Securities (If the Issuer is a Foreign Company)

-None-

3. Driving Business for Sustainability

More than 28 years that the Company has committed to running the business for true profits or true value by announcing its main determination to be adhered to in operations, namely “create good people, show gratitude to the country” – another ultimate goal of the organization. Such the Company’s determination is not only an idea, desire or call for it to happen, at the same time the goal aims to cultivate “virtue” to personnel by jointly identifying 5 desired properties of a “good person” which include discipline, unity, sacrifice, goodness and gratitude while putting them into practice among entrepreneurs, executives and employees by arranging activities both during or outside working hours as appropriately based on existing time and budget for the maximum benefits. In addition to encouraging personnel to be of virtue according to the Company’s determination, these activities will be promoting social assistance at the same. Based on the business ethics, the Company has established its missions as follows:

Determination in business running

1. Believe in the value of goodness as a person’s quality

The Company strongly believes that every employee is a valuable resource, capable and being a good person to the society. The Company focuses on a holistic approach to human development based on the Royal Guidance of H.M. King Bhumibol Adulyadej the Great and according to the ultimate determination of the Company – *“create good people, show gratitude to the country”*.

The Company aims to become a social institution that is of value and potentials in reinforcing the country towards wealthy and truly happy nation, rather than only an economic organization that runs business for living and profit seeking.

Therefore, the Company is focusing on human resource development by believing that “good quality performance comes from employees who work happily and are sincerely loyal to the organization.” This only comes from the fact that such personnel are taken care to ensure moral support, attentiveness in upgrading professional skills for their work advancement as well as health care, environmental safety and development of working life quality on a continuous basis.

If thousands of establishments nationwide together encourage their personnel to maintain goodness and behave accordingly on a consistent basis, such encouragement does not need a large amount of monetary investments but rather investment in kind in the form of sincerity and good wishes. All of this will be invaluablely beneficial to the society and the organization.

2. Sustainably develop in order to move to the world level

The Company commits to improve itself together with social development in order to move forward sustainably by learning to improve the management system and personnel development as well as to take part in social and community developments amidst changes of the world trend and technology by strengthening the internal organization and participating in exchange of knowledge and technology to the society and community.

3. Practices by adhering to the ethical principles

The Company shall treat stakeholders equally by adhering to the human right respect principle and considering interests of all stakeholders no discriminatingly while encouraging employees to adhere to goodness for the society and nation.

4. Transparent and accountable

The Company's business will be run in a truthful and fair manner. An efficient and verifiable management system will be arranged. The Company will ensure that the system management based on the international standard, the risk management, the environmental management, the management system on working life quality and safety, will be carried out transparently in every step and be ready for inspection at all times.

3.1 Policy and Goal of the Sustainability Management

The Company has a 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 the business running with all-round 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 in order to develop the economy, quality of life, education and the 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 then 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). From these three strategies together with the United Nations' Sustainable Development Goals (SDGs), they 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 the sustainable management and efficiently selected use of resources through the supply chain.	Community Connectedness Emphasize the social value creation for sustainable community.
Risk-based Management Assess the 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 good environment.
Responsible Management Integrate important development issues concerning the 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 the society by non-discrimination with respect to age, gender, disability, nationality, religion or economic status, etc.

Acting Progressively	Consuming Responsibly	Focusing on People
	<p>Water</p> <p>Improve efficient use of water resources and recycle water in a safe way.</p>	

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 the 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	Social activities and community participation	
	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 an 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 manage its supply chain covering from upstream, namely client and business partners, to downstream activities including services, product delivery and creating customer satisfaction, to ensure 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 sustainably developed and grown organization. Moreover, stakeholder management will help the organization in efficiently responding to stakeholders' demand as well as reducing risks that will damage the image and opportunity to halt the business. Such management can also create maximum benefits to stakeholders in all parts. The Company Group communicates with stakeholders on a regular and consistent basis in order to ensure understanding in various issues of interest and integrating opinions of stakeholders with the decision making process and business planning of the Company Group.

In 2021, the companies in the Group considered to review 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 participations. 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 mails, 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 	<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 	<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
	<p>equally in attending the annual meeting of shareholders such as asking questions and casting votes, etc.</p> <ul style="list-style-type: none"> ● Present investment information (Investor Relations activities) ● Arrange the activity for registered companies to meet investors (Opportunity Day) ● Annual Report 	<p>operational efficiency</p> <ul style="list-style-type: none"> ● Disclosure of the Company's performance information with respect to financial, environmental and social aspects as well as corporate governance or ESG ● 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 operation results to related government agencies at a specified frequency ● Consistent participation in activities and projects arranged by government agencies ● Join a working group in issues raised by government agencies for 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 mails, telephone, letters and others ● Join as a member in the Industrial Council in order to share opinions to 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 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 of 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 trainings, 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	<ul style="list-style-type: none"> ● Annual Supplier Day ● Perspective survey and interview client and contractor 	<ul style="list-style-type: none"> ● Fair, non-discriminative competition ● Relationships and corporation grow together 	<ul style="list-style-type: none"> ● Risk management ● Business ethics

Stakeholder	Channel of participation	Stakeholder's issue of interest	The Company Group's operations
(Contractors / Suppliers)	<ul style="list-style-type: none"> representatives Annual client assessment by notifying the result with recommendations Channels for complaints and communication channels with the Company, clients and contractors such as Websites, electronic mails, telephone, letters and others Key client relations activities to build participation such as social activities, etc. 	<ul style="list-style-type: none"> Efficient, transparent and accountable Procurement system Development of clients (contractors/suppliers) to have good practices and grow well together Fair, clear, transparent and accountable procurement policy Follow determined agreements and do not take advantage over clients Simple procurement requirements 	<ul style="list-style-type: none"> Supply chain management Procurement system
Business partners	<ul style="list-style-type: none"> Communication channels via media such as meetings, trading business negotiations, websites, electronic mails, 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 of trust, relationships and good corporation in order to develop business potentials 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 opportunity 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 monitoring and troubleshooting 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 at a fast and timely manner with expert teams who can solve problems promptly Equal treatment to all groups of customers under relevant laws Customer communicating 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)	<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 	<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 understanding of the Company's 	<ul style="list-style-type: none"> Risk management Business ethics Water resource and waste water management Sustainable cohabitation and social responsibility

Stakeholder	Channel of participation	Stakeholder's issue of interest	The Company Group's operations
surrounding the plant and the project / local administrative agencies / NGOs / local associations / mass media (central and local)	<ul style="list-style-type: none"> ● Open for the community to visit the plant or project ● Arrange a public hearing platform with respect to preparation of the Environmental Impact Assessment (EIA), process practice principles ● Provide communication channels for public relations and complaints from communities such as Websites, electronic mails, telephone, letters, local media, and others ● Perspective survey and interview community and society representatives including holding monthly meeting (administrative agencies, private agencies, local community) 	<p>operations to the community</p> <ul style="list-style-type: none"> ● Create jobs, incomes and reduce expenses to the community ● Support joint activities with the community on a regular basis ● Provide opportunity for members of the community to work with the Company ● Use knowledge, skills, 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 so as to grow sustainably, both directly and indirectly 	

3.3 Sustainability management with respect to the environment

Environmental policy and practices and environmental performance

The Company aims to be an important mechanism that helps to reduce environmental impacts arising from the Company's operations in order to create joint values based on the business, society and environment as well as to respond to fulfill the organization's missions on business operations with social and environmental responsibility. The Company manages various environmental aspects as follows:

Water management

Water resources are limited resources. The Company has set a measure for efficient use of water resources and has proceeded in accordance with relevant laws on water resource usage. In addition, reliance on water resources may cause a risk to business engagement. For example, a case where the business is halted due to shortages of water resources, or the cost of business running rises due to shortages of water resources or a rising cost of water usage.

In determining a standard of water resource usage, the standards under the Thai laws on water resource management are referred, namely:

1. Constitution of the Kingdom of Thailand B.E. 2560
2. Water resources Act B.E. 2561
3. Regulations of the Industrial Estate of Thailand Board of Directors on utility, facility and service standards in Service Industrial Estate B.E. 2555

In doing so, the Company has determined the water resource management policy, and is aware of the responsibility in using water resources in every establishment for the maximum benefits, not specifically only areas with the highest volume of water usage. However, most of the Company's operations have relatively less effects on water resources. Nonetheless, the risks that the Company assesses include:

- Availability of clean water resources
- Shortage of water in the area
- Quality of water supply
- Impact from finance

The Company has a goal to efficiently use water resource and manage risks relating to water resource management in a concrete way such as:

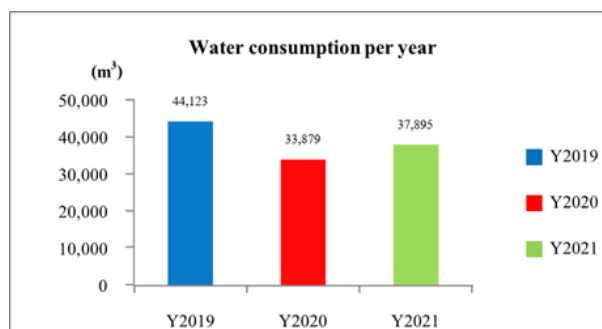
1. Reduce water resource usage in the production process by installing separate water meters for each process.
2. Use a water filtering system with residual water from the Reverse Osmosis System or RO for consumption. In filtering water of the Reverse Osmosis System, there will be brine water about 40% of RO water produced, which is regarded clean water but it is not consumable. The Company recycles this waste water to be used in air-cooling fans / bathroom water system instead of water supply.
3. Use automatic water taps to reduce water usage and increase efficient use of water resources for maximum benefits.



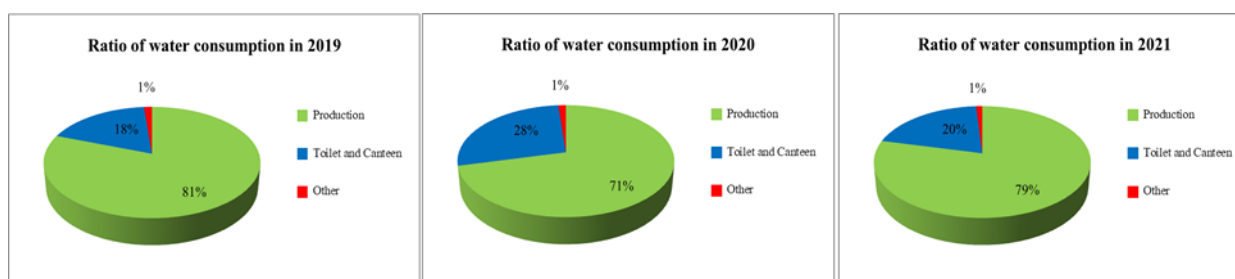
During the past year, the Company has proceeded in compliance with laws related to water resource usage, and follows the policy, practices and goals in supporting efficient use of water resources. The Company has carried out inspection, analyses, use, reuse as well as analyses of risks involved from relying on water resources on a continuous basis.

Table 1 : Reduce water resource

Year	Water consumption (m ³)	Reduced quantity (percent,%)
2019	44,123	14.62
2020	33,879	23.22
2021	37,895	-11.85



Even though in 2021, the volume of water used is higher than that of 2020 because of higher volume of production. As the Coronavirus pandemic (COVID 19) is on a declining trend, business operations can adjust accordingly and therefore increased water production. Also, the volume of water resource usage increases as compared to the proportion of usage in the production process.



The Company finds that reliance on water resources will lead to a halt in the Company's operations and may affect the cost of business operations of the Company. Thus, in order to manage such a reliance risk, the Company has proceeded as follows:

1) Set up a working group on water resource management

2) Determine the policy, goal and strategies in water resource management in order to reduce external use of water for each production unit, prepare an integrated water resource management plan and closely monitor the plan while also listening to news, publicizing the Report on Water Situation Assessment in Amata City Chonburi Industrial Estate on 17 December 2021 for the benefit of water resource risk management.



3) Determine water resource measures such as making a water usage plan in each plant branch, a water usage reduction plan in each plant branch with 3Rs (Reduce, Reuse, Recycle). In the past 3 years, the Company has proceeded in compliance with laws related to water resource usage and carry out inspection, analyses and releasing waste water to the central water treatment of the Industrial Estate. This waste water from plants within the Industrial Estate, drain water from plants and storm sewers through pipes enable the Industrial Estate to send each type of water to an appropriate treatment system. In achieving true sustainability, importance is placed on efficient management of waste water and as advanced treatment methods are used together, Amata can assure that almost 100 per cent of waste water is recycled and reused. 70 per cent of treated water will be brought in to the Reverse Osmosis process or UF Membrane at the waste water treatment plant of the Industrial Estate. The remaining 30 per cent of the treated waste water will be used in the Industrial Estate in order to create central green spaces and golf courses, and for the cooling process at the electric power plant of Amata B.Grimm Co., Ltd. which has never caused damage to public water resources.

Garbage and waste management

In the past year, the Company runs production processes continuously and in every activity generates garbage, toxic waste and non-toxic waste as well as various operations that also produce garbage, which inevitably affect the environment. Simultaneously, the Company has a risk towards legal responsibility with respect to garbage and waste management, thus it refers to standards enforced under the Thai law on garbage and waste management, namely:

1. Act on the Maintenance of the Cleanliness and Orderliness of the Country, B.E. 2535 (1992)
2. Notification of the Ministry of Interior on Waste Management B.E. 2560
3. Notification of Ministry of Industry on Documentation System for Transport of Hazardous Waste B.E. 2547
4. Notification of Ministry of Industry on Criteria and Methods for Reporting on Industrial Waste or Unusable Materials via the Internet B.E. 2547
5. Notification of Ministry of Industry on Disposal of Waste and Unusable Materials B.E. 2548
6. Notification of Industry Estate Authority of Thailand No. 79/2554 on Practical Guidelines regarding Management of Industrial Waste, Garbage and Sewage generated in the Industrial Estate

7. Notification of Department of Industrial Works on Prescribing Penalty for Treatment or Disposal of Industrial Waste that Are Not in Compliance with the Notification of Ministry of Industry Issued under the Factory Act B.E. 2535
8. Notification of Department of Industrial Works on Criteria and Guideline on Waste or Unusable Materials B.E. 2551
9. Regulations of Department of Industrial Works on Criteria, Methods and Conditions in Requesting Permit and Approval of Automatically Taking Waste or Unusable Materials Outside the Plant Area via the Internet B.E. 2560
10. Notification of Ministry of Industry on Exemption of Approval for Taking Non-hazardous Waste or Unusable Materials outside the Plant Area B.E. 2561

The Company has main production processes including a metal turning process using automatic machinery. A metal turning process requires a large amount of coolant around 50 – 100 liters/machine with the total number of machines approximately 400 machines. If coolant is expired, it becomes waste. Moreover, the metal turning process produces scraps which are waste after finishing the turning process. Next, it will go through the cleaning process for work pieces produced by rubbing the pieces with cloth and oil absorption paper which generate a lot of waste. Finally, the inspection and packaging processes where these processes generate waste such as plastic pieces, stretch films, secondary paper, carton paper by a large amount which these types of waste may have effect on the environment unless disposed properly, such as deteriorating soil, contaminating water sources and smell from outdoor exposed. The Company sees the significant impact of garbage and waste and the significance of having garbage and waste management in the Company. Beginning by sorting garbage and waste using 3Rs, namely Reuse by recycling delivery boxes, Reduce by reducing uses of stretch plastic film, secondary paper, extending useful life of coolant, etc., and Recycle by sorting garbage types such as beverage containers, plastic bottles, glass bottles, aluminum cans, etc. so as to dispose by recycling. After sorting using 3Rs principle, such garbage and waste will be categorized into 3 categories, i.e. general waste (solid waste), recycled waste and hazardous waste (chemical oil contaminated) which has to be treated according to relevant laws before disposal. That is before disposal, a disposal agency registered with the Department of Industrial Works will be selected and approval is required in taking waste and unusable materials out from the plant area before transporting them from the plant for disposal outside the establishment.

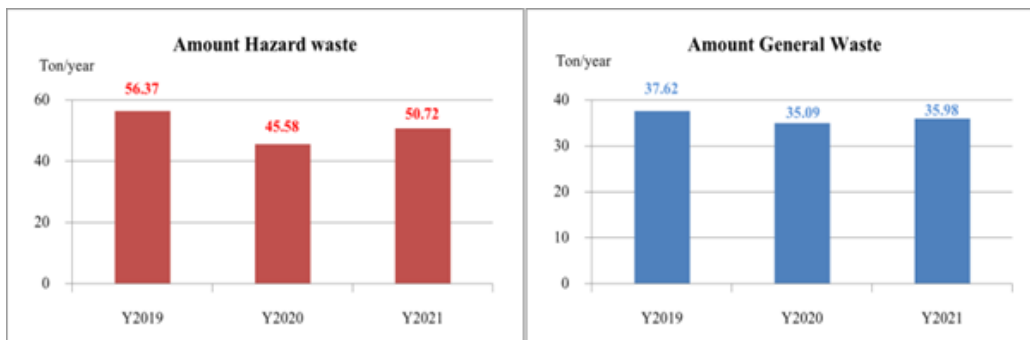
The Company has a policy and guideline for compliance with the laws on garbage and waste management, and makes an effort to reduce the volume of waste and residual release from its operations that will affect the environment.

The Company aims to operate in such a way to reduce waste generation and impacts to the environment caused by garbage and waste.

1. The Company has organized a Conscience and Awareness Raising Project aiming to give knowledge to employees in waste sorting from the beginning by providing trainings and communications on waste sorting and waste utilization on a constant basis.
2. The Company has operated in such a way to reduce waste volume generated and reduce the impacts arisen from waste generated from the operations. In the past year, the Company has carried out its business following the policy, guidelines and goals regarding the reduction of garbage and waste volume with the waste management result as presented in Table 2.

Table 2

Year	Hazard waste (Ton)	General waste (Ton)	Waste Water (Coolant) (Ton)
2019	56.37	37.62	392.84
2020	45.58	35.09	376.68
2021	50.72	35.98	427.12



In the past year, the Company has carried out its business following the policy, guidelines according workplans / legal requirements including improvements on waste storage area as follows:

1. Submit documents relating to disposal of waste or unusable materials to the Industrial Estate.
2. Report every time the volume of waste transported out from the plant to the Department of Industrial Works.
3. Organize a training on disposal of waste in the plant



In order to reduce the volume of garbage and waste in a continuous manner based on sustainable waste management and in a systematic way according to the circular economy and 3Rs (Reduce, Reuse, Recycle) principles.

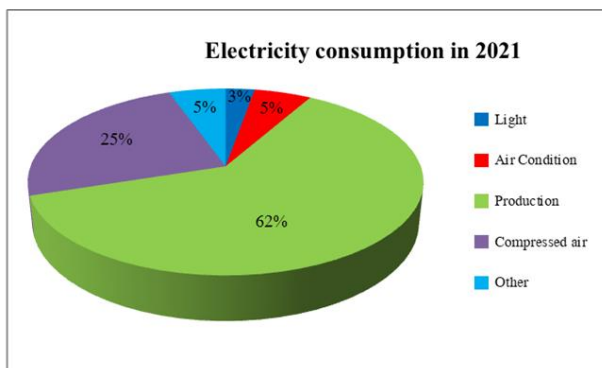
In the past 3 years, the Company has not infringed any relevant laws and requirements and never caused any damage to the environment that has penalty.

Energy Management

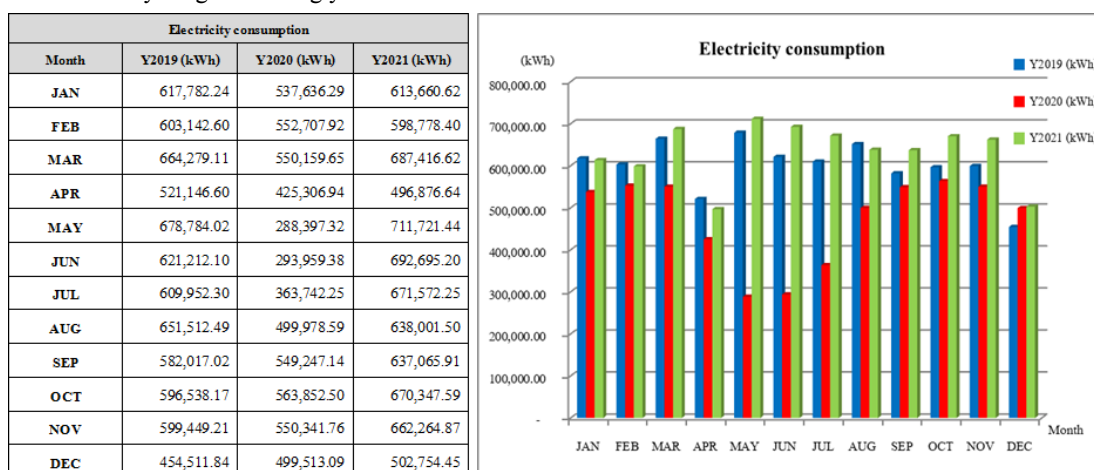
Energy is an important component in business running and a crucial cost in business operations, while simultaneously energy use can have an impact on the environment. Thus, the Company has the duty to comply with the relevant laws on energy conservation promotion and energy saving, efficiency and worthiness. Moreover, use of efficient technology is promoted in determining the energy use standard by referring to the standards stipulated under the Thai laws on energy management as follows:

1. The Energy Industry Act B.E. 2550
2. Energy Conservation Promotion Act B.E. 2535
3. Ministerial Regulations Prescribing Standards, Criteria and Energy Management Procedures in Designated Factories and Buildings B.E. 2552

Business running. The Company buys electricity power from Amata B.Grimm Power 2 Co., Ltd. which efficiently and stably generates electricity. Most electricity usage of the Company involves the production process about 62%, followed by the Compressed air system of 25%, and other remaining uses such as lighting, air conditioning and others approximately 13%



Data on electricity use of 2021, electricity usage increases from that of 2019 and 2020 due to the increased volume of production from that of 2020 when the pandemic of Coronavirus (COVID-19) affected the production and the volume of electricity usage accordingly.



The Company has determined the energy and resource conservation energy to ensure energy conservation awareness of everyone in the organization as well as economical use of resources. In addition, brainstorming is encouraged in order to drive energy use reduction or output increase so as to reduce the cost of energy production. In 2021, the Company has carried the energy conservation project continuing from the last year by dividing into 2 aspects.

1. Energy conservation and appreciative use of resources

- The Company encourages a constant reduction in electricity use. For example, the Company specifies time to switch off air-conditioners 10 minutes before lunchtime at 11.50 hours and before time off work at 16.50 hours, adjusting the air conditioner temperature appropriately between 25 – 26 degrees Celsius and switching off lights and fans every time off use.

- The Company has set the pressure of air compressor appropriately conditional on uses in order to save more electricity and reduce carbon dioxide generation.

2. Energy reduction in general work operations

- Change light bulbs to LED 18 W in place of 32 Fluorescence 36 W tubes, change LED 50 W in place of 15 Fluorescence 105 W tubes, and install solar cell 60 W lamps in place of 18 Fluorescence 36 W tubes along the fence in

order to increase lighting, extend useful life, save energy and help to reduce carbon dioxide emission into the atmosphere. By installing these bulbs, it can save 61,912.25 Baht/year.

	kW	kW-h / Year	Bath / Year
Energy consumption before improvement	6.35	20,878.80	75,372.47
Energy consumption after improvement	1.33	3,728.59	13,460.22
Result saving	5.02	17,150.21	61,912.25
Investment		81,495.00	Bath
Payback period		1.32	Year

- The Company has a measure to reduce air leakage of the Compressed air system from that of 2021 in its operations. The air leakage reduction of the compressed air system will help to reduce the time in load and unload period cutting of the air compressor. This will help to reduce electricity units from the reduction in the use of electricity of the compressed air system by 31,918.01 kilowatts-hour/year, equivalent to 115,224.02 Baht/year

	kW	kW-h / Year	Bath / Year
Energy consumption before improvement	82.60	368,247.53	1,329,373.58
Energy consumption after improvement	82.60	336,329.52	1,214,149.57
Result saving	-	31,918.01	115,224.02
Investment		10,404.00	Bath
Payback period		0.09	Year

- The Company has a measure to change high-efficiency air conditioners (SEER) in place of the existing ones. A survey reveals that energy use of air conditioners has low efficiency and the air conditioners have been used for a long time such that energy expenses and maintenance costs increase. Thus, in order to improve energy use efficiency and reduce unnecessary expenses, the change of 7 sets of air conditioners will save as much as 35,826 kilowatts-hour/year, equivalent to 129,333 Baht/year.

	kW	kW-h / Year	Bath / Year
Energy consumption before improvement	20.14	92,704	334,661
Energy consumption after improvement	12.36	56,878	205,328
Result saving	7.78	35,826	129,333
Investment		195,300.00	Bath
Payback period		2.73	Year



The Company continues to promote employee participation in being a part of energy reduction through various projects and measures throughout the year. Each project will be monitored and performance reported to the Board and executives on a constant basis as well as submitting a performance report document to related agencies for acknowledgement regularly. In the compliance with the aforementioned laws on energy conservation promotion, in the past 3 years, the Company has not infringed the Energy Conservation Promotion Act in any way that leads to pay penalty.

The Company encourages and supports efficient use of energy and for the maximum benefits as well as manages energy, the environment and weather atmosphere within the organization in such a way to mitigate the impacts on the economy, society and environment, particularly the volume of greenhouse gas emission that causes global weather changes. Nonetheless, the Company has no information on greenhouse gas emission according to international standards or equivalents because it is in the process of impact evaluation and look for a system reviewer to proceed.




Pollution management

At present, air pollutions are emitted from direct sources such as industrial factories, transportation, mining that cause dust, bio-molecule or hazardous objects in the global atmosphere which are environmental problems that affect living and health of people directly. Greenhouse gas pollution will affect the ozone layer causing the global warming condition that is currently a problem. The Company has carried out measures to manage pollutions that are generated from the production process using the criteria based on the standard ISO 14001:2015 such as identification of the nature of the environmental problem, internal inspection and evaluation based on the environment management system, the environmental quality inspection, etc. in order to ensure good environmental quality both inside and outside the business establishments, surrounding communities so that the business operations of the Company can co-exist with the environment and the society in a sustainable way. In doing so, standards of pollution management need to be prescribed by referring to the standards according to the relevant Thai laws on pollution management, namely:

1. Notification of Industrial Estate Authority of Thailand No. 46/2541 on Prescribing the Rate of Air Pollutant Releasing from Tunnels in the Industrial Estate
2. Notification of Ministry of Industry on Prescribing Air Pollutant Concentrations from Factory B.E. 2549
3. Notification of Industrial Estate Authority of Thailand No. 79/2549 on Prescribing the Rate of Air Pollutant Releasing from Tunnels in the Industrial Estate (Amendment)
4. Notification of Ministry of Natural Resources and Environment on Prescribing Level of Odor Intensity in Air Pollution Releasing from Pollution Source

The Company is well aware that air pollution releasing from industrial plants may affect the environment and surrounding communications. Thus, the Company ensures surveillance of air quality in place within the Company and outside. In addition, inspection is done to ensure that an air quality indicator in compliance with related requirements. The Company has strictly carried out a measure on preventing and correcting the environmental impacts based on standards

stipulated by law by realizing the cause of the problem as well as controlling, preventing and monitoring air pollution that arises. Air pollution produced in the production process includes:

Source	Pollution Management	Picture
1. Production process (turning, washing, drilling) - Machinery that uses cooling chemicals such as CL200, CL 150 and Brother	Each machinery has an oil mist collector which is a system absorbing oil mist that occurs from the machine's process. The collector filters or traps oil mist before releasing clean to the environment.	 <p style="text-align: center;">Oil Mist Collector</p>
2. Aluminum bar cutting process - Machinery used in cutting aluminum bar	The process will have small aluminum dust. Each machinery has a dust collector which is a system filtering dust and air pollution before releasing clean to the environment.	 <p style="text-align: center;">Dust Collector</p>
3. Metal plating process	Polluted air from the metal plating process will be absorbed to eliminate in the Wet Scrubber in which polluted air with acid vapor will go into the down side of the Wet Scrubber where the pollution will be eliminated by mixing water with alkaline salt spray to absorb polluted air and release clean to the environment.	 <p style="text-align: center;">Wet Scrubber</p>

Notes: Notification of Ministry of Industry on Prescribing Air Pollutant Concentrations from Factory B.E. 2549

The Company has fully dedicated to reduce pollution generation within the Industrial Estate by controlling, monitoring and preventing by requiring an air quality inspection from original source and the measured value must be in compliance with the standards prescribed by law at every point as follows:

1. Air pollution generated from the production process (turning, washing, drilling) is inspected and measured at the point in which the machinery is working or the chemical is used. Air quality is randomly inspected covering all areas such as 1AO, 2AO, 3EO, 4BO agencies, etc. The Oil Mist parameters is measured with the following information:

Sampling Location	Parameter	Y2020			Y2021		
		Results (mg/m ³)	Standard (mg/m ³)	Standard Compare	Results (mg/m ³)	Standard (mg/m ³)	Standard Compare
1AO	Oil Mist	0.336	5	Pass	0.134	5	Pass
2AO	Oil Mist	0.365	5	Pass	0.074	5	Pass
3EO	Oil Mist	<0.001	5	Pass	<0.001	5	Pass
4BO	Oil Mist	<0.001	5	Pass	<0.001	5	Pass

2. Air pollution generated from the metal plating process, the Company has inspected and measured quality of air exiting ventilating tunnels of the Wet Scrubber. The values are measured within the standard criteria with the following information:

Sampling Location	Parameter	Y2020			Y2021		
		Results (mg/m ³)	Standard (mg/m ³)	Standard Compare	Results (mg/m ³)	Standard (mg/m ³)	Standard Compare
Wet Scrubber	TSP	4	400	Pass	1	400	Pass
	Sulfuric Acid	<0.1	25	Pass	<0.1	25	Pass
	Nickel Acetate (as Ni)	0.014	0.5	Pass	0.007	0.5	Pass
	Sulfur Dioxide	<0.1	500	Pass	<0.1	500	Pass

Notes: Notification of Ministry of Industry on Prescribing Air Pollutant Concentrations from Factory B.E. 2549

Besides, measures on air pollution prevention include:

1. Strictly observe the measure on a measure on preventing and correcting the environmental impacts based on standards stipulated by law which also includes waste management, air quality control and water management.
2. Monitor and review the Company's operations in order to control and reduce releasing of all types of pollutions arisen from the business operations of the Company as well as to consider termination of hazardous chemical use.
3. Prepare a Chemical Report on Product Safety and Toxicity Disclosure and communicate the Safety Data Sheet (SDS) to stakeholders.
4. Develop and apply innovations in order to constantly reduce the environment impacts.

In the past 3 years, the Company submitted air pollution quality inspection reports to the Department of Industrial Works and the Industrial Estate Authority of Thailand on a constant basis. There are no complaints from stakeholders both directly and indirectly, as well as there are no legal litigations regarding pollutions at all.

Hazardous substance management

Hazardous chemicals are used as raw materials in the production process of the industry. Hazardous substances can cause a health risk to practitioners and users and pose various risks with respect to safety and the environment. The Company imports and possess chemicals as follows:

- 32 Hazardous substances
- 97 other chemicals

The Company has carried out its business in compliance with laws relating to hazardous chemicals and other chemicals according to the standards stipulated by the Thai laws on hazardous substances, namely:

1. Hazardous Substance Act B.E. 2535
2. Notification of Department of Industrial Works on Manual for Chemical and Hazardous Substances Storage B.E. 2550
3. Notification of Ministry of Industry on Hazard Classification and Communication System of Hazardous Substances B.E. 2555
4. Notification of Ministry of Industry on List of Hazardous Substances B.E. 2556
5. Notification of Ministry of Industry on Fact Notification of Producers, Importers, Exporters or Possessors of Hazardous Substances under the Responsibility of the Department of Industrial Works (Issue 2) B.E. 2563

The Company has carried out the policy and work regulations in hazardous substance management by considering the health risk to practitioners, users, along with controlling prohibitive chemicals in products in order to reduce the environmental risk and increase use and storage safety with the following practical procedures:

1. Use of chemicals within the Company

1.1 The SDS document (Safety information) is required from the seller before bringing a chemical into the Company for use and the chemical must be checked whether it is a new chemical or not. In case of a new chemical, a notification of chemical use according to the notification form for chemical use - cancellation – delivery for disposal (FO-SHE-054) is required.

1.2 The safety officer examines the SDS document by comparing with relevant laws, listing chemicals in the chemical registration and controlling SDS distribution in the Company (FO-SHE-011) and preparing a SDS document for reference at the work site and communicating to employees.

1.3 In case of cancelling use of chemicals / expired chemicals, a notification of chemical use according to the notification form for chemical use - cancellation – delivery for disposal (FO-SHE-054) is required and submitted to the safety officer to enter data in the chemical registration and for the purpose of SDS distribution control.

2. Chemical Acceptance, Mobility and Storage

2.1 Employees responsible for acceptance, mobility and storage of chemicals, hazardous substances and objects must be trained of correct storage methods that are appropriate for each chemical.

2.2 Upon accepting the chemical, it must be checked for the correct type of chemical with the delivery document from the manufacturer, the packaging condition and the label that must always be attached.

2.3 In moving the chemical, it must be done with carefulness and ensured that the container is adequately secured in order to prevent accidents from dropping that may cause chemical leakage.

2.4 Chemical storage should be done by appropriate classification based on practical guidelines from the recommendations in the Safety Information of such a chemical.

2.5 Employees responsible for a chemical storage place, should check for safety and security, tidiness of the place and record the results of packaging condition inspection on a periodical basis as appropriate.

3. Transfer, Use and Management of Chemical Wastes, Hazardous Substances and Objects

3.1 Persons responsible for transfer, use and management of chemical waste must be trained to know the danger of such a chemical used, the way to protect themselves, the use of personal protective equipment, first aid and the method to control chemical dispersion in case of leakage.

3.2 The head of the department has to prepare the personal protective equipment for employees who work with chemicals to wear adequately and appropriately.

3.3 Operators must wear the personal protective equipment provided and have understanding the methods and use of other related equipment in an appropriate way.

3.4 Upon completed chemical transfer, the lid of the chemical container should be tightly closed.

3.5 Contaminated chemical waste created during chemical use, chemical transfer, including containers, empty chemical bottles, used or degenerate chemicals, are classified as hazardous waste that must be disposed.

4. Quantity-used inspection and chemical storage

For hazardous chemicals and substances, the safety officer must inspect the method to manage hazardous chemicals and substances including the storage method, usage, disposal as well as the way to prevent and solve the emergency situation that may arise with the chemicals, at least once a month in order to inspect chemical management for each type of chemicals used within the Company. In addition, the inspection and management methods shall be improved to ensure correctness and appropriateness with the properties of each type of chemicals. The Company possesses 32 hazardous substances whose usage or cause impacts in the business operations are as follows:

- The metal plating process uses hazardous chemicals such as Top Alchlean 161, Sodium Hydroxide 98%, Sulfuric Acid 98%, TOP DESMUT N-20, etc.
- The production process uses hazardous chemicals such as Hysol X, Hocut 3380 B, Toolcool 589, etc.
- The cleaning process uses hazardous chemicals.
- The waste water treatment process uses hazardous chemicals such as Sodium Hydroxide 50%, Sulfuric Acid 98%, etc.
- The repair and maintenance process uses hazardous chemicals such as AAA TKH#4, Thinner 31, TOA Epoguard Enamel, TOA Woodstain of reflective type, Jotun Essence Tough Shield, etc.

Waste created from hazardous substances include:

1. Used chemicals will be managed within the Company

Waste water from the plating process that uses hazardous chemicals such as Top Alclean 161, Sodium Hydroxide 98%, Sulfuric acid 98%, TOP DESMUT N-20, etc. will be taken into the waste water treatment using chemicals of the Company. The waste water quality will be improved so that it follows the standard criterion according to the relevant laws, before releasing to the central treatment system of the Industrial Estate.



2. Degenerate/expired/unusable chemicals whose treatment must be paid for, are caused by the following:

2.1 Coolant that is degenerate/expired. Hazardous chemicals such as Hysol X, Hocut 3380 B, Toolcool 589 must be sent out for disposal by collecting together in IBCs tanks within the Company first and delivered for disposal to a company authorized by the Department of Industrial Works only. The delivery for disposal is carried out once a week

depending on the production process. For example, chemicals completing the round of chemical replacement in the machinery (approximately 6 months), chemicals created from a change in work piece samples in the production process, chemicals created from a change of work trials, etc.






2.2 Degenerate / expired / unusable chemicals

Chemicals are degenerate / expired / unusable due to various causes such as chemicals with less useful life, chemicals bought in quantity more than necessary. In solving these problems, the Company has calculated the quantity of chemical use for adequate use and emphasizes the least quantity stored within the Company in order to reduce degeneration / expiration / risks and dangers that may arise from chemicals.

Nonetheless, the Company has carried out the hazardous substance management method by using the First In First Out (FIFO) principle in the Company (Chemicals into the warehouse first will be used and circulated first in order to reduce degeneration and retain the value of the total assets).

3. Containers for produced chemicals are managed as follows:

Container type	Picture
<p>3.1 Reusable container is a plastic chemical tank that is circulated and reused from the supplier including Sodium Hydroxide 98% and Ferric Chloride 46%</p>	
<p>3.2 Saleable container is a 200 liter chemical tank which will be sold to a company registered with the Department of Industrial Works with the Manifest document which is legally correct.</p>	
<p>3.3 Container that must be sent for disposal is any container that is chemical contaminated and cannot reuse or sell. Delivery for disposal is arranged once a week to a company registered with the Department of Industrial Works with the Manifest document which is legally correct.</p>	

Performance during the past year. The Company has carried out the policy, practices according to the workplan / legal requirements as well as improvements of storage space as follows:

1. Submitted documents relating to chemicals such as WorOr./OrGor.7, SorOr.1, SorOr. 3, etc.
2. Air quality inspection in working areas and air ventilation was carried out with the inspection result passed the standard criteria in every parameter.
3. Organized a training on safety in working with hazardous chemicals / substances.



4. Organized the Safety Promotion activity and Morning Talk activity so that employees gained knowledge and participated in the activities. The activity formats included knowledge communication through public relations boards, e-mails, Line of the Company, then employees answered questions on safety in working with hazardous chemicals and prizes given to lucky persons.



5. Rehearsed the emergency plan such as:

- Emergency plan in case of chemical leakage – organized training for the emergency team of the Company and rehearsed the plan



- Emergency plan in case of fire (fire drills)



6. Improvement of chemical storage areas

6.1 Room space, acid – alkaline, improving and installing fire-proof door-wall, epoxy flooring to prevent corrosion, air ventilation, having fire extinguishers to cover the area.



6.2 Fuel storage area was carried out in compliance with the law such as fire-proof wall, epoxy flooring (preventing electrostatics), completely closed doors, fire alarm system and fire extinguishers, etc. covering the area in the fuel storage room.



In order to constantly follow the work plan and operational guidelines, the Company has a plan to evaluate the risk of hazardous chemicals in products that affect the operators' health and users. The Company has carried out the following:

1. Identify hazardous chemicals / substances.
2. Evaluate the risk by collecting and analyzing data relating to hazardous chemicals and danger that may arise from such substances.
3. Determine the danger nature of the substances.
4. Determine the risk control plan
5. Enforce the risk control measure
6. Improve the measure on a regular basis
7. Collect data on the risk control for the purpose of reviewing and developing the risk control. In the past 3 years, the Company has observed the law on hazardous substance and reduction of hazardous chemical / substance use B.E. 2535, with no litigation or penalty charges.

3.4 Sustainability management with respect to the society

Policy and social practices and the social work 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. In doing so, the Company has to consider the impacts that may arise to 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, determining 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 conscience of honesty, diligence, patience and being responsible to the society so as to create balance and uplifting the society as a whole.

The Company commits to human right management throughout the value chain by announcing the use of Human Rights Policy in line with the United Nations Guiding Principles on Business and Human Rights: UNGP) in order to reduce the risk, prevent and avoid the violation of human rights of the Company Group throughout the value chain. Moreover, the Company runs its business along with the Human Rights Due Diligence Processes which consist of identification of human rights risk, affected groups of the population, prevention or preparation of solution plans as well as determination of a measure to mitigate and cure damages and monitor the results so as to ensure that the business running is based strictly on human rights protection. The Company has carried out various policies as follows:

Recognition of liberty in associations and protection of rights in joint negotiation

The Company is aware of the importance of employees which are the key mechanism to drive the business growth towards the organization's goal. Therefore, the Company has set up a policy and guideline to support association and open an opportunity for every employee to share opinions, views, recommendations as well as complaints via elected employee representatives, i.e. the Welfare Committee, for which in the Company is called "the Well-being Promotion Committee" that is in line with the principle according to the Labor Protection Act concerning the welfare committee in an establishment specified for a company as a private organization. In addition, this setup is in line with the content in the international document, namely the Convention No. 87 of the International Labour Organization with respect to the liberty of independent gathering of employees.

The Company aims to operate in such a way to show the recognition of gathering rights and acceptance of employees' demand as well as independent expression of opinions that are acceptable for both sides. Activities that reflect such targets are as follows:

1. First target: the Company invites an employee representative to participate in presenting the annual work plan and budget of the Well-being Promotion Committee and monitor its performance according to the plan, while the plan can also be adjusted as appropriate.

2. Second target: the Company has determined the adjustments of rules, regulations, requirements concerning the operations in compliance with the labour law (Labour Protection Act) and other laws such as the law on work safety, the law on the work environment, etc.

3. Third target: Improvements of employee welfare in line with the welfare payment of the Company of the same level in the Amata City Chonburi Industrial Estate.

During the past year, the Company has obtained 4 recommendations concerning employment conditions from employees as follows:

1. An employee's meal expense
2. Increase diligent payment for employees
3. Improve the surroundings and nutrition-based cooking
4. Employee assistance on debt alleviation

The Company has taken any possible actions and brings in good practices derived from the activities jointly done according to the specified work plan as target data in order to be used in managing such recommendations. It is found that

2 recommendations can be managed by using such practices that satisfy employees. The other 2 recommendations are in progress due to the following reasons:

1. The employee's debt alleviation project requires time in implementation because the debt problem of each employee differs and different amounts of debts involved.
2. The food shop surrounding improvement and nutrition-based cooking is during implementation. At present, the progress is in line with the plan approximately 40%.

Performance

In the past year, the Company has carried out the policy, practices and goals in support of the acceptance of rights in associations and recommendations from employees.

1. Presentation of the work plan and budget of the Well-being Promotion Committee has been approved by the executives as proposed by the employee representative.
2. Regulations on maternity leave, business leave and retirement with compensation payment in the month of retirement, have been amended.
3. Meal welfare payment from 400 Baht per month has been adjusted to 500 Baht per month.
4. Diligent payment from 200, 300, 400, 500 Baht per month has been adjusted to 300, 400, 500, 600 Baht per month, respectively.

Elimination of Forced Labour and All Forms of Labour Enrollment

The Company has a policy and practice of not supporting enforced labour. 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 the 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 labour and not using forced labour as presented in the activities that reflects such targets as follows:

1. First target: the Company has organized the orientation in order to provide knowledge on the basic labour rights regarding legal employment. The Company's employees are aware of the importance of basic labour 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 enquiries and opinions before putting into practice and during working time with the work regulations of the Company attached for employees to read at all times.

2. Second target: 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 labour use. Moreover, the Company has a policy to use employees overtime only as necessary and the decision of working overtime is at 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 labour on a constant basis without complaints or any problems that lead to any disputes. There have been amendments on rules and regulations regarding the Company's operations so that they are up-to-date with the Labour Protection Act in all aspects. Opportunity has opened to doubtful employees to directly ask for better understanding about legal provisions via superiors or employee representatives at all times.

Termination of Child Labour and the Worst Forms of Child Labour

The Company has a policy and practice of not supporting labour below the age stipulated by the law which is consistent with the provisions of the Labour Protection Act B.E. 2541 stipulated for a company as a private organization. This is also in line with the content of the international document on termination of use of child labour and the worst form of child labour practice, namely the Convention No. 138 of the International Labour Organization on the minimum working age and the Convention No. 182 of the International Labour Organization on the worst form of child labour, as well as the United Nations Convention on Child Rights 1989 which contains the content on the recognition of child rights in getting development in both economic and social aspects.

The Company aims to carry out its operations to express the use of strict measure in using child labour according to the international laws and principles via activities that reflect such targets as follows:

1. First target: the Company notifies employees, work supervisors and all levels of superiors to acknowledge the nonacceptance of employees under the age of 18 years old as an employee of the Company.
2. Second target: the Company has amended rules, regulations, requirements and guidelines that apply to employees or intern students under 18 years of age who have to be treated according to the relevant laws, to have adequate rests, no overtime work as well as to be given skill development support and learning for the benefits of personal developments and growth.

During the past year, the Company has carried out the policy, operational guidelines and targets concerning correct use of child labour based on the relevant laws and international principles on a constant basis without complaints or any problems because the Company does not employ child labour.

Elimination of employment and profession discrimination

The Company has a policy and practice in supporting the elimination of employment and profession 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 the equal compensation and the Convention No. 111 of the International Labour Organization on the employment and profession 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:

1. First target: the Company has organized the orientation for new employees in order 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.

2. Second target: 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.

During the past year, the Company has carried out the policy, operational guidelines and targets concerning equality and discrimination on a constant basis in various aspects namely employment, employee life at the workplace, all that strictly follow the relevant laws without complaints or any disputes in this respect.

Provision of Good Occupational Safety and Health of the Working Environment

The Company aims to develop and improve efficiency in working with safety on a constant basis in order 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 the occupational safety that concerns arrangements of places, equipment and environmental context of the work place that are safe with good occupational health for employees working in the establishment.

The Company aims to carry out its operations to express the existence of a measure to ensure and promote occupational safety and health via activities that reflect such targets as follows:

1. First target: the Company has organized trainings on occupational safety and health in the orientation for new employees before starting to work, in order to ensure awareness on the importance of good occupational safety and health in working with good occupational safety and health according to respective duty and work position.

2. Second target: the Company has organized activities such as Safety Promotion, Morning Talk, CCCF Activity, New Year Safe Transport - Reduce Accidents, Song Kran Reduce Accidents Together, Asia Zero Accident, in order to show the readiness of employees to learn the measure on good occupational safety and health in addition to the basic knowledge that employees should have according to their positions. This will help employees in different positions to understand obligations that others should have with respect to occupational safety and health and that an employee shall coordinate in the measure on occupational safety and health of others. Upon mutual understanding in the regulations regarding occupational safety and health for the whole enterprise, the operations of all divisions in the Company will be occupationally safe and healthy.

During the past year, the Company has found and received information on accidents, non-safety and bad health conditions from operations or related activities of the Company, from employees, clients and other persons who come in contact or are related in any way with the Company's activities, altogether 15 cases. These cases include 15 accidents of which 6 work accidents, 9 vehicle accidents which are detailed as follows:

accident statistics	Property damage	Injured employee		Total	Correction	
		minor injury	stop working		Succesed	Failed
รวม	9	4	2	15	15	-

The Company has taken every action and found ways to solve the problems in order to reduce danger and difficulties arisen as well as looked for measures and appropriate ways to prevent these problems from happening again. This help to manage those 15 cases in such a way that satisfies all parties.

During the past year, the Company has carried out the policy, operational guidelines and targets concerning occupational safety, health and environment on a constant basis. Once a problem occurs, it will be brought into consideration of the Occupational Safety and Health Committee (OSHC) in order to find a solution or propose to senior executives for approval of additional actions or looking for a way to prevent it from happening in the future. There have been no complaints from employees or any disputes.

The number of employees participated

Yearly	Safety Promotion	Morning Talk	CCCF	New Year Safety Reduced Accident	Songkran Festival Reduced Accident	Asia Zero Accident
2021	473	618	533	632	604	618
2020	445	613	654	584	622	613

Provision of Welfare and Social Security

The Company has a policy and practice in supporting provision of both economic and social welfare, benefits of compensation as well as provision of employee registration as a 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 the 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 labour welfare provision, access to compensation benefit rights with respect to compensation and social security via activities that reflect such targets as follows:

1. First target: the Company ensures all employees register as an insured person according to the Social Security Law and counts the total number of employees to calculate the counterpart fund to pay in the Compensation Fund. In addition, the Company has set up the Provident Fund so as for the Company's employees to be aware of the importance of savings for retirement or unemployment. All levels of employees are invited to join as a member of the Fund equally and freely according to employees' demand.

2. Second target: in order to help employees to know how to plan work for the future. The Company has an opportunity to help employees to solve debt problems. Those debt-free employees will also learn of savings and financial planning as well.

3. Third target: for employees with the age from 40 years old, the Company, together with Social Innovation Foundation, has invited employees to join the retirement preparedness project "Beyond Retirement".

During the past year, the Company has carried out the policy, operational guidelines and targets concerning good and efficient welfare provision on a constant basis. There are on-going projects continuing from the year 2021 that the Company is working on as follows:

Yearly	Project	Activity	Person
2564	Retire early	Assess the financial status, Health, Job, Suggest/recommend	8
	Pay off debt	Debt Survey, Negotiation	20

Participation of Employees and Stakeholders in the Organization Transparency

The Company has a policy and practice in supporting 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 transparency via activities that reflect such targets as follows:

1. First target: the Company has organized the orientation for new employees in order to provide knowledge on corruption and good governance and other related issues.
2. Second target: the Company has organized activities to notify information to show readiness of employees in participating for the organization transparency. The result of this project has proposed appropriate channels that employees can inform information or wrongful behaviours to those who have authority to acknowledge and consider further actions.

During the past year, the Company has not received any information on corrupt behaviours and doubtful behaviours and the Company has carried out the policy, operational guidelines and targets concerning employee and stakeholder participation for the organization 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 in order to share recommendations or enquiries in the annual bonus notification meeting.

Support of Gender and Sexuality Equality

The Company has a policy and practice in supporting the 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 Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, and 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 established rules, regulations and requirements to reflect the promotion and support of gender and sexuality equality.

Protection of Health and Safety Rights

The organization has set up the quality system ISO9001 by exempting the clauses relating to product design. Thus, all products will be designed by customers. Pieces and products related to safety will be approved of the production process and the product testing result mainly by customers. In producing pieces, the organization will control special control points or safety points according to the requirements of customers only. If such pieces are used in automobile assembly or used in such a way that result in defects of work functions until posing a safety risk to users, the organization cannot guarantee such functional defects of the pieces produced because the organization does not design the piece or such product. Therefore, the scope of responsibility the organization will be responsible only the product that does not comply with the clauses of IATF 16949, No. 8.3.3.3 Control of Special Characteristics, “SC Point” and “Safety Point” in the process. (Special Characteristics and Safety Point). In the production process, there is indication of controlling SC Point and Safety Point by determining a symbol “SC” point or as specified by customer in the Process Control Plan, PFMEA, Flow Process, Working Standard and Working Instruction documents of every production stage that is determined to have SC Point control, in order to document monitoring records and to ensure consistency with the requirement in the management system.

The Company has considered the exemption of clauses, only in the part of product design and development as customers specify drawing for the Company, then it does not affect to ability and responsibility of the organization in provision according to the customer demand and related laws and regulations.

Clauses that are considered exempted: Quality System ISO9001:2015 are as follows: Clause 8.3 Design and Development for the Quality System IATF16949:2016

8.3.2.2 : Skill in product design

8.3.3.1 : Inputs for product design

8.3.5.1 : Result of design and development

Protection of Personal Rights and Personal Data

The Company has a policy and practice that aims to protect personal information of all employees, customers and clients. Even the Personal Data Protection Act B.E. 2562 is not effective, the Company has adjusted the internal procedure and practices of the Company so as to comply with the standards based on such the Act, and to be in line with the Sustainable Development Goals and the International Document on Human Rights relating to privacy rights, as well as the EU, OECD international standards and GRI Standards 418 on Privacy Rights of customers.

The Company aims to carry out its operations to protect customers’ personal data in a more concrete way such as:

1. The Company aims to amend rules, regulations and requirements of the Company relating to collection and processing personal data in compliance with the international standards and the Thai law to be effective.

2. In the past year, the Company has established agencies related to looking after data of employees, customers and clients including HR, IT, MARKETING and PURCHASING that are responsible for processing personal data in compliance with the standards stipulated by law and international standards with the aim that rules, regulations and regulations of the Company that relate to collection and processing of personal data have to be in line with the standards stipulated by law and international standards by at least 60 per cent by the year 2022.

During the past year, the Company has a policy to send 4 employees from related departments to get trainings on preparedness for the effectiveness of the law on personal data protection as the first group. After the first group has attended the trainings, those employees have to come back and drive the personal data protection so as to achieve the specified target.

During the past year, the Company has carried out the policy, operational guidelines and targets concerning personal data protection by sending employees to attend a training on personal data management that is consistent with the law and international standards.

Yearly	Quarter (Person)			
	Q1	Q2	Q3	Q4
2021	-	2	2	-

In the past, the Company has never received any complaints concerning leakage of personal data with respect to employees, customers and clients that may affect the business running.

Protection of Child Rights

The Company has a policy and practice in supporting protection of child rights in the business running of the Company in addition to not using child labour so as to be in line with the Thai law and specified international practices such as Universal Declaration of Human Rights, International Covenant on Economic, Social and Cultural Rights and Convention on the Rights of the Child. As the Company is well aware that child is a group that should be given special care and should not be discriminated against childhood. Moreover, the Company has a policy of anti-child trafficking and all forms of child utilization, as well as communicates and advertises in a responsible and respectful way to the rights of child.

The Company aims to operate its business to protect the rights of child in addition to not using child labour as follows:

1. First target: the Company plans to set up a system to look after employees' young children at the workplace during working hours of employees in order to reduce the child-raising burden of the employees' family and to provide quality raising for children.

2. Second target: the Company provides 47 education scholarships to employees' children for the primary education levels (Prathom 1 – 6) by the amount of 1,000 – 2,000 Baht per scholarship in order to mitigate the financial burden of employees and to create an education opportunity for employees' children.

During the past year, the Company has given 47 scholarships for Prathom 1 – 6 levels to employees' children. In the future, the Company may consider extending such scholarships to children in the community that the Company is incorporated, or to cover the higher education level so as to create education opportunity for children and youth the most that it can.

Protection of the Disability Rights

The Company has a policy and practice in supporting protection of the disability rights. The Company is well aware that every person, whether with disability, is equal under the law, and for the disabled to live independently, the Company has a policy and guidelines that aim to ensure accessibility and utilization of the Company's goods and services for the disabled on an equal basis. This is consistent with the standards stipulated by law and international standards such

as Universal Declaration of Human Rights, Convention on the Rights of Persons with Disabilities as well as the international standards of OECD and the International Chamber of Commerce.

The Company has provided the following facilities:

- 1.Disabled employees will be treated equally as general employees, no work separation so that employees feel indifferent.
- 2.Unlevelled floor. The Company has provided sloping passage for food hall to facilitate disabled employees with wheelchairs.



- 3.The Company has provided toilets for disabled employees in every building



- 4.Dining tables are provided in the first floor of the food hall as the food hall is a 2-leveled building.



- 5.After work, disabled employees with wheelchairs will finish work 10 minutes early in order to do the facial scan before normal employees.
- 6.There will be reviews and talks of problems, life in the Company, expectations, career advancement, etc. on a periodical basis.

4. Management Discussion and Analysis: MD&A

4.1 Overall operating results

From 2020 onwards, Asia Precision Public Company Limited operates as a Holding Company, which primarily engages in investment other companies, following the business restructuring plan approved by shareholders during the 2019 Annual General Meeting, dated on 20 April 2019. The whole of 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. The purposes of this restructuring are to clearly separate companies into proper division for more effective management and to facilitate future expansion of the group. The new group structure is divided into 3 divisions 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.

2. Precision Metal Parts Manufacturing (AUTO)

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

3. Distribution of Raw Water (WATER)

- Cholkij Sakol Co., Ltd.

Separated financial statements

Income from holding business Dividend income in the year 2021 and 2020 equals 0, 100 million baht, decreased due to the year 2020, the subsidiary paid dividends. Interest income in the year 2021 and 2020 is equal to 15.76 and 14.26 million baht, respectively. Other income in 2021 and 2020 is equal to 2.37 , 106.63 million baht, decreased due to the year 2020, there is a business transfer resulting in profit from the disposal of assets. Revenue from sales and services in 2021 and 2020 was 0 and 8.92 million baht, a decrease of 8.92 million baht or 100 percent, and cost of sales and service costs in 2021 and 2020 were 0 and 7.44 million baht, decreased. equal to 7.44 million baht or 100% due to business restructuring It is a business of investment and holding shares in other companies (Holding Company), so there is no income from sales and services.

Consolidated financial statements

Primary income and costs according to consolidated financial statements is divided into 2 parts as follows:

1. Revenue from sales and services for year 2021 and 2020 were Bt 1,194.21m and Bt 952.26m respectively, a increase of Bt 241.95m or equivalent to 25.41%. Cost of sales for year 2021 and 2020 were Bt 785.41m and Bt 779.84m. Respectively, a reduction of Bt 5.57m. or equivalent to 0.71%.

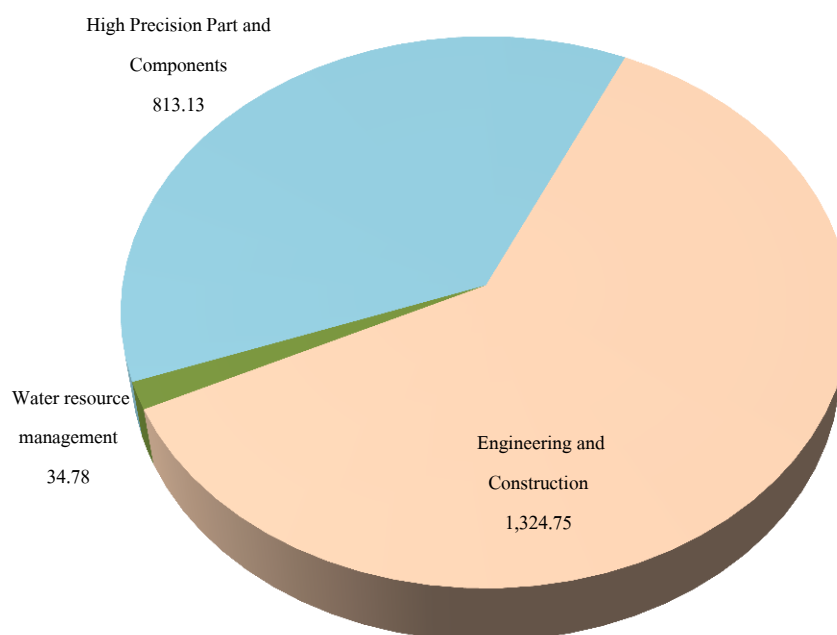
2. Revenue from construction for year 2021 and 2020 were Bt 978.45 m and Bt 1,180.54 m respectively, a reduction of Bt 202.09 m or equivalent to 17.12%. Cost of sales for year 2021 and 2020 were Bt 958.09m and Bt 1,064.33m respectively, a reduction of Bt 106.24m or equivalent to 9.98%.

Gross profit from operation 2021 and 2020 were Bt 429.16m and Bt 288.63m respectively, a increased of Bt 196.54m or equivalent to 48.69%. Profit from operation for year 2021 and 2020 were Bt 210.61m and Bt 14.07m respectively, a increased of Bt 196.54m or equivalent to 1,396.87%. Earning per share for the year 2021 and 2020 were 11.26 and 0.81 respective.

Analysis on operating performance of consolidated financial statements

Revenues 2021

(Unit :Million Baht)



In the consolidated financial statements, the main revenue for 2021 decreased from that of 2020 due to:

1. Revenue from Engineering, Procurement, and Construction (EPC) business decreased due to the outbreak of COVID-19, which delay some clients' decisions to move forward with the projects in pipeline; although, the proportion of clients in this category is not high. Nevertheless, the Company had adjusted target revenue recognition to reflect the current situation.

2. Revenue for Metal Parts Business Group In 2021, there was a recovery in the economy and in the parts manufacturing business. Although the 2019 coronavirus epidemic situation persists, production activities in the automotive chain have begun to progress at full strength, until the order came in until it was almost back to normal.

3. Revenue of raw water distribution business increases increased revenue from the end of the same day of the previous year. Due to the demand for water increased, and in the year 2021, the seasonal rainfall is enough to support customer

orders. The company can sell the water completely according to the contract. Causing the cost of selling raw water to increase due to wages and depreciation.

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

In 2021, the main revenue of the Company came from investment in other business as follows:

Structure of revenue

Revenue	Separate financial statement					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues for sale (Precision Metal Parts Manufacturing)	918.52	98.92	8.92	3.88	-	-
Dividend revenue	-	-	100.00	43.51	-	-
Other Revenues	10.04	1.08	120.93	52.61	18.13	100.00
Total Revenues	928.56	100.00	229.85	100.00	18.13	100.00

Cost of sales for year 2021 no sales revenue (High precision metal parts)

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

Revenue consisted of several types of businesses as follows:

	Consolidated financial statement					
	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Consulting and Construction	1,870.79	58.47	1,472.02	68.85	1,324.75	60.06
2. Manufactures high precision parts and components made from metals						
1.1 Automotive industry	586.47	20.87	440.08	20.58	546.29	24.77
1.2 Air-conditioning compressor and refrigeration industry	130.76	4.65	135.34	6.33	123.69	5.61
1.3 Digital camera industry	79.72	2.84	38.36	1.79	67.84	3.08
1.4 Medical equipment	55.47	1.97	15.57	0.73	58.54	2.65
1.5 Other industries	1.22	0.04	4.35	0.20	16.77	0.76
Total Manufactures high precision parts and components made from metals	853.64	30.37	633.70	29.64	813.13	36.86
3. Production and sale row water	63.72	2.27	27.08	1.26	34.78	1.57
Total Revenues for sale	2,788.15	99.20	2,132.80	99.75	2,172.66	98.49
Other Revenues	22.52	0.80	5.29	0.25	33.21	1.51
Total Revenues	2,810.67	100.00	2,138.09	100.00	2,205.87	100.00

Overall consolidated financial statements for 2021 compared to that of 2020: Revenue decreased Bt 67.78 m or equivalent to 3.17% as a result of economic slowdown and impact from COVID-19 outbreak.

1. Construction and consultation business group (EPC)

In the consolidated financial statements, the subsidiary earned, in 2021 and 2020, Bt 1,324.75 million and Bt 1,472.02 million respectively; an decrease of Bt 147.27 million (10.00 percent) year on year. The subsidiary engages in

civil engineering and electrical engineering services, designing and providing consultation on project construction and maintenances of every kind of alternative-energy power plants such as solar cell power plants, waste-fuelled power plants, wind-energy power plants at every installed capacity.

The subsidiary received construction projects in the area of power plant with fuel derived from communal waste, solar power plant, electricity substation, and etc. The subsidiary has a full team of engineers and specialists with high potentials to provide services for construction of power plants powered by alternative and renewable energies, which the government has been supporting the private sector and communities to go for alternative and renewable energies to reduce greenhouse effects, a starting point for Thailand to move into a low-carbon society. Consequently, the subsidiary earned additional revenues and contributed to the better performance of the entire Group. Most costs went construction expenses, salary and wages of engineers and specialists.

2. Precision metal parts group

2.1) Revenue from automotive industry in consolidated financial statements increased from 2020 by Bt 106.21 m, or equivalent to 24.13%.

2.2) Revenue from compressor industry in consolidated financial statements decreased from 2020 by Bt 11.65 m, or equivalent to 8.61%. In 2021, the Company received decreased order volume.

2.3) Revenue from camera industry in consolidated financial statements increased from 2020 by Bt 29.48 m, or equivalent to 76.85%.

2.4) Revenue from Medical equipment in consolidated financial statements increased from 2020 by Bt 42.97 m, or equivalent to 275.98%.

2.5) Revenue from other industries in consolidated financial statements increased from 2020 by Bt 12.42m, or equivalent to 285.52%. Other industries include medical, aerospace, and machinery spare parts.

3. Raw water group

Revenue from sales of raw water in consolidated financial statements in 2021 and 2020 were Bt 34.78 m and Bt 27.08 m respectively, a increase of Bt 7.70 m or equivalent to 28.43%. This is in line with the contracts from customers.

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

For EPC business, the ratio of cost of sales to revenue for 2021 and 2020 were 88.52% and 88.20% respectively. Cost of sales includes supervisor engineer cost, construction cost, construction labor cost, consultant hiring fee, and etc. The ratio was at about the same level as last year.

For precision metal parts business, the ratio of cost of sales to revenue for 2021 and 2020 were 68.49% and 82.21% respectively.

For raw water business, the ratio of cost of sales to revenue for 2021 and 2020 were 39.84% and 92.04% respectively.

Sales and administration expenses

(Unit : Million Baht)

	Separate financial statement			Consolidated financial statement		
	2019	2020	2021	2019	2020	2021
Selling expenses	5.33	-	-	5.33	5.20	6.05
Administrative expenses	83.70	26.69	19.32	173.37	221.48	182.08
Other Expenses	9.01	-	-	1.25	13.08	-
Total	98.04	26.69	19.32	179.94	239.76	188.13

Sales and administration 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, bonus, remuneration to directors, professional fees and depreciation.

Separate financial statements: Sales and administration expense for 2021 was Bt 19.32, consisted of salary, benefits and bonuses to employees, directors' remuneration, and professional fees.

Consolidated financial statements: Sales and administration expense for 2021 was Bt 188.13 m, as compared to Bt 239.76 m in 2020.

The financial cost in separated financial statements for 2021 and 2020 were negligible.

The financial cost in consolidated financial statements for 2021 and 2020 were Bt 14.11m and Bt 18.08m respectively, a decreased of Bt 3.97 m.

1. Analysis of financial status**Assets**

The separate financial statements showed totals assets in 2021 and 2020 at Bt 1,536.82 million and Bt 1,575.10 million respectively. In 2021, the total assets featured 24.81% current assets and 75.19% non-current assets, 0.36% of the non-current assets were land, buildings and equipment and 74.83% long-term loans to related parties

The consolidated financial statements showed totals assets in 2021 and 2020 at Bt 3,560 million and Bt 3,166.95 million respectively. In 2021, the total assets featured 73.69 % current assets and 26.31% non-current assets. Some 19.58 % of the non-current assets were land, buildings and equipment.

In all, in The separate financial statements and the consolidated financial statements, additional assets were as follows:

Consisted of	Separate financial statement						Consolidated financial statement					
	2019		2020		2021		2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Trade receivables	147.15	66.47%	-	-	-	-	809.74	56.16%	914.43	58.53%	915.12	49.52%
Trade receivables-Related Parties	69.64	31.46%	-	-	-	-	-	-	-	-	-	-
Less allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-	(1.65)	(0.09%)
Total trade receivables	216.79	97.93%	-	-	-	-	809.74	56.16%	914.43	58.53%	913.47	49.43%
Unbilled construction revenues	-	-	-	-	-	-	494.13	34.27%	341.16	21.84%	576.58	31.20%
Trade receivables – related parties	0.01	0.00%	0.36	49.32%	0.02	5.56%	-	-	-	-	-	-
Prepaid for contractor	0.80	0.36%	0.10	13.70%	0.08	22.22%	5.24	0.36%	4.49	0.29%	56.20	3.04%
Withholding tax	3.40	1.54%	0.02	2.74%	0.24	66.67%	22.99	1.59%	14.26	0.91%	11.74	0.64%
Prepaid for inventories	-	-	-	-	-	-	-	-	-	-	1.08	0.06%
Accrued income	-	-	-	-	-	-	5.89	0.41%	57.65	3.69%	-	-
Revenue Department receivable	-	-	0.24	32.88%	0.02	5.56%	32.77	2.27%	16.70	1.07%	24.60	1.33%
Prepaid for contractor	-	-	-	-	-	-	55.19	3.83%	153.31	9.81%	164.75	8.92%
Others	0.38	0.17%	0.01	1.37%	-	-	15.95	1.11%	60.36	3.86%	99.49	5.38%
Total	221.38	100%	0.73	100%	0.36	100%	1,441.90	100%	1,562.36	100%	1,847.91	100%

Trade account receivables and other receivables-other businesses for separate financial statement as of the year ended 2021 and 2020 were Bt 0.36 million and Bt 0.73 million respectively, or 0.02% and 0.05% of total asset respectively. In 2021, it decreased from 2020 for Bt 0.37 million.

Trade and other receivables-other third parties for consolidated financial statement as of the year ended 2021 and 2020 were Bt 1,847.91 million and Bt 1,562.36 million or 51.90% and 49.33% of total assets respectively, decreased from 2020 for Bt 285.55 million.

Trade receivables in separate financial statements decreased from last year since from 2020 going forward, Asia Precision PLC has operated as a holding company, which invested in other businesses, following the restructuring plan.

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

Separate financial statement

	<u>2019</u>		<u>2020</u>		<u>2021</u>	
	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>
Within credit term	170.85	78.81%	-	-	-	-
Overdue 1 month to 3 month	41.05	18.94%	-	-	-	-
Overdue over 3 month	4.89	2.26%	-	-	-	-
Total	216.79	100.00%	-	-	-	-
Retention receivables to agreement	-	-	-	-	-	-
Total	216.79	100.00%	-	-	-	-
Less Allowance doubtful accounts	-	-	-	-	-	-
Unbilled construction revenues	-	-	-	-	-	-
Net	216.79	100.00%	-	-	-	-

Consolidated financial statement

	<u>2019</u>		<u>2020</u>		<u>2021</u>	
	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>
Within credit term	215.87	16.56%	135.94	10.83%	169.74	11.39%
Overdue 1 month to 3 month	180.58	13.85%	281.14	22.39%	273.83	18.38%
Overdue over 3 month	190.75	14.63%	249.40	19.86%	202.31	13.58%
Total	587.20	45.04%	666.48	53.08%	645.88	43.35%
Retention receivables to agreement	222.54	17.07%	247.95	19.75%	269.24	18.07%
Total	809.74	62.10%	914.43	72.83%	915.12	61.42%
Less Allowance doubtful accounts	-	-	-	-	(1.65)	(0.11%)
Unbilled construction revenues	494.13	37.90%	341.16	27.17%	576.58	38.70%
Net	1,303.87	100.00%	1,255.59	100.00%	1,490.05	100.00%

Trade receivables at the end of the year are classified by aging as follows: 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 2021, trade receivables that were 1-3 months overdue, most of which were due to the billing period of the company is 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 2021 and 2020 154 days and 148 days respectively, as per consolidated financial

Trade and other receivable 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 collection of receivables. The allowance is generally based on collection history, the current financial status of accounts receivable and analysis of debt aging.

Inventories

There was no inventory for 2021 in the separate financial statements.

The inventories in consolidated financial statements for 2021 and 2020 were Bt 177.59m and Bt 74.41m respectively.

	<u>Separate financial statement</u>					
	<u>2019</u>		<u>2020</u>		<u>2021</u>	
	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>
Finished goods	4.82	103.43%	-	-	-	-
Work in process	-	-	-	-	-	-
Raw materials	-	-	-	-	-	-
Goods in transit	-	-	-	-	-	-
Total	4.82	103.43%	-	-	-	-
Allowance for diminution in value of inventories	(0.16)	(3.43%)	-	-	-	-
Net	4.66	100.00%	-	-	-	-

	<u>Consolidated financial statement</u>					
	<u>2019</u>		<u>2020</u>		<u>2021</u>	
	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>	<u>Million Baht</u>	<u>%</u>
Finished goods	36.86	46.33%	23.38	31.42%	40.97	23.07%
Work in process	-	-	26.79	36.00%	35.95	20.24%
Raw materials	42.94	53.97%	27.57	37.05%	37.25	20.98%
Goods in transit	0.82	1.03%	0.84	1.13%	66.37	37.37%
Total	80.62	101.33%	78.58	105.60%	180.54	101.66%
Allowance for diminution in value of inventories	(1.06)	(1.33%)	(4.17)	(5.60%)	(2.95)	(1.66%)
Net	79.56	100.00%	74.41	100.00%	177.59	100.00%

Most of the inventory or 81.42 percent were raw materials and materials under production process as APAT produced mainly according to clients' purchase order rather than producing general products and waiting for a purchase order. Most clients would notify APAT of their purchase plan at each period of the year. APAT consequently could efficiently set a production plan accordingly.

Most of the parts and components APAT manufactured were supplied to the automobile, air-compressor and chiller industries, in which technologies were not changing fast by nature. That's why APAT parts and components could be sold continuously, not easily outdated.

The Company has set the allowance for slow moving products mostly occurred in the period that the existing customer products were going to be changed into new models, affecting the remainder of the remaining parts that have not yet been entirely sold. Normally, few quantity has been available since the customers will notify the Company in advance. In addition, most of the Company's inventories were in the forms of raw materials and work in process such as steel and aluminum that the Company could store and apply for use with the works of other parts, affecting the Company's setting of just small allowance for slow moving products when compared with total inventory.

The Company's policy in 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

There were no other current assets in both the consolidated and separated financial statements as at end of 2021.

Investment in subsidiaries

Investment in subsidiaries 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)		
		2019	2020	2021	2019	2020	2021
Asia Precision A.T. Co., Ltd	550	100	100	100	150	300	550
A2 Technologies Co., Ltd.	600	100	100	100	500	500	600
Total					800	1,150	1,150
<u>Less</u> Allowance for impairment investments						-	-
Net Total					800	1,150	1,150

In the course of 2019, a subsidiary registered its capital increase. APAT increased its registered capital from Bt250 million to Bt 300 million.

In the course of 2020,A2 increased its registered capital from Bt500 million to Bt600 million.and APAT increased its registered capital from Bt300 million to Bt550 million. The Objectives of capital increase to support business restructuring plan and future expansion.

Property, plant and equipment (PP&E)

PP&E in the separate financial statements for 2021 and 2020 were Bt 5.48m and Bt 5.54m respectively.

PP&E in the consolidated financial statements for 2021 and 2020 were Bt 697.10m and Bt 728.71m respectively.

Depreciation in separate financial statements for 2021 was Bt 0.06m and depreciation in consolidated financial statements for 2021 was Bt 66.01m respectively.

Right of the raw water distribution contract

In the consolidated financial statements, the raw water sales contract in 2021 and 2020 were Bt 131.25m and Bt 136.91m respectively. The contract arose from A2 Technologies, a subsidiary, invested in CK at 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

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 Baht)
Balance as at January 1, 2020	142.57
Increase from investment in subsidiary company	(5.66)
Balance as at December 31, 2020	136.91
Amortized during the year	(5.66)
Balance as at December 31, 2021	131.25

Other non-current assets

In the APCS's financial statements, other non-current assets as of 2021 and 2020 were Bt 0.02 million and Bt 11.97 million respectively, most of which were a guarantee for rent and guarantee for other assets in line with normal business operation.

In the consolidated financial statements, other non-current assets as of 2021 and 2020 were Bt 63.59 million and Bt 84.12 million respectively; the majority was from subsidiaries.

Liabilities

APCS's separate financial statement showed total liabilities as of the end of 2021 and 2020 at Bt 9.72 million and Bt 5.62 million respectively, In 2021, they were classified into current liabilities for 0.17% and non-current liabilities for 41.16%.

The consolidated financial statements showed total liabilities as of the end of 2021 and 2020 at Bt 1,598.48 million and Bt 1,376.45 million respectively, In 2021, they were classified into current liabilities for 41.16% and non-current liabilities for 3.74%.

Most amount of total liabilities according to separate financial statement and consolidated statement as following;

Trade and other payable - third parties

Trade payable – other parties in the separate financial statements in 2021 and 2020 were –none-

Trade payable – other parties in the separate financial statements in 2021 and 2020 were Bt 482.39m and Bt 336.30m respectively increased from the year 2020 by Bt 336.30 m. The average repayment period is 189 days and 142 days respectively, which were still within the credit term received from the trade creditor.

As follows	Separate Financial Statement						Consolidated Financial Statement					
	2019		2020		2021		2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Trade payable – Relate parties	46.85	22.78%	-	-	-	-	526.44	67.87%	482.39	59.92%	818.69	71.76%
Trade payable – Other parties	24.10	11.72%	-	-	-	-	-	-	-	-	-	-
Retention payables	-	-	-	-	-	-	127.28	16.41%	122.44	15.21%	115.66	10.14%
Advance Payment	-	-	-	-	-	-	5.85	0.75%	27.27	3.39%	19.85	1.74%
Unearned revenue from construction	-	-	-	-	-	-	-	0.04	-	-	4.70	0.41%
Cash advance received of contract	-	-	-	-	-	-	24.08	3.10%	95.45	11.86%	109.10	9.56%
Other current payable	-	-	-	-	-	-	0.57	0.07%	-	-	-	-
Advance received from goods	-	-	-	-	-	-	14.66	1.89%	-	-	-	-
Deposit of land – Relate parties	100.00	48.63%	-	-	-	-	-	0.08	0.01%	0.18	0.02%	
Other payable – Other parties	2.81	1.37%	0.03	7.32%	0.02	0.77%	5.24	0.68%	6.48	0.80%	12.71	1.11%
Withholding Tax payables	-	-	0.08	19.51%	0.07	2.68%	-	-	22.97	2.85%	0.45	0.04%
Revenue department payables	12.96	6.30%	-	-	-	-	48.59	6.26%	9.50	1.18%	2.67	0.23%
Undue output tax	-	-	-	-	-	-	-	-	30.22	3.75%	30.74	2.69%
Short-term employee benefits	17.32	8.42%	-	-	1.73	66.28%	20.06	2.59%	2.43	0.30%	19.19	1.68%
Accrued expenses	1.58	0.77%	0.30	73.17%	0.79	30.27%	2.92	0.38%	4.91	0.61%	6.46	0.57%
Other	-	-	-	-	-	-	-	-	0.91	0.11%	0.52	0.05%
Total	205.62	100%	0.41	100%	2.61	100%	775.69	100%	805.09	100%	1140.92	100%

Short-term borrowings

The consolidated financial statements showed short-term borrowings and accrued interest from related persons of Bt79.76 million and Bt76.78 million as of the end of 2020 and 2021, respectively.

Long-term loan form financial institution

Movement for the year

(Unit : Million Baht)

	Separate financial statement			Consolidated financial statement		
	2019	2020	2021	2019	2020	2021
Balance at beginning	-	-	-	77.60	69.50	61.42
<u>Additional</u> Borrow during the year	-	-	-	-	-	-
Accrued interest	-	-	-	-	0.02	-
<u>Less</u> Repayment during the year	-	-	-	(8.10)	(8.10)	(13.52)
Total	-	-	-	69.50	61.42	47.90
<u>Less</u> Current portion of long-term liabilities	-	-	-	-	-	-
Long-term	-	-	-	(8.10)	(13.52)	(13.50)
Total Current portion of long-term loans	-	-	-	(8.10)	(13.52)	(13.50)
Balance at year end	-	-	-	61.40	47.90	34.40

Separate financial statements 2021 – the Company did not have any long term loan.

Long term loan in consolidated financial statements for 2021 and 2020 were Bt 34.40m and Bt 47.90m, a decreased of Bt 13.50m In the consolidated financial statements, long-term loans in 2020 went up because A2 invested in CK, involved with raw water production and distribution and held 98.12 percent stake in CK, thus CK become one of the group's subsidiaries. CK had borrowed an amount of money from a financial institution to invest in the construction of

water pipelines from the reservoirs and a pump house. In 2016, CK asked the financial institution to restructure its debts by paying back the loan to the financial institution for 8 years. The long-term loan in 2016 was then categorized as long-term debts which would be due in one year. Later, in 2020, the financial institution approved the restructuring plan as CK had requested. CK had to pay back the principle from January 2018 to December 2024 at the MLR interest rate and A2 had to guarantee that loan without charging fees from each other. In the consolidated financial statements, long-term loans which were due in one year dropped.

Under the said debt restructuring agreement CK must comply with the following important conditions:

1. Not reducing registered capital or merged with other juristic persons or establishing another juristic person to operate on its behalf or jointly with other juristic persons in any way, unless prior written consent has been obtained from the Bank.

2. Not paying dividends, whether interim or annual or distribute for benefits or any returns to any one or all shareholders and whether it is paid by any means or by any means unless prior written consent has been obtained from the Bank.

The debt to equity ratio in the APCS's financial statements as of 2021 and 2020 was 0.01 times and 0.00 times respectively, in the consolidated financial statements in 2021 and 2020, they were 0.82 times and 0.77 times, a just a slight increase.

Deferred tax liabilities

The consolidated financial statements showed Deferred tax liabilities of Bt 33.51 million and Bt 34.69 million as of the end of 2021 and 2020, respectively. (See details in the Note to Financial Statements).

Employee benefit obligation

In 2021 and 2020, employee benefits were Bt 7.11m. and Bt 5.21m. respectively, in the separate financial statements and Bt34.34 m. and Bt 24.97 m. respectively, in the consolidated financial statements. (See details in the Note to Financial Statements).

Shareholders' equity

The APCS's separate financial statements, the shareholders' equity as of the end of 2021 and 2020 at Bt 1,527.10 million and Bt 1,569.48 million, respectively.

The consolidated financial statements, the shareholders' equity as of the end of 2021 and 2020 at Bt 1,962.00 million and Bt1,790.50 million, respectively.

Legal Reserve

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

Details of dividend payment in 2018-2020 are summarized as follows:

Opreating for year	Approval by	Total Share (Million share)	Par value (Baht per share)	Dividend Paid (Million Baht)	Dividend Paid per share (per share)	Paid date
2018	Board of Directors Meeting No. 4/2019 On 12 Nov 2019	660	1	66.00	0.10	Dec 6, 2019
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

Liquidity

Cash flows :

(Unit : Million Baht)	Separate financial statement			Consolidated financial statement		
	2019	2020	2021	2019	2020	2021
Profit from operations before Tax(expense)	101.83	195.70	(1.19)	306.96	36.08	260.13
Total Adjusted to reconcile profit (loss)	119.03	(189.40)	(10.88)	(230.48)	77.48	35.32
Change of operating assets and liabilities	(30.80)	93.21	15.76	(71.93)	(44.93)	(40.53)
Net cash flow provided by (used in) operating activities	190.06	99.51	3.69	4.55	68.63	254.92
Net cash flow provided by (used in) investing activities	(297.45)	(66.69)	(34.97)	(32.81)	(92.73)	(32.44)
Net cash flow provided by (used in) financing activities	34.00	(139.60)	(39.60)	197.45	(43.67)	(170.38)
Effects Of Exchange Rates On Cash And Cash Equivalents	-	-	-	-	(0.56)	6.33
Net Increase(decrease) in cash and cash equivalents	(73.39)	(106.78)	(70.88)	169.19	(68.33)	58.43
Cash and Cash equivalents at beginning of year	274.71	201.32	94.54	437.10	606.29	537.96
Cash and cash equivalents of the subsidiary at the acquisition date	-	-	-	-	-	-
Cash and cash equivalents at ending of period	201.32	94.54	23.66	606.29	537.96	596.39

In the APCS's financial statements, in 2021 APCS had net cash of Bt 3.69 million from its operation as the Company managed

The net cash injected as investment was Bt 34.97 million as a result of a subsidiary increased their registered capital in 2020. APAT increased its registered capital from 300 million Baht to 550 million Baht. A2 increased its registered capital from 500 million Baht to 600 million Baht.

The net cash from financing activities in 2021 was Bt 39.60 million; in 2021, the Company repaid the promissory note.

Putting into consideration all the three net cash transactions, APCS had cash or cash equivalence as of the end of 2021 at Bt 23.66 million, sufficient for APCS's business operation.

Consolidated financial statements The Group's net cash from operating activities was 254.92 million baht, an increase from 2020 due to an increase in revenue recognition. The situation is close to the normal situation.

Net cash used in investing activities was Bt 32.44m; most of the cash was used to buy assets and improve property for use in operations. The company used the cash to maintain machines, tools, appliances, old assets that have deteriorated according to usage, and improve and develop automatic machinery for higher potential and efficiency. In addition, a subsidiary that operates in EPC business invested in assets necessary to operate as it is in the process of expanding business.

The net cash from fund raising was Bt 170.38 million as in subsidiaries paid back an loan with a financial institution and cash paid to pay the director borrowings and cash paid by the lessee to reduce the amount for liability contract financial lease.

Putting into consideration all the three net cash transactions, APCS Group had cash or cash equivalence as of the end of 2021, sufficient for APCS Group business operation.

Current ratios

In the consolidated financial statements, for 2021 and 2020, current ratios were 1.79 times and 1.95 times respectively. Current ratio for both consolidated and separate financial statements were both decreased from 2020.

The number of days' sales inventory (days) in the consolidated financial statements in 2021 and 2020 featured 28 days and 15 days, respectively. In all, the consolidated financial statements show a longer inventory days on hand.

In the consolidated financial statements, for 2021 and 2020, cash cycles were 0 days and 22 days respectively. In all, the consolidated financial statements show a shorter cash cycle.

Return on assets in the consolidated financial statements as of 2021 and 2020, it was 6.26 percent and 0.45 percent respectively. The rate of return on assets increased from 2020 because in 2021 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, 2021, A2 Technology Co., Ltd. has obligations under the letter of guarantee. To guarantee the construction of 200.06 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, 2021, A2 Technologies Co., Ltd. has guaranteed long-term loans from financial institutions under the Debt Restructuring Agreement to Chonlakit International Co., Ltd.

As of December 31, 2021, A2 Technologies Co., Ltd. has guaranteed the advance payment under construction contracts to the Company. A2teeravat joint venture Company Limited

2. Commitment contracts

As at December 31, 2021, the subsidiary company has commitment as follows:

	(Unit : Million Baht)		
	Consolidated		
	Contract Amount	Payment	Outstanding
Construction agreement	1,961.98	(350.38)	1,611.60

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 import 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, causing 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, in order to prevent such risks from occurring.

2. Risks from 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 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 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. However, with 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 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 located 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.

The impact of the covid situation that affects the operations of the company

Year 2021 Revenue from Engineering and Construction Services (EPC) business from a slowdown Due to the impact of the epidemic situation of the COVID-19 virus and in 2021 there is still a continuous epidemic. In addition, in the construction business, there will be problems with moving equipment due to lockdowns in the country and abroad such as Vietnam. The Company has adjusted the revenue recognition target to be in line with the situation and reflect the reality.

The Thai auto parts industry has recovered from the economic situation. Although the COVID-19 epidemic situation persists, production activities in the automotive chain have begun to progress at full strength. until the order came in until it was almost back to normal.

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: 0 2009 9999

Email: SWTContactCenter@set.or.th

Web site: www.set.or.th/tsd

- **Auditor**

Karin Audit Co., Ltd.

No. 72 CAT Telecom Building, 24th Floor, Charoenkrung Road, Bangrak Subdistrict, Bangrak District Province of Bangkok 10500

Tel: (662) 105-4661

Fax: (662) 026-3760

Auditor's Name

Miss Kannika Wipanurat Certified Public Accountant Registration Number 7305

5.2 Other Important Information

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.

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

5.3 Legal Disputes

The Company has issued 31 promissory notes as evidence of a loan to a lender who holds existing shares by the total value of 44,933,076.75 Baht, with the interest rate 5.50 – 7.75 per cent per annum, due on demand and has accrued interests by the amount of 25,924,248.32 Baht, totaling the value of 70,857,325.07 Baht.

On 20th July 2020, the lender agreed to release the whole amount of accrued interests of 25,924,248.32 Baht with the condition for the Company to pay all debts on the promissory notes by 17th November 2020.

On 10th November 2020, the Company requested extension of principal payment by postponing to the date of 16th March 2021 with the conditions for the Company to pay a post-date cheque to the lender by the amount of 44,933,076.75 Baht and asked the lender to release the Company of the interests by the amount of 25,924,248.32 Baht. The Company should notify a lender bank to acknowledge and give consent to the conditions specified in the borrowing contract and to restructure bad debts before payment.

On 13th 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.

On 30th November 2020, the lender sent out the follow-up letter requesting the delivery of cheque dated 16th March 2021 within 3 days from the date of receiving the letter.

On 18th December 2020, the lender filed the prosecution to the Civil Court to order Chollakij Sakon Co., Ltd. to pay the debts of promissory notes together with the interests by the amount of 71,970,957.24 Baht. The Court called for reconciliation on the date of 16th February 2021 but because of the Coronavirus 2019 pandemic, the Civil Court ordered the postponement to the date of 22nd June 2021.

On 12th March 2021, Chollakij Co., Ltd. defended the case that such debts had not yet due, so there was no right to prosecute and call for payment, and asked the Court to dismiss the case.

Later, the Civil Court issued a warrant to cancel the appointment on 22nd June 2021 and set out a new date of 26th April 2021 in order to negotiate the reconciliation. But due to the Coronavirus 2019 pandemic, on the date of 26th April 2021 the negotiation was online and was postponed to the date of 27th May 2021.

On 20th May 2021, Chollakij Co., Ltd. submitted an announcement expressing the demand not to reconcile, the Civil Court then appointed the date of investigating the prosecutor's witnesses on 25th August 2021 and the date of investigating the defendant's witnesses on 26th August 2021.

On 23rd September 2021, the Civil Court delivered judgement that Chollakij Co., Ltd. pay the principal of 44,933,076.75 Baht with the interest 5% per annum by the amount of 27,037,880.49 Baht, totaling of 71,970,957.24 Baht and the cost of Court fee on behalf of the lender of 200,000 Baht.

On 23rd November 2021, Chollakij Co., Ltd. filed the appeal to oppose the Civil Court's judgement dated 23rd September 2021.

As of 31st December 2021, Chollakij Co., Ltd. recorded the promissory notes payable and accrued interests by the amount of 76.78 million Baht.

In which the executives of Chollakij Co., Ltd. believed that such the amount was sufficient based on the current situation.

5.4 Secondary Market

-None-

5.5 Regularly Contacted Financial Institutions

-None-

Section 2

Corporate Governance

6. Corporate Governance Policy

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 as defined by the Stock Exchange of Thailand with the following 8 principles.

Overview on CG Policy and Guidelines

The Company has established a policy and practices regarding committees covering the recruitment, director development, independence of committees from the management, assessment of a committee's performance, determination of remuneration for directors and executives as well as supervision of subsidiary companies and joint companies, as follows:

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. For the criteria of any issue that has not yet been determined as a policy or putting into practice, the management will report to the Recruitment and Remuneration Committee and the Board of Directors to acknowledge and consider a revision on a regular basis at least once a year as it sees appropriate.

The meeting of the Board of Directors has considered a revision of CG Code practices in the part newly added or amended from CG Principles to be used to create sustainable value for the Company. Moreover, it has considered the assessment of observing each of the Company's CG Code practices in order to ensure that such performance and the development plan are suitable to the business on a constant basis based on the Apply or Explain principle, then the Board of Directors approves to keep the replacement measure as approved by the Board of Directors in 2020. For the practices that the Company has not adapted with its business context and assigned the management to disclose the report on revision of the CG Code observance of the Board of Directors and the replacement measure for practices that are not yet consistent with the CG Code in the Annual Data report/Annual Report 2021 Form (Form 56-1 One Report). The Company has policies and practices concerning corporate governance according to the related CG Code as follows:

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

The Board of Directors as the leader of the organization creating value for sustainable business should consist of directors with knowledge, skills, and experiences in conducting business in order to define policies, visions, strategies, goals, missions, business plan, and measures, monitor the Company's operating results and budget, and supervise the management team to effectively and efficiently implement the established policies under the framework of the laws, objectives, regulations, resolutions of the Shareholders' Meeting, and resolutions of the Board of Directors' Meeting with responsibility, integrity, and prudence in accordance with principles and best practices as well as drive the organization to adapt to changes in business models in order to maximize economic value for the business and stability for shareholders.

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 a half of the total number of directors must reside in the country, currently the Company has 9 directors consisting of 6 directors who are not executives and 3 directors from the management, namely the Chief Executive Officer, the Managing Director and Executive Director. Every director resides in the Kingdom of Thailand. Some non-executive directors have knowledge and experiences from work relating to the main business of the Company. The Board of Director has the duty to supervise to ensure that directors and executives perform their duty with responsibility, carefulness, honesty for the maximum benefit of the Company. Moreover, the directors have to comply with the law, objectives, regulations, the resolutions of the Board's meetings and the resolutions of the shareholders' meetings including the Company's policies. Mechanisms have to be adequately put in place to assure that the Company's operations comply with related laws, objectives, regulations, the resolutions of the Board's meetings, the resolutions of the shareholders' meetings and policies of the Company.

Independence of the Board of Directors from the Management

The Board clearly divides the authority and responsibilities for establishing supervision policies and daily administration by assigning the Executive Director and the Management to be the main operators. However, the Chairman of the Board does not participate in daily administration but regularly provides support and advices on the Management's business operations through President. In the meantime, the President is responsible for managing the Company under the framework of authorities assigned by the Board of Directors and as required by laws, such as investments, transactions significantly affecting businesses, transactions with connected parties, acquisition/disposition of assets, dividend payment,

Principle 2: Define Objectives that Promote Sustainable Value Creation

Asia Precision (Public) Company Limited (the "Company or APCS") operates the business as a holding Company which conducts the business of investment and holding Company. Currently, the Company operates 3 businesses, including Engineering Procurement Construction ("EPC") service, business of producing and selling precision metal parts, and business of selling raw water.

To meet the vision of "Global Expert", the Company is committed to improving the organization's management system to keep up with changes in global trends and technologies in terms of management, production, and personnel. The Company has adopted cutting-edge technologies and also focused on developing personnel and supporting them to gain knowledge and skill trainings so that they can perform operations with quality and efficiency to meet standards specified by customers and striving to become a leader in engineering, Engineering Procurement Construction (EPC), and consulting services on project management in Thailand and Southeast Asia.

The Company conducts businesses by aiming the true profit or true under the main determination of operations, "Aim to create good people and return the favor to the nation", which is another ultimate goal of the organization. Such determination of the Company is not only the idea, wish, and request, it also fosters "virtues" for personnel by jointly establishing 5 desirable qualifications of "good people", including discipline, unity, sacrifice, virtue, and gratitude, and acting together with entrepreneurs, the management team, and employees by organizing activities during work hours and after work hours as appropriate based on the available time and budget for the best interests. The main principle of job creation is "Quality is dignity, unity increases productivity, environmental friendliness". Such activities do not only promote the personnel to be good people according to the Company's determination, but also support social assistance. According to the Company's code of conduct, the missions are established as follows:

1. Determination of Business Operation

1.1 Believing in the value of goodness, which is the quality of people

The Company believes that all employees are the valuable and skilled resource and good people of the society. The Company focuses on the holistic development of personnel according to the royal guidelines of His Majesty King Bhumibol Adulyadej The Great and the Company's highest determination, "Aim to create good people and return the favor to the nation".

The Company aims to be a valuable social institution with the potential to strengthen the nation to be truly stable and prosperous rather than being an economic organization for subsistence and profit only.

Therefore, the Company focuses on human resource development and believes that "good quality work derives from employees who work happily and are sincerely loyal to the organization". These derive from supervising personnel to be motivate and alert to enhance their professional skills for career progression, including paying attention to health, safety, environment, and continuous improvement of all persons' quality of work life.

If hundreds of thousands of establishments across the country foster and encourage personnel to adhere to good deeds and behave well continuously, such promotion does not require a lot of investment. It is only to invest with sincerity and good wish for each other. These will cause an invaluable positive effect on society and organization.

1.2 Sustainable development to become a global organization

The Company is committed to improving the organization and society to move forward sustainably by learning to improve the management system and develop personnel along with contribute to the development of society and communities amidst changes in global trends and technologies. The Company strengthens internal organization and exchanges knowledge and technologies for society and communities.

1.3 Practices based on ethics

The Company will treat stakeholders equally based on the principles of respect for human rights and take into account the interests of all stakeholders without discrimination. It also encourages employees to adhere to good deeds for society and the nation.

1.4 Transparency and traceability

The Company conducts businesses in good faith and fairly by providing effective and traceable management system, international standard system management, risk management, environmental management system, and quality of work life and safety management system. The Company will always take every step with transparency and traceability.

However, the Board of Directors is engaged in promoting, communicating, and encouraging the vision, mission, and business goals to reflect the decisions and operations of personnel at all levels to become a corporate culture. To ensure that the corporate governance meets its objectives, goals and the Company's strategy, the Board of Directors establishes policies to ensure that all shareholders are treated and protected their basic rights equally, such as providing information before the shareholders' meeting, protecting the rights of minority shareholders, preventing the insider trading and conflicts of interest, making related transactions, internal control, and internal audit. Policies are established as follows:

2. Provision of information prior to the shareholders' meeting and rights protection of minority shareholders

2.1 Notifying the meeting schedule, agenda items, and opinions of the Board in the letter of invitation to the meeting and informing news to the Stock Exchange and publishing it on the Company's website at least 30 days prior to the date of the shareholders' meeting

2.2 Informing shareholders of the procedures and rules used in the meeting, including registration method, proxy, and voting

2.3 Preparing the letter of invitation to the meeting and supporting documents in both Thai and English version and publishing them on the Company's website to facilitate foreign shareholders

2.4 Allowing shareholders to propose and append agenda items in advance and nominate persons to be considered and elected as a director prior to the meeting date by clearly defining the rules and providing a newsletter to the Stock Exchange of Thailand and publishing it on the Company's website

2.5 Conducting the shareholders' meeting according to the agenda outlined in the letter of invitation to the meeting and not unnecessarily appending any agenda items at the meeting without notifying shareholders in advance, especially the important agenda that the shareholders need to spend time studying information before making decisions.

2.6 Allowing shareholders to exercise their right to appoint directors individually

3. Insider Trading Governance Policy

The Company has policies and procedures for overseeing directors and executives, employees and workers of the Company and its subsidiaries who have been informed of material inside information to not exploit the Company's unpublished inside information for personal gains as follows:

3.1 Providing knowledge to directors and executives about their duties in reporting their securities holdings, and the securities holding of their spouse and minor children to the SEC under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) as well as reporting the acquisition or disposition of their securities and securities of their spouse and minor children to the SEC under Section 246 and penalties under Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment)

3.2 Directors and executives of the Company, including their spouses and minor children shall prepare and disclose securities holding reports and reports of changes in the Company's securities holdings to the SEC under Section 59 and penalties under sections 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) and submit a copy of such reports to the Company on the same day as the date of submission of reports to the SEC and also report to the Board of Directors' Meeting quarterly.

3.3 Directors, executives, employees and workers of the Company and its subsidiaries who have been informed

of the material inside information affecting changes in the price of securities shall not trade the Company's securities for the period of 1 month prior to the public disclosure of financial statements or inside information and during 24 hours after the Company's inside information is completely made public. Those involved in inside information shall not disclose it to any third party until such information is provided to the SET. Regarding the penalty, if there is any violation of the above-mentioned rules, the Company is considered a disciplinary offense in accordance with the Company's work regulations. The penalties shall be considered as deemed appropriate, such as verbal warning, written warning, probation, as well as termination of employment, i.e. dismissal, removal, or discharge, as the case may be, etc.

3.4 Directors and senior executives (according to the SEC's definition) shall notify the Board of Directors or a person assigned by the Board of Directors Assign about the trading the Company's shares at least 1 day in advance before the trading.

3.5 Directors, executives, employees and workers of the Company are not allowed to use the Company's inside information that affects or may affect changes in the price of the Company's securities, which have not been made public but they have acknowledged from their position or status, to buy or sell or offer for purchase or offer for sales or persuade other parties to buy or sell or offer for purchase or offer for sales of shares or other securities (if any) of the Company, directly or indirectly, in the manner possibly causing damages to the Company, directly or indirectly, and whether such actions are performed for the personal benefit or benefits of any third parties, or to disclose such facts for third parties to perform such actions, whether they receives returns or not.

4. Policy on Conflict of Interest Prevention

The Board of Directors establishes the policy on conflict of interest prevention on the principle that any decision in business activities shall be made only for the best interests of the Company and it should avoid actions that cause conflicts of interest. Those involved or having any interest in considered transactions shall notify the Company about the relationship or interest in such transaction and shall not participate in the decision-making and have no authority to approve the transaction. If there is any transaction possibly causing conflicts of interest which includes the commercial terms that are not the general trading conditions, it must be presented to the Board of Directors' Meeting for approval. The Audit Committee shall carefully consider its appropriateness before presenting to the Board of Directors' Meeting or the Shareholders' Meeting (as the case may be). However, the Company shall comply with the related rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

5. Policy on Related Transaction

The Board of Directors establishes the policy on related transaction. Regarding any related transaction that may occur in the future, the Company shall comply with the securities and exchange laws and regulations, notifications, directives or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the requirements regarding disclosure of information on connected transactions of the Company in accordance with accounting standards specified by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King. The Company has the policy on related transactions as follows:

5.1 In the event of a trade transaction with the general trading conditions, it shall be performed fairly and at arm's length according to the market price and normal course of business. The Company establishes the framework of

such transactions, which is considered and commented by the Audit Committee before presenting it to the Board of Directors for consideration and approval. The Management is able to approve such transaction if it includes commercial terms in the same manner as an ordinary person would agree with any general counterparty under similar circumstances with trade bargaining power without the interference power resulted from the status of directors, executives or persons related to the Company or related parties. However, the Company will prepare a summary report of related transactions to report it at the Audit Committee's Meeting of the Company and the Board of Directors' Meeting quarterly. In the event that the Audit Committee and the Board of Directors found that the operation was not in accordance with the specified policies, the Audit Committee and the Board of Directors shall jointly take steps to find a solution.

5.2 Trading transactions with general trading conditions shall be a normal trading transaction or a trading transaction in which the transaction generally has the same manner as those performed by the Company to support a normal business transaction of the Company. Such transaction shall have trading conditions with fair prices and terms and without benefit transfer, which includes trading conditions with prices and terms as follows:

- Prices and terms received by the Company or offered to the general public.
- Prices and terms offered by related parties to the general public.
- Prices and terms which the Company can show that they include prices and terms where operators in a similar business offer to the general public.

5.3 If there is a related transaction that is other transactions, the Company shall present it to the Audit Committee for considering and expressing opinions before presenting it to the Board of Directors and/or the Shareholders' Meeting of the Company for further approval. In the event that the Audit Committee does not have the expertise to consider potential related transactions, the Company shall assign independent experts or auditors to express opinions on the related transactions to support decision-making of the Audit Committee and/or the Board of Directors and/or the Shareholders' Meeting, as the case may be, to ensure that such transaction does not cause the transfer of interests between the Company and the person with potential conflicts of interest, but it is the transaction in which the Company takes into account the best interests of all shareholders.

6. Internal control and internal audit

The Board of Directors establishes the effective and effective internal control policy. The Board of Directors and executives have direct duties and responsibilities to provide and maintain internal control systems as well as conduct the regular review of the effectiveness of the internal control system to protect the investments of shareholders and the Company's assets. Internal controls shall include financial control, operation, supervision of operations in accordance with relevant laws and regulations, and risk management to make the Company confident in achieving its objectives and goals in relation to the accurate and reliable system of information and reports and the effective internal control relating to such financial reports. The Company appoints an internal auditor who is an independent third party to perform the duties under the direct supervision of the Audit Committee in order to be responsible for effectively auditing the Company's operations. The internal auditor is required to report the results of the audit directly to the Audit Committee.

In addition, the Audit Committee reviews the suitability and adequacy of the internal control system at least once a year and proposes it to the Board of Directors for considering and providing opinions on the adequacy of the internal control system in the Annual Report and Annual Registration Statement (Form 56-1 One-Report).

7. Information Technology Security

The Company establishes the policy on information technology security to ensure that everyone in the organization is aware of the importance of information technology security and acknowledges the duties, responsibilities, and guidelines relating to information technology security. Such policy shall include the areas relating to the Company's information asset which must be treated appropriately and in accordance with the main goals of the organization based on the international principles, consisting of:

- Confidentiality
- Segregation of Duties
- Physical Security
- Information and Network Security
- Change Management
- Back up and IT Continuity Plan
- Computer Operation
- IT Outsourcing

The Company will adhere to important practices as follows:

- Announcing policies and clarifying guidelines to all stakeholders.
- Investing in the data security at the appropriate proportion in accordance with international standards and business context of the Company.
- Adhering to the principle of investment value compared with risk appetite.
- Everyone in the organization is responsible for information technology security.
- Adopting or applying existing information regulations to suit the organization's environment.
- Developing regulations and guidelines that are enforceable and practicable.
- Clearly defining or enforcing the relevant scope in relation to information technology security.

Principle 3: Strengthen Board Effectiveness

The recruitment and election of directors and appointment of senior executives, the Board of Directors has assigned the Recruitment and Remuneration Committee to revise the structure of the Board every year as well as to determine the policy and guideline for the Board diversity, both in terms of skills, professions and specific expertise, to ensure useful recommendations in business running of the Company according to the sustainable development guidelines. The Recruitment and Remuneration Committee will consider to recruit a person needed skills, knowledge and specific expertise that beneficial to the Company, to hold a director position in place of a director who is completing term, or in other cases proposed to the Board of Directors and/or the meeting of shareholders for voting consideration.

1) Director recruitment

Guideline to director recruitment

The Recruitment and Remuneration Committee has the duty to recruit a person with appropriate qualification to hold the director position in place of the director who is completing term or in other cases, and proposes to the Board of Directors to consider a person who will be nominated in the meeting of shareholders. The guideline to director recruitment

is taken from the governance guide of the Company and a guide to consider nominated persons to be a director (as recommended by IOD), which the Board of Directors has approved as follows:

Selection of the Board of Directors

The Recruitment and Remuneration Committee is responsible for recruiting a director in place of the director who is completing term or other cases proposed to the Board of Directors and/or the meeting of shareholders to vote. This subcommittee will recruit and select experts from diversified professions, with leadership, broad vision, having virtue and morality, good working backgrounds as well as capable of expressing opinions independently.

Guideline to consider nominated candidates as a director

In considering a list of nominated candidates as the Company's director, the Recruitment and Remuneration Committee should determine a guideline to be used to consider the qualifications of the Company's director, as follows:

Qualifications of the Board of Directors

- Directors shall be qualified in various fields, possess appropriate capabilities and experience to operate the Company's business with integrity and visions, and devote time to the Company in order to perform their duties with full effort and have the authority to make decisions independently for the best interests of the Company and its shareholders.
- Directors shall be qualified and have no prohibited characteristics as defined in the Law on Public Limited Companies, including no characteristics indicating a lack of appropriateness to be trusted to manage businesses with a public company as a shareholder as specified by the SEC in accordance with the Director Pool for the nomination of new directors.
- Directors has never been an employee or a partner of an external auditing company providing services to the Company in the past 2 years.
- Directors should be trained and obtain a certificate of Director Accreditation Program (DAP) from the Thai Institute of Directors Association (IOD) or equivalent within 12 months from the date of appointment.
- Directors shall not hold directorship in more than 5 listed companies and non-listed companies (including the Company). In the event that any director holds directorship in more than 5 listed companies, the Board will consider the effectiveness of the performance of duties of such director.
- The Chairman of the Board of Directors shall not be the same person as the Chief Executive Officer (CEO) to achieve the balance and the review of management. The Company clearly determines the scope, authority, duties and responsibilities of the Board of Directors, the Chairman of the Board of Directors, the Executive Committee, and the Chief Executive Officer to ensure that the Executive Director and the Managing Director shall have the authority to manage and approve unlimited credit limits.

2) Criteria and methods in selecting a person as a director

Nomination of a person name to the meeting of shareholders to be selected as a director in place of the director who is completing term, the Recruitment and Remuneration Committee will be recruiting and proposing to the Board of Director for consideration before proposing to the meeting of shareholders. It is the right of every shareholder equally to nominate other persons' names. The authority to select a director is the authority of shareholders by the Articles of

Association No. 17 that determines that the meeting of shareholders to elect a director using the majority votes based on the criteria and methods as follows:

- (1) Each shareholder has the number of votes equal to the number of shares held.
- (2) Each shareholder shall use the entire number of votes for one nominee or more than one nominee to be directors. In case of electing more than one nominee as directors, the number of votes cannot be divided unequally among the nominees.
- (3) Persons with the highest votes in consecutive order will be elected as a director by the number equal to the number of directors that there should be or should be elected in that election. In case persons elected with equal votes, more than the number of directors that there should be or should be elected in that election, the chairperson will cast the deciding vote.

Determination of director remuneration

The Board of Directors has assigned the Recruitment and Remuneration Committee to be responsible for revising, studying and considering to propose a guideline and method for remuneration payment including other compensations of directors and senior executives of the Company. This will be proposed to the Board of Directors for approval and/or proposes to the meeting of shareholders for approval on an annual basis by considering the duty and responsibility and the risk involved as well as the importance of value addition to the Shareholders' Equity in the long term.

The remuneration structure of directors consists of fixed remuneration i.e. fixed remuneration and variable remuneration, i.e. meeting allowance and director's bonus, which the Board of Directors proposed to the meeting of shareholders for approval.

1. Director's pension and remuneration will be determined by the Nomination and Remuneration Committee, the Board of Directors, and the Shareholders' Meeting by at least two-thirds of the total number of votes of shareholders attending the meeting.

2. Directors are entitled to receive remuneration from the Company in the form of gratuity, meeting allowances, pension, bonuses or other benefits in accordance with the Articles of Association or as determined by the Shareholders' Meeting, which may be defined as a fixed amount or as a basis and will be set out at intervals or will be effective permanently until changes are made. In addition, allowances and benefits shall be granted in accordance with the Company's regulations.

The 2021 Annual General Meeting of Shareholders held on April 24, 2021 resolved to approve the remuneration of the Board of Directors and The various sub-committees for the year 2021 are as follows:

Directors	Company's Directors			Audit Committee			Recruitment and Compensation Committee			The Risk Management Committee			Meeting Allowance	Remuneration	Total (Year)
	Meeting Allowance		Remuneration	Meeting Allowance		Remuneration	Meeting Allowance		Remuneration	Meeting Allowance		Remuneration			
	No.	Amount		No.	Amount		No.	Amount		No.	Amount				
Chairman	6	150,000	120,000	4	40,000	120,000	2	20,000	-	2	20,000	-	230,000	240,000	470,000
Vice Chairman	6	90,000	120,000	-	-	-	-	-	-	-	-	-	90,000	120,000	210,000
Director	6	180,000	120,000	4	40,000	120,000	2	20,000	-	-	-	-	240,000	240,000	480,000
Director (Management)	6	450,000	-	-	-	-	-	-	-	2	20,000	-	470,000	-	470,000
Total		870,000	360,000		80,000	240,000		40,000	-		40,000	-	1,030,000	600,000	1,630,000
Commission for directors (allocation based on operating results)															370,000
Total remuneration for directors for the year 2021 of no more than															2,000,000

Determination of remuneration of senior executives and the remuneration structure of the Company is properly determined under the explicit, transparent criteria reasonable for the business. This consists of a monthly remuneration and an annual bonus by considering operational performance based on the pre-specified target, performance of the Company, the whole business conditions and a survey of remuneration of leading companies in the Stock Exchange and in the same industry.

Performance assessment of directors and knowledge development

- **Assessment of the performance of the Board of Directors**

The Company has determined the policy to assess the operational performance on an annual basis. This policy aims to help each member of the Board of Directors to verify their performance over the past year as well as to help improve the conduct of duty of the directors in a more effective manner with the assessment criteria as a percentage of the full scores in each item as follows:

More than 85%	=	Excellent
More than 75%	=	Very Good
More than 65%	=	Good
More than 50%	=	Fair
Below 50%	=	Should Improve

By clearly determining a topic to be assessed in order to be a standard to be compared with operational performance based on the specified criteria for the Board to consider the performance and problems to be solved in the future.

The committee assessment form consists of 6 topics, i.e. Structure and qualification of the committee, role and responsibility of the committee, committee meetings, duty of directors, relationships with the management, and self-development of directors and executives development.

A summary of overall committee assessment with respect to 6 topics can be seen that most performances score more than 98.6 or excellent.

- **Performance assessment of the Audit Committee**

The Board of Directors is responsible for the Company's financial statements by assigning the Audit Committee to verify the financial statements and ensure the quality and correct preparation of the financial statements according to the generally acceptable accounting standards. Disclosure of the Company's important information is done in a

transparent and sufficient manner. The accounting division and/or the auditor meet together and propose the financial report to the Board of Directors every quarter. The Board of Directors is responsible for the Company's financial statements as well as financial information (Report on the responsibility of the Board of Directors to the financial report) presented in the annual report. Such financial statements are prepared according to the generally accepted accounting standards and audited by the auditor of the Company. Disclosure of important information both financial and non-financial is carried out on a complete and regular basis (Report of the Audit Committee, disclosed in Attachment 6)

As for the assessment process, after the Audit Committee revises the Assessment Form which carries out every year on a regular basis, the secretary unit of the Company has handed the Assessment Form to every member of the Audit Committee to assess. Then the secretary of the Company will summarize and propose the assessment result to the Board of Directors for acknowledgement in order to find a measure to improve work efficiency of the Audit Committee using the assessment criteria in percentage of the full scores of each topic. This is the same as the assessment of the committee by setting clear the assessment topics so as to be a standard that can be compared with the performance based on the criteria for the committee to consider the performance and problems to be solved in the future.

The assessment form for the Audit Committee consists of 2 parts:

Part 1: is a guideline to consider the appropriateness of the structure and do components of the Audit Committee support the efficient working of the Audit Committee And, to consider the surrounding environment whether it facilitates the duty implementation of the Audit Committee.

Part 2: a guideline to consider the duty performance of the Audit Committee whether in the past year, the Audit Committee has performed its duty completely according to the scope of the responsibility or not.

It is concluded that the overall performance assessment of the Audit Committee is appropriate.

In addition, in 2021 the Audit Committee meets the auditor without the presence of the management in order to consult independently concerning the materialistic information in the preparation of the financial statements and disclosure of information that complies with standards and useful to users of the financial statements. The Committee also acknowledges a report on doubtful behaviours of directors and executives according to the Article 89/25 of the Securities and Exchange Act B.E. 2535 amended by the Securities and Exchange Act (No.4) B.E. 2551. In 2021, the Chief Executive Officer 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.

- **Performance assessment of the Recruitment Committee**

In 2021, the Board of Directors by recommendation of the Recruitment and Remuneration Committee has reached a resolution to approve continuation of the performance assessment form of the Recruitment and Remuneration Committee as well as to review the form on a regular basis at least once a year. Such the assessment result, the Board of Directors has analyzed and found the conclusion in order to determine a measure in improving work efficiency of the Recruitment and Remuneration Committee. A summary of overall assessment of the Recruitment and Remuneration Committee can be seen that most performances score more than 96.5 or excellent.

Nonetheless, as for the process of assessment performance of the Board of Directors and the Recruitment and Remuneration Committee, both performance assessments of the Board of Directors and the Recruitment and

Remuneration Committee will be considered before proposing to the Board of Directors for approval. After that the secretary of the Board of Directors and the secretary of the Company will conclude and propose the assessment result to the Board of Directors for acknowledgement in order to find a measure to improve work efficiency of the Board of Directors and other subcommittees.

- **Performance assessment of the Risk Management Committee**

The Risk Management Committee has performed its duty as the Risk Management Committee efficiently. A summary of the overall performance assessment of the Risk Management Committee shows that most performances score 100 per cent or excellent.

In 2021, the performance assessment result of committees and subcommittees is higher than the specified criteria in every topic.

Development of Directors and Executives of the Company

The Board of Directors promotes and provides the trainings and knowledge to relevant parties in the Company's corporate governance system, such as directors, Audit Committee, and executives, etc., in order to cause the continuous improvement of operations. Such trainings and provision of education may be conducted in the Company or by using the services of external institutions. Courses that the Board of Directors attended can be summarized as follows:

COURSES Name	Directors Accreditation Program (DAP)	Directors Certification Program (DCP)	Successful Formulation & Execution of Strategy (SFE)	How to Develop a risk Management Plan (HRP)	Company Secretary Program (CSP)
1. Prof. Udomsil Srisaengnam	DAP 87/2011				
2. Mr. Narong Varongkriengkrai*	DAP 99/2012				
3. Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn*	DAP 93/2011	DCP 155/2012			
4. Mr. Teeralak Sangsanit*	DAP 185/2021				
5. Mr. Sompote Valyasevi	DAP 87/2011				
6. Mr. Apichart Karoonkornsakul	DAP 86/2010				
7. Mr. Chairaj Vetnaruman	DAP 50/2006				
8. Mr. Anurote Nitipornsri	DAP 161/2019				CSP 17/2006
9. Mr. Suriyon Udcharchon	DAP 162/2019				
10. Mr. Wichien Cherdchutrakuntong		DCP 155/2012	SFE 2012	HRP 2012	

Moreover, a person responsible for examination and a person responsible for policy works and the accounting standards of the Company have concluded materialistically on the changed laws, notifications and accounting standards that may affect the Company and the Audit Committee which the chairman of the Audit Committee shall report such an issue to the Board of Directors for acknowledgement on a quarterly basis. In addition, rules and regulations and requirements regarding registered companies that directors should know, recommendations for error prevention, good corporate governance, risk management, measures towards anti-corruption and other study cases concerning corrupt acts of registered companies in the Stock Exchange, etc.

With respect to support of performing the duty of the Board of Directors, the Company has a secretary to the Board of Directors and a secretary to the Company who coordinate between the Company's directors and the management of the Company, and there is a secretariate agency of the Company to take care of coordination on related laws and regulations as well as handling activities of the Board of Directors and ensuring that the resolutions of the Board of Directors are put into practice. In addition, with reference to the scope of authorization of the Company's directors, laws, rules and regulations, charter relating to directors as well as practices are summarized for directors to acknowledge the role, duty and practical guidelines in the director position. Such a manual has been improved on a constant basis so that statements and formats, content presentation is concise and easy to read and understand, as well as to amend and include additional criteria to be in line with the currently enforced manual and the manual of independent directors gathered by the Stock Exchange as well.

Preparedness for a director of the Company

In case of newly elected directors, the Company has a program to ensure the newly elected directors to be prepared for the director duty (Director Induction Program) and be ready to perform their duty as soon as possible. The secretary of the Board of Directors and the secretary of the Company coordinate issues, collect necessary director information for the purpose of supervising observance of laws related to directorship. Moreover, the secretaries ensure directors have important information necessary to performing their duty such as the Charter of the Board of Directors, Director Guide, Memorandum of Association and Articles of Association, and a summary of the Company's performance so that directors have references and can look up at first glance. The secretaries also arrange meetings with the Managing Directors and executives from different agencies to acknowledge and make in-depth enquiry regarding the Company's business operations.

Term of office of the Company's directors and independent directors

According to the Company's Articles of Association, at every annual general meeting, at least one-third of the directors shall retire from office. In third by rate. If the number of directors is not a multiple of three, the number of the directors nearest to one-third shall retire. Directors who have to vacate their positions in the first and second years after the registration 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.

1. Vacation of office

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

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.

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 replacement at the next Board of Directors' meeting. Unless the remaining term of the director is less than 2 months, the person being replaced such director shall retain his/her office only for the remaining term of office of the director whom he/she replaces.

2. Directors authorized to sign on behalf of the Company

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."

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 independent director to continue holding the position, the Board of Directors shall reasonably consider such necessity. The Company's independent directors consist of 4 persons and their terms of office are as follows:

Independent directors	Hold a position To date (year)	If chosen back again (year)	Total term of office (years)
Prof. Udomsil Srisaengnam	10	-	10
Mr. Narong Varongkriengkrai	10	3	12
Prof. Kriengchai Prasongsukarn	1	-	1
Mr. Teeralak Sangsanit	1	-	1

Besides, both independent directors who have been in the directorship term for 9 consecutive years having good knowledge and expertise, can give very useful advice and recommendations to the Company. During the period of holding the independent director position, they have been responsible for inspecting the Company so as to protect the interests of minor shareholders by expressing their opinions independently from the management.

Determination of the number of listed companies that the directors of the company will serve Director position

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.

Supervision of subsidiary companies

In order to achieve sustainable development, the Board of Directors believes that the organization must have supervisory, risk management and internal control systems that are efficient, effective and in compliance with

international standards with respect to operations and information technology. Therefore, in order to supervise operations of subsidiary companies to be in line with the business operation policy specified by the Board of Directors, the Board of Directors has established a mechanism to supervise and control the management of subsidiary companies by decentralizing authority to the Managing Director and/or the management to supervise on behalf of the Board of Directors. For example, taking the authority to select a person to be a representative of the Company as a director, executive or a person with the authority to control by reporting to the Board of Directors for acknowledgement, etc.

And, in order to ensure that the Company's investments are protected properly, the Managing Directors and/or the management of a subsidiary company has to present the subsidiary company's performance to the Executives Committee of the Company for acknowledgement in the meeting of the Executives Committee on a regular basis, and propose to the Board of Directors for acknowledgement in the meeting of the Board of Directors on a quarterly basis.

In addition, to ensure a representative of the Company can supervise the subsidiary company's performance appropriately and in line with the business operation policy, the scope of authority, duty and responsibility of a director or executive who will be the Company's representative in a subsidiary company in determining a policy necessary for business running of the subsidiary company should be specified. In this regard, such an authority manual will enable the Company's representative to run the business in a more flexible manner. The authority manual will be revised regularly so as to be consistent with the operations of the subsidiary company.

With respect to the supervision of disclosure of information namely the financial position and performance, preparation of items between subsidiary companies and connected persons, acquisition or disposal of assets, or preparations of correct and complete important items, the secretary of the Board of Directors and the Company's management will supervise to ensure operations or such aforementioned items comply with the criteria and procedures according to the Notification of the Stock Exchange of Thailand that has specified and enforced. In addition to the authority manual as a tool for efficient operation achievement, the Audit Committee, as a supervisory body, has assessed the effectiveness of the supervision, risk management and internal control of subsidiary companies that have a representative of the Company being in the management team, through the internal audit agency's operations. The audit plan shall be based on the risk appetite of each company (Risk-based audit planning) by examining and assessing the internal control system, effectiveness and efficiency of the operations and the financial statements. Moreover, the Audit Committee has a resolution on the Business Self Audit concerning the building of a protective work system to prevent any errors from happening. This system is to be adapted by subsidiary companies as each company sees appropriate. It emphasizes on consideration of the whole process in order to create added value to the organization. The Company and the internal control agency will together assess risks, determine internal control, warning signals and a report to be used in monitoring. In case of changed risks, the internal control must be adjusted accordingly by taking into account the assessment result proposed to the meetings of the risk management team appointed by the Board of Directors, the Executives Committee and the Audit Committee, respectively on a quarterly basis so as to be used to support the risk-based audit planning.

Principle 4 Ensure Effective CEO and People Management

The Board of Directors appoints the Nomination and Remuneration Committee to consider the nomination, remuneration, and good governance of directors, members of the sub-committees, and senior executives based on the definitions of the SEC so that the Nomination and Remuneration Committee can perform its duties fairly, appropriately, and transparently in accordance with the CG Code to create confidence and reliability for stakeholders.

Besides, the Board of Directors has established a policy and practical guideline for the case where the Managing Director holds a position in another company or external institute, permission from the Board of Directors is required. In case of a management-level employee, permission is required according to the authority level assigned by the Company. The consideration is carried out by considering the intention of the Company that commits towards employee dedication and attention as well as putting all efforts into the Company while observing the ethical practices on the conflict of interests.

Principle 5 : Nurture Innovation and Responsible Business

The Company is committed to producing and distributing quality products that are safe to consumers by taking into account the responsibility for society, communities, and environment along with transparent, ethical and traceable business practices as well as fair treatment of stakeholders, especially emphasis on employees who are the organization's most valuable resources.

1. Fair business operation

The Company has a policy of conducting business with integrity and ethics. The Company performs operations with the full knowledge and competence to ensure the best interests for all stakeholders. In addition, the Company has the "Policy on communication with the Board of Directors and Whistleblowing" to allow stakeholders to inquire, suggest, blow a whistle, or report a complaint on offense, accuracy of financial reports, defects of internal control system, or violation of code of conduct of the Company through independent directors or members of the Audit Committee of the Company. However, complaints and whistleblowing information will be protected and kept confidential. Independent directors or members of the Audit Committee shall inspect information and find corrective measures (if any) and further report them to the Board of Directors. In the event of an anonymous informant, the Company will consider such issue if there is information or suggestion that will be useful to the organization.

Guidelines for fair treatment of stakeholders in terms of cost and return, are as follows: procurement, recruitment, sufficient and accurate process of delivery time, non-exploitative trade contracts, monitoring and evaluation of business partners for sustainable development of related business operations, fair competition by conducting business openly and transparently without creating advantages from unfair competition, etc.

2. Anti-Corruption

The Company adopts the Sufficiency Economy Philosophy to enable sustainable growth of the Company by adhering to the ideal of business operations in good faith with fairness, transparency, and responsibility for society and all groups of stakeholders in accordance with good corporate governance principles. The Company establishes the anti-corruption policy in the Company's Code of Conduct and communicates it to employees at all levels to make them aware of the impact of corruption. The Company foresees that the corruption destroys businesses, society, and the nation.

Therefore, the anti-corruption action must come from all sectors as a driving force in cultivating and strengthening Thai society to be free from such actions.

3. Supervision and Development of Personnel

The Company pays attention to personnel who is the key of operations to achieve goals. The Company has the policy to strengthen and develop personnel to be knowledgeable, skillful, experienced, and ethical to perform operations with integrity and responsibility for themselves and all stakeholders. The Company aims to enable employees to apply knowledge and skills to develop and improve the excellence in service and be able to meet the needs of customers, including possess creative initiatives and courage to develop and expand the Company's business to grow stably and sustainably and generate returns and create added value for all stakeholders in the long run.

4. Responsibility for consumers

The Company is committed to creating customer satisfaction and confidence, paying attention to and being responsible for customers until the end users. The customers shall receive good products/services with quality and safety at reasonable price which meet the standards. In addition, the Company strictly complies with the conditions and agreements with the customer. The standard of products and services has been continuously improved. The Company maintains a good and sustainable relationship with customers regularly and do not exploit customer data for the benefit of the Company and those involved.

5. Environmental protection and community or social development

The Company does not only operate its business to create sustainable growth, but also recognizes and values its operations by taking into account environmental protection, including community and social development. The Company allows all employees to engage in presenting and considering projects to build foundations and cultivate employees to have awareness of social responsibility. Since the Company has a production base in Amata Nakorn Industrial Estate, Mueang Chonburi District, Chonburi Province, the Company focuses on participating in such area by supporting school supplies and scholarships for schools and students in the area and organizing the reforestation project, collecting garbage at the beach, and continuously renovating temples and schools in Chonburi province in order to return the favor to the community and society, which is the location of the production base of the Company.

Regarding the environmental protection, the Company focuses on promoting the cost-effective and efficient use of resources, such as water, electricity, paper, etc.

6. Innovation and dissemination of innovations obtained by operations with responsibility for society, environment, and stakeholders

The Company undertakes the development of the information system of the entire organization under the "Enterprise Resource Planning Project (ERP)", which adopts enterprise resource planning system or ERP to help manage business resources for the cost-effective and more efficient benefits, including reduce redundancy of work procedures.

To make the business achieve its main goals, the Company applies innovations of robot to solve the problem of labor shortages, increase production, reduce long-term costs, and improve product quality, etc.

Activities for benefits of society and environment (after process)

The Company has always been involved in the development of society, community and environment. The Company has the policy that if there are any activities of the Company in the community or in any location, the Company will take care and participate in activities with the community in such location. This is considered a CSR - after - Process

activity. The Company has the policy to return the favor to employees' hometowns under the "Beloved Hometown Project" by donating funds and supplies so that the employees can return to their hometowns, such as sports equipment or blankets for the poor, etc. It is the contributions to the society, in addition to the business operations. The Company is also responsible for the Company's CSR-in-Process as mentioned above.

Contact channels of stakeholders

Stakeholders can communicate their opinions, complaints, or report fraud clues, or matters that may cause damage to the company which can be notified through the following channels:

1. www.apcs.co.th or
2. Email of the Audit Committee : audit_committee@asiaprecision.com or
3. Email of the Audit Independent director : ind_dir@asiaprecision.com or
4. Address : ASIA PRECISION PLC.

Company Secretary / General management

700/331 Moo 6 Tambol Donhualor, Amphur Muangchonburi, Chonburi 20000

Comments, complaints or whistleblowing of corruption or any other matter The relevant departments will proceed according to the company's regulations, and propose to the Audit Committee and the Board of Directors for further consideration.

Principle 6: Strengthen Effective Risk Management and Internal Control

The Board of Directors is aware of the importance of effective governance and internal control at the executive and operating level. The internal control system is an important mechanism to reassure the Management for minimizing business risks and operating businesses efficiently. Resources are allocated appropriately and achieved the goals. It helps protect assets from leakage, losses or misconduct and corruption, prepare accurate and reliable financial reports, allow personnel to comply with relevant laws and regulations, and protect shareholders' investments. Therefore, the Company clearly defines the written obligations and authority of operators and executives on any matters. The utilization of the Company's assets is supervised for benefits. There is the segregation of duties of operators, supervisors, and evaluator in order to cause the proper balance and inspection.

The Board of Directors appoints the Audit Committee to review the appropriateness and effectiveness of the internal control system provided by the Management and establishes and reviews the control system in terms of operations, financial reporting, and compliance with rules, regulations, policies and operational supervision as well as risk management. It also focuses on early warning signs and unusual transactions. The Company establishes the Internal Audit Section to be the internal auditor of the Company to monitor the Company's internal control system. This is to ensure that the Company has adequate internal control system. The Internal Audit Section is independent and able to fully perform audit and balance powers. Internal Audit Section will report the results directly to the Audit Committee. The Company regularly monitors the evaluation. The internal control system adequacy evaluation shall be conducted at least once a year to ensure that the system is effectively implemented. The Company has adequate and appropriate internal control system according to the nature of business as follows:

1. Organization and environment
2. Risk Assessment

3. Control Activities
4. Information and Communication System
5. Monitoring and evaluation system

The Company reports and monitors the progress of the risk management of the organization through the Risk Management Committee, the Audit Committee, and the Board of Directors on a quarterly basis to manage risk appetite. Control Self-Assessment (CSA) is conducted, which is a bottom-up approach, allowing employees at all levels to review their daily activities and consider what risks they are encountering and present them to supervisors through department/section meetings in the form of monthly meeting and sub-meeting. Activities that are expected to be at risk shall be then recorded in the Risk Register so that other relevant risk issues can be systematically monitored.

The Company is aware of the importance and problems arising from corruption. The Board of Directors has determined the anti-corruption policy according to the resolution of the meeting of the Board of Directors No. 5/2558 dated 13th November 2013 and has revised the policy at least once a year. This is to ensure the Company and subsidiary companies to understand and have the same practices as well as jointly express the intention to counter all forms of corruption. This 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.

The Company has disseminated the anti-corruption policy on various communication channels such as the Company's website, announcement boards, etc. In 2021, there is no complaints on corrupt acts or any actions that have a negative impact on the Company, submitted to the Audit Committee. Additional details can be found at 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. Currently, the Company is between requesting the first extension of the Certified Company.

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 or maintain other benefits that are not suitable for the business, unless allowed for by laws, rules, regulations, notifications, local traditions, or trading customs.

Complaint Acceptance and Procedures upon Whistleblowing

To assure employees and stakeholders that by reporting or providing information or traces if violations or abnormal business operations of the Company are found, will not trouble the petitioner or informant. The Board of Directors has approved the privacy protection policy and upholds justice to informants of traces on corruption or non-observance of laws, rules, regulations, requirements and ethics of the Company, and the whistleblowing policy being established in writing. The Company has opened up for employees and external stakeholders to contact, express opinions, making complaints and reporting any wrong doings via the following channels:

1. Inform via the Audit Committee's e-mail: audit_committee@asiaprecision.com, or
2. Inform via the Chief Executive Officer's e-mail: apichart@asiaprecision.com, or
3. Inform via the Managing Director's e-mail: chairaj@asiaprecision.com, or
4. Inform via the Company's website (Topic: Whistleblowing), or
5. Inform via Telephone Number 038-468-300 (General administration / Secretary of the Company)
6. Inform via Whistleblowing Box (located at the Personnel Division Room and at each sub-factories)

For all stakeholders, the Company has established a mechanism to protect and alleviate troubles to the informant who receive unfair acts. Related information is regarded as confidential and will be disclosed only as necessary. The Company has a measure to examine by not disclosing the petitioner or information source.

Supervision of Information Security System

The Board of Directors has determined the personal data protection policy (Privacy Policy) in writing. It determines that collection, uses and dissemination of personal data must comply with the criteria stipulated by law. For example, consent must be obtained from the owner of personal data or who has the legal right to such data, the owner of the personal data must be informed of the objectives and details of use of the data, measures on information safety must be provided, a measure to support the right of the owner of personal data must be provided and non-compliance of the policy will be penalized with respect to the civil, criminal and administrative penalties. In order to have clear and appropriate criteria, mechanism, supervisory measure and the management of personal data while the right of privacy of customers, shareholders, employees and persons relating to the Company is respected, these people will be assured that their rights will be well protected by the law on personal data protection.

Protection of the Conflict of Interests

The Board of Directors is aware of the importance of management of the conflict of interest of related parties, which refer to the Board of Directors, the Company, the management and the Company's employees, in a thorough, fair and transparent manner. The Board of Directors has determined a policy and practices on conflict of interest including monitoring and managing the contingent conflict of interest while improper use of assets, data and opportunity of the Company and making transactions with a person with improper connections with the Company are protected.

Protection of Use of Insider Information

The Board of Directors places importance on supervision of the use of insider information of the Company that has not yet disclosed to the public or data that may affect the price of the Company's securities in order to seek for own benefits or others in a wrongful way. An Insider Trading Policy is determined as well as the Insider Trading Guideline is

prepared. The criteria in determining the period when the Board of Directors, executives and employees of agencies relating to insider information are not permitted to trade the Company's securities (Blackout Period) is established in writing, which is consistent with the SEC guideline and practices of other registered companies.

In the past year of 2021, there is no wrong doings of directors, senior executives and employees relating to use of insider information at all.

Principle 7: Ensure Disclosure and Financial Integrity

Data disclosure and transparency, the Board of Directors places importance on information disclosure because it affects decision making of investors and stakeholders. Therefore, it is necessary to have a control and determine a measure in disclosing information, both monetary and non-monetary information, in compliance with the law, regulations, standards and related practices specified. The materiality of such disclosure must be complete, adequate, transparent, reliable and timely both in Thai and English. Information is disclosed via SET Link of the Stock Exchange and the Company's website while disclosure of the financial statements and Form 56-1 One Report is ensured to sufficiently reflect the financial position and performance. The Board of Directors also encourages the Company to provide definitions and analyses of the management (MD&A) to disseminate to shareholders and investors to perceive the data and better understand changes in the financial position and performance of the Company in each quarter.

The Board of Directors recognizes responsibility for financial reports with accurate, complete, true, and reasonable information. The financial statements of the Company and its subsidiaries are prepared in accordance with generally accepted accounting standards by applying appropriate accounting policies. Accounting records are accurate and complete enough to maintain assets and acknowledge weaknesses to prevent corruption or materially unusual conduct. The Company consistently observes these operations, including adequate disclosure of important information in the notes to the financial statements.

The Board of Directors appoints the Audit Committee to review financial reports to ensure the accuracy, completeness, and reliability as well as disclose information accurately, clearly, transparently and timely in accordance with the requirements of a listed Company, review the internal control system to provide effective internal control system, and consider the compliance with laws and regulations of the Company. In addition, the Board of Directors also reviews appropriateness and reasonableness of connected transactions or transactions with conflicts of interest before presenting them to the Board of Directors for further approval.

The Board of Directors encourages the Company to provide management discussion and analysis (MD&A) to support the disclosure of quarterly/annual financial statements in accordance with the criteria for disclosing information about performances and financial position set by the Stock Exchange of Thailand so that investors are informed about the Company's performance and financial position in addition to the figures in the financial statements. Plus, non-financial reports are also prepared, such as the report of corporate social responsibility, which are included as a part of the annual report. The Company has not considered to prepare such report separately as a sustainability report.

The Company will disclose information about each director, shareholding structure, shareholding information as well as roles and duties of the Board of Directors and sub-committees and the remuneration of directors and senior executives in the Annual Report (Form 56-1 one-report).

Communication with third parties

The Company appoints Mr. Anuroj Nithipornsri, the Company Secretary and Investor Relations, to be responsible for Investor Relations in order to supervise the provision of information, answering questions, clarification of important information, facts and disclosure of important information of the Company and its subsidiaries. The channels to contact Investor Relations Section are as follows:

1. Company Secretary Department, Tel: 038-468-300 ext. 148
2. Fax: 038-458-751, Attn: Company Secretary Department
3. E-mail: ir@asiaprecision.com
4. www.apcs.co.th Section Investor Relations

The Company establishes basic guidelines and principles of operations so that investor relations can provide information and treat equally and fairly to stakeholders, which are included in the "Code of Conduct", Section of Investor Relations Code of Conduct.

Principle 8: Ensure Engagement and Communication with Shareholders

The Board of Directors focuses on the rights of shareholders without committing any act that violates or deprives the rights of shareholders, both major and minority shareholders, Thai shareholders and foreign shareholders. Basic rights of the shareholders include:

- A. Right to trade or transfer shares.
- B. Right to receive a share of profits of the business.
- C. Right to receive information accurately, completely, timely, transparently, and regularly and to receive up-to-date important information through the Company's website in both Thai and English versions.
- D. Right to attend the meeting and cast a vote at the shareholders' meeting or grant proxy to other persons to attend the meeting and cast a vote on his/her behalf to appoint or remove directors, determine remuneration of directors, appoint an auditor, determine remuneration of auditors, and other matters affecting the Company, such as dividend allocation, determination or amendment of Articles of Association and Memorandum of Association, capital reduction or capital increase, approval of special items, etc.
- E. Any other rights as required by laws. In addition, the Board of Directors establishes the policy to facilitate and promote the attendance of shareholders' meeting to encourage shareholders to exercise their basic rights for attending the meeting and exercise their voting rights at the shareholders' meeting.

1. The Company has a policy to facilitate and promote the attendance of shareholders' meeting for all shareholders, including Thai investors, foreign investors, retail investors as well as institutional investors as follows:

Before the shareholders' meeting

- Allowing shareholders to submit questions and propose agenda items in advance prior to the meeting date and nominate persons to be considered and elected as a director in advance according to the criteria clearly set out by the Company and notifying news via the news system of the Stock Exchange of Thailand and disclosing it on the Company's website
- Submitting the letter of invitation to shareholders' meetings and supporting documents to shareholders at least 14-21 days in advance (or any other period as required by laws), including publishing the letter of invitation to meeting

and supporting documents in both Thai and English versions by notifying the news via news system of the Stock Exchange of Thailand and on the Company's website at least 30 days before the date of shareholders' meeting

- Providing all important information in the letter of invitation to meeting, including date, time, venue of meeting, details of agenda, agenda documents with opinions of the Board of Directors, proxy form as required by laws which shareholders can determine the direction of voting, list of independent directors which shareholders can select them as a proxy to attend the meeting, and a map showing the venue of the meeting; In addition, there are instructions and uncomplicated authorization method included in the letter of invitation to meeting, and details of documents that shareholders must present on the date of meeting in order to maintain the right to attend the meeting, including the Company's Articles of Association regarding the shareholders' meeting and voting.

Shareholders' Meeting

- Scheduling the date, time, and venue of the shareholders' meeting by mainly taking into account the convenience of shareholders, and providing adequate personnel and technology suitable for the number of shareholders.

- Providing ballots and independent persons to count or verify the votes and disclose them to the Meeting and record them in the minutes of the meeting.

- The Chairman of the Meeting or the person assigned by the Chairman of the Meeting will clarify the rules applied to the meeting and voting procedures and appropriately allocate the meeting time and offer all shareholders the opportunity to fully raise questions and express opinions and suggestions. Directors, the Chairman of the sub-committee, and related executives shall attend the shareholders' meeting to answer questions at the meeting.

- In the case that the shareholders are unable to attend the meeting in person, the Company allows shareholders to grant proxy to independent directors or any person to attend the meeting on their behalf.

After the shareholders' meeting

- Disclosing resolutions of the shareholders' meeting with the voting results within the next morning from the date of the shareholders' meeting by notifying via the news system of the Stock Exchange of Thailand and disclosing on the Company's website

- Preparing and submitting the minutes of the shareholders' meeting by correctly and completely recording the list of directors and executives attending the meeting, proportion of directors attending/ absent from the meeting, voting and vote counting methods, resolutions of the meeting, voting results (approval, disapproval, abstention) of each agenda item, inquiries and answers at the meeting, including the name and surname of the inquirer and respondent, within 14 days from the date of the shareholders' meeting, to the Stock Exchange of Thailand, and disclosing the minutes of the meeting on the Company's website so that shareholders and related parties can verify it.

In addition, the Company prepares the statement on registration method, proxy, and voting for attendance of the Annual General Meeting of Shareholders in the "Letter of invitation to the Annual General Meeting of Shareholders", which is submitted annually to shareholders.

The Board of Directors establishes policies on matters which supervise all shareholders to be treated equally and protect their basic rights, including provision of information before the shareholders' meeting, rights protection of minority shareholders, prevention of insider trading, prevention of conflicts of interest, making related transactions as well as internal control and internal audit. The policies are defined as follows:

2. The Company invites shareholders to send enquiries for additional information on each agenda or other important information of the Company in advance of the date of shareholders' meeting via the following channels.

Address : Amata Nakorn Industrial Estate
700/331 Moo 6 Tambol Donhualor Amphur Muangchonburi, Chonburi 20000
: Tel 0 38 468 300
: Fax 0 38 458 751
: www.apcs.co.th

3. The Company has a policy to promote and facilitate shareholders and institution investors to attend the meeting of shareholders. Even though in 2021, the pandemic of Coronavirus 2019 occurred, the Company carefully provided a virus protective measure which was strictly observed and allowed the meeting to be held smoothly and efficiently with highest safety.

4. On the meeting of shareholders, the Company organizes a Barcode registration that shows the registration number of each shareholder printed on the registration form so as to facilitate shareholders in the meeting and accelerate the registration procedure. In addition, the Company prepares a document point for proxies of shareholders and supplies stamp duty for the power of attorney document for proxies upon registration while there are officers to help facilitate throughout the registration. The Company is open for registration at least 2 hours before the meeting time.

5. The Company has a representative of the auditor who is independent and responsible for checking vote counts through the entire meeting. Moreover, there are shareholders' right protection volunteers from the Thai Investors Association attending to observe and also shareholders are invited to witness the vote counts together with the auditor's representative.

6. In the meeting of ordinary shareholders for the year 2021, the meeting considered various issues in order specified in the meeting invitation letter being sent in advance without any changes in agendas. There were no other agendas considered. Moreover, after the meeting had considered all issues according to the agendas, the chairperson invited shareholders for further questions before closing the meeting.

7. The Company prepared the minutes of the meeting completing with important information including a name list of the Company's directors and management team attending the meeting, steps and voting methods, the meeting resolution, the voting result for each agenda as well as questions, clarifications and opinions of shareholders, type of shareholders attended (by themselves or proxies) who asked or expressed opinions, and prepared the report of 2021 on the annual meeting of ordinary shareholders within 14 days from 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 disseminating on the Company's website.

8. After the meeting of ordinary shareholders for the year 2020, the Executives Committee considered enquiries and recommendations of shareholders gathered from the meeting and proposed to the Board of Directors in order to determine an appropriate guideline and improve the preparation of the annual meeting of shareholders in the next year.

9. Provision of information prior to the shareholders' meeting and rights protection of minority shareholders

- Notifying the meeting schedule, agenda items, and opinions of the Board in the letter of invitation to the meeting and informing news to the Stock Exchange and publishing it on the Company's website at least 30 days prior to the date of the shareholders' meeting.

- Informing shareholders of the procedures and rules used in the meeting, including registration method, proxy, and voting.
- Preparing the letter of invitation to the meeting and supporting documents in both Thai and English version and publishing them on the Company's website to facilitate foreign shareholders
- Allowing shareholders to propose and append agenda items in advance and nominate persons to be considered and elected as a director prior to the meeting date by clearly defining the rules and providing a newsletter to the Stock Exchange of Thailand and publishing it on the Company's website
- Conducting the shareholders' meeting according to the agenda outlined in the letter of invitation to the meeting and not unnecessarily appending any agenda items at the meeting without notifying shareholders in advance, especially the important agenda that the shareholders need to spend time studying information before making decisions
- Allowing shareholders to exercise their right to appoint directors individually

6.2 Good Corporate Governance Principle 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 trainings 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 2021, 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 2021, 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 details, 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 categories 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 2549. However, for inappropriate practices to the Company's business, the Board of Directors has considered to determine an appropriate replacement 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 2 independent directors who have been in the position consecutively for more than 9 years namely Prof. Udomsilp Srisaengnam, MD., and Mr. Narong Warongkriangkrai 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.

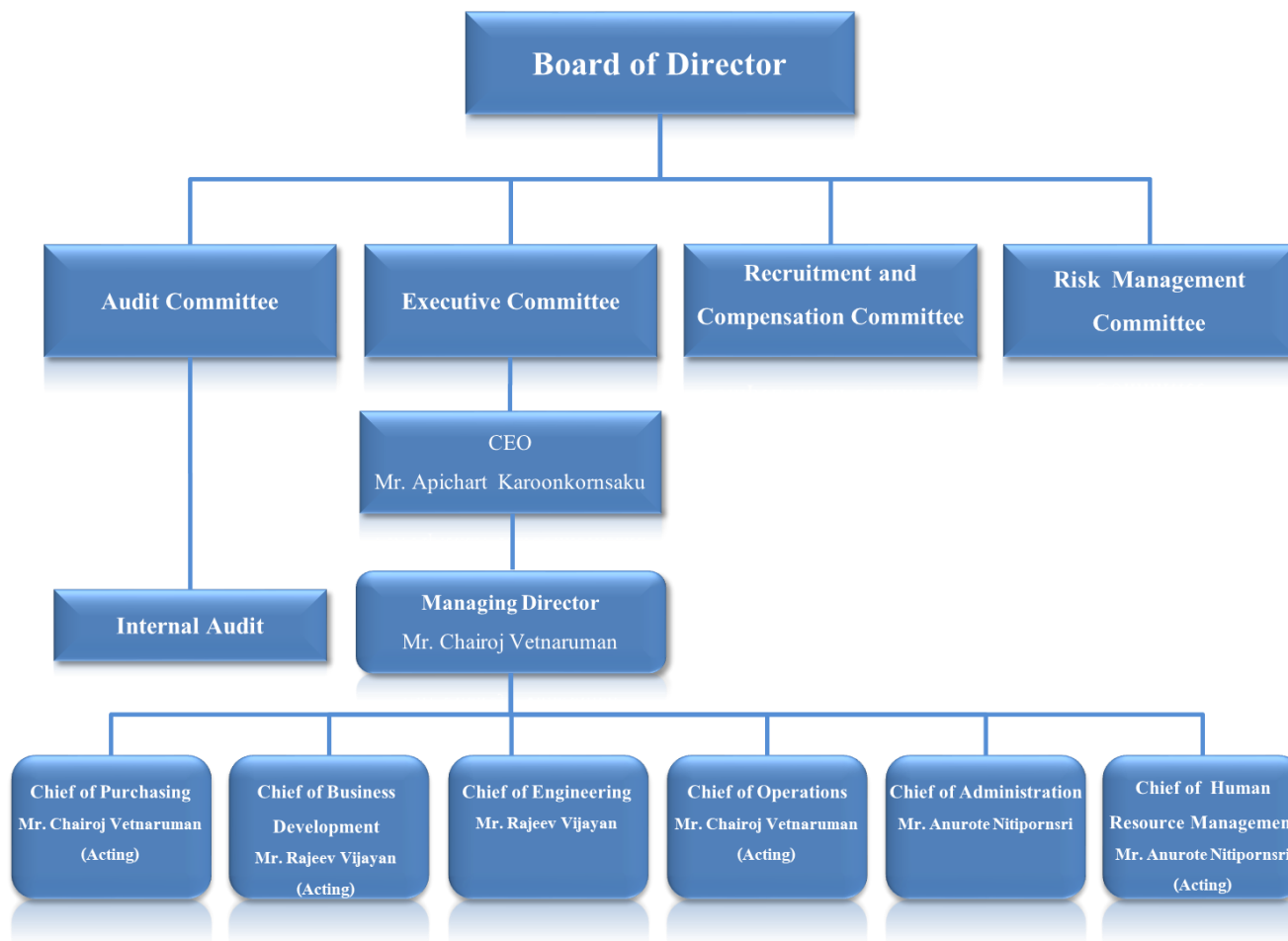
2. Determine the longest number of terms to be in position consecutively for a director such as no more than 3 consecutive terms, and determine the longest number of terms to be in position consecutively for a member of subcommittee. Currently, the Board considers the terms in position of committees 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 consider selection of members in various subcommittees annually. A member of subcommittee 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 structure of committees where the management will propose such an issue to the meeting of the Recruitment and Remuneration Committee in order 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 2021, the Company has been assessed corporate governance as follows: the 2020 annual CGR survey by IOD, the Company obtained the "Very Good" level (overall average score of 80 per cent) and received an assessment on quality of the 2021 annual meeting of ordinary shareholders (AGM Checklist) by the Thai Investors Association by the score of 95. In addition, in 2021 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 2017 as follows:

- 1) Revise the Charter and Performance Assessment Form of committees and subcommittees;
- 2) Determine the meeting attendance policy;
- 3) Revise the policy to determine the number of registered companies that a director can hold a position;
- 4) Determine a personal data protection policy;
- 5) Revise the performance assessment form for the Committees, Subcommittees and the Managing Director;
- 6) Revise the policy on inviting minor shareholder to propose a meeting agenda and propose a person's name to be elected as a director, in advance of the date of shareholders' meeting.

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

7.1 Governance Structure as of December 31,2021



APCS organization structure consists of the Board of Directors, the Audit Committee, the Recruitment and Compensation 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 in accordance with the relevant notifications of the Capital Market Supervisory Board. The Company has organized its management structure as follows:

7.2 Information on a Committee

7.2.1 Components of a Committee

The Board of Directors consist of persons with qualifications consistent with the business operation strategy of the Company, equipped with knowledge, 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 determine 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 performance of senior executives have to 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 a half of the total number of directors must reside in the country, currently the Company has 9 directors consisting of 6 directors who are not executives and 3 directors from the management, namely the Chief Executive Officer, the Managing Director and Executive Director. More than a half of non-executive directors have knowledge and experiences from work relating to the main business of the Company.

Board of Directors

As of 31 December 2021, the Board of Directors is composed of nine members below:

No.	Name	Position
1.	Prof. Udomsil Srisaengnam, MD	Chairman of the Board Director / Independent Director
2.	Mr. Narong Varongkriengkrai	Vice Chairman / Independent Director
3.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Director / Independent Director
4.	Mr. Teeralak Sangsanit	Director / Independent Director
5.	Mr. Sompote Valyasevi	Director
6.	Mr. Apichart Karoonkornsakul	Director / CEO
7.	Mr. Chairroj Vetnaruman	Director / Managing Director
8.	Mr. Suriyon Udcharchon	Director
9.	Mr. Anurote Nitipornsri	Director / Secretary
10.	Mr. Wichien Cherdchutrakuntong ¹⁾	Director / Independent Director

Mr. Anurote Nitipornsri is the Secretary of the Board of Directors.

1) Mr. Wichien Cherdchutrakuntong completed the terms during the Board of Directors meeting No.1/2021 on February 25, 2021, the Board of Directors resolution not to appoint another term. Mr. Teeralak Sangsanit replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.

2) Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn was appointed as a director during the AGM on April 25, 2021

9 members of the Board of Directors do not have the following prohibited qualification

1. No criminal records for civil cases with corrupt intention.
2. No background on 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. Chairaj Vetnaruman, and Mr. Anurote Nitipornsri 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 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 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 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. As follow:

1. Prof. Udomsil Srisaengnam, MD
2. Mr. Narong Varongkriengkrai
3. Maj.Gen.Assoc.Prof. Kriengchai Prasongsukam
4. Mr. Teeralak Sangsanit

The Recruitment and Remuneration Committee considers recruitment of qualified persons to be an independent director 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 from 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 guideline of the Board of Directors on broad diversity of the committee structure with respect to both professional skills and specialized expertise. The meeting of the Recruitment 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 the 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 manners that prevents them from giving independent opinions on the Company's operations, such as partners, creditors and business partners, which may cause 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 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 independence qualification as an independent director.

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 independent director to continue holding the position, the Board of Directors shall reasonably consider 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 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 decision can be made without treating an independent director as a director that participates in 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 the value more than specified in No. 4 or No. 6, the Company is permitted to allow for the prohibition regarding having a business relation 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 2021)

No.	Director	Board of Director	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Director
		(9)	(3)	(3)	(3)	(5)
1	Prof. Udomsil Srisaengnam, MD	Chairman of the Board / Independent Director	Audit Committee	Chairman of the Recruitment and Compensation Committee		
2	Mr. Narong Varongkriengkrai	Vice Chairman/ Independent Director	Chairman of the Audit Committee	Recruitment and Compensation Committee		
3	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Director / Independent Director		Recruitment and Compensation Committee		
4	Mr. Teeralak Sangsanit	Director / Independent Director	Audit Committee		Chairman of the Risk Management Committee	
5	Mr. Sompote Valyasevi	Director				Executive Director
6	Mr. Apichart Karoonkornsakul	Director			Risk Management Committee	Chairman of Executive Committee
7	Mr. Chairoj Vetnaruman	Director				Executive Director
8	Mr.Suriyon Udcharchon	Director			Risk Management Committee	
9	Anurote Nitipornsri	Director				Executive Director
10	Mr. Rajeev Vijayan	Executive Director				Executive Director

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 and 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 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 the duty and responsibility and perform accordingly in a complete and correct manner so that sustainable value can be created to 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 replacement at the next Board of Directors' meeting. Unless the remaining term of the director is less than 2 months, the person being replaced 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 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 presenting 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 succession plan for 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 segregate 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 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 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 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. 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
2. 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
3. Presiding over the Shareholders' Meeting and supervising the meeting to be in accordance with the specified agenda
4. Strengthening the good corporate governance standards of the Board of Directors

7.3 Sub-Committee

7.3.1 Audit Committee

As of 31 December 2021 the Audit Committee is composed of three members below:

No.	Name	Position
1.	Mr. Narong Varongkriengkrai	Chairman of the Audit Committee
2.	Prof. Udomsil Srisaengnam, MD	Audit Committee
3.	Mr. Teeralak Sangsanit	Audit Committee
4.	Mr. Wichien Cherdchutrakuntong	Audit Committee

-The Board of Directors meeting No.4/2019 on 12 November 2019 resolved in appointing the audit committee with a 3-year term (from 24 December 2019 to 23 December 2022), with Ms. Duangduan Hirunruk as the secretary of the committee.

- Mr. Wichien Cherdchutrakuntong completed the terms during the Board of Directors meeting on 25 February 2021 No.1/2021, the Board of Directors resolution not to appoint another term. Mr. Teeralak Sangsanit replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.

- Mr. Teeralak Sangsanit is knowledgeable and experienced enough to review the credibility of the financial statements.

Term of Office/Dismissal of the Audit Committee

1. Audit 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 (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022)

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 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 of dismissal to the SET without delay.

The audit committee shall immediately vacate office upon:

- Death
- Resignation
- Retirement from a 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 a legal order, except 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. In the event that 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 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 positions.

4. In the event that 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 acknowledgement.

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

1. Reviewing the Company's financial report to ensure its accurate 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 of 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 to 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 businesses

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 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 the attendance of the Management, divided into 1 meeting with external auditor, 1 meeting with the internal auditor, and 1 Audit Committee's 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 self-assessment for performances and report the results of the assessment, including operational obstacles and problems that may cause the failure of 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 performances, 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 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 2021 the Executive Committee is composed of five members below:

No.	Name	Position
1.	Mr. Apichart Karoonkornsakul	Chairman
2.	Mr. Chairroj Vetnaruman	Director
3.	Mr. Anurote Nitipornsri	Director
4.	Mr. Rajeev Vijayan	Director
5.	Mr. Sompote Valyasevi	Director

- The Board of Directors meeting No. 1/2019 on February 25, 2019 resolved in appointing the of Executive Committee with term period of 3 years (from February 26, 2019 to February 25, 2022), with Miss. Kanjana Thajampee as the Secretary of Executive Committee.

- The Board of Directors meeting No.1/2020 on February 28, 2020 resolved in appointing Mr. Sompote Valyasevi as the Company's Executive Committee Member, effective on March 9, 2020, with the serving term equals to all other Executive Committee Members.

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, 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 within the limit of not exceeding 100 million Baht 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 the limit of not exceeding 20 million Baht; 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.

7.3.3 Recruitment and Compensation Committee

As of 31 December 2021, the **Recruitment and Compensation Committee** of three members as follows:

No.	Name	Position
1.	Prof. Udomsil Srisaengnam	Chairman
2.	Narong Varongkriengkrai	Director
3.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Director
4.	Mr.Wichien Cherdchutrakuntong*	Director

The Board of Director Meeting No.1/2020 on February 28,2020 resolved in appointing the of Recruitment and Compensation Committee with term period of 3 years (from March 9, 2020 to March 8, 2023), as follows:

1. Prof. Udomsil Srisaengnam
2. Mr.Wichien Cherdchutrakuntong
3. Mr. Narong Varongkriengkrai

With Mr.Anurote Nitipornsri as the Secretary of Recruitment and Compensation Committee.

- *Mr. Wichien Cherdchutrakuntong completed the terms during the Board of Directors meeting No.1/2021 on February 25, 2021 , the Board of Directors resolution not to appoint another term. Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.

Term of office of the Recruitment and Compensation Committee

1. Recruitment and Compensation 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. (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022.)

2. The Recruitment and Compensation 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. In the event that any member of the Recruitment and Compensation 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 Recruitment and Compensation 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 positions.

4. In the event that the position of the Recruitment and Compensation 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 Recruitment and Compensation Committee within 90 days so that the number of members of the Recruitment and Compensation Committee will reach the quantity specified by the Board of Directors. The person being replaced such member of the Recruitment and Compensation Committee shall retain his/her office only for the remaining term of office of the member of the Recruitment and Compensation Committee whom he/she replaces.

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

Nomination

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

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 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 in the event that there is any change relating to the qualifications of director

7. Providing an orientation of new directors and developing knowledge to 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 payment 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 advisor 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 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.

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 the implementation of corporate social responsibility to 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 2021, Risk Management Committee of three members as follows:

No.	Name	Position
1.	Mr. Teeralak Sangsanit	Chairman
2.	Mr. Apichart Karoonkornsakul	Director
3.	Mr. Suriyon Udcharchon	Director
4.	Mr. Wichien Cherdchutrakuntong	Director

-The Board of Directors meeting No.1/2020 on February 28, 2020 resolved in appointing the Risk Management Committee with a 3-year term (from March 9, 2020 to 8 March 2023), with Ms. Duangduan Hirunruk as the secretary of the committee.

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 (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022)

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 Recruitment and Compensation 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 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 adequate and appropriate internal control system

9. Providing advices 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 2021, there are five Executive members as follows.

No.	Name	Position
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee
2.	Mr. Chairoj Vetnaruman	Managing Director / Chief of Operation (Acting) Chief of Purchasing (Acting) / Executive Director
3.	Mr. Sompote Valyasevi	Executive Director
4.	Mr. Rajeev Vijayan	Chief of Engineering/ Chief of Business Development (Acting) / Executive Director
5.	Mr. Anurote Nitipornsri	Chief of Administration ¹⁾ / Chief of Human Resource Management (Acting)/ Executive Director

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

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 workplan, carrying out the personnel policy, solving problems or conflicts that affect the Company and maintaining efficient and effective communications to 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 annual report, management authority to the Executive Committee and Board of Directors for approval.

4. 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.

5. 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.

6. 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.

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, 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 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 a 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 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.

Information of directorship in subsidiary which is the Company's main business (As of 31 December 2021)

APCS Executive (As of December 31, Company (As of December 31,		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Prof. Udomsil Srirangnam	Mr. Narong Yimngklengkrit	Mr. Sompat Vajrasri	Mr. Ajichart Karoonkomsakul	Mr. Charoj Vitaruman Majon Assoc. Co. Kongsana Prasongkarn	Mr. Teerak Sangant	Mr. Suriyon Uddachon	Mr. Anurak Nijparaj	Mr. Rajew Vijayan	Mr. Kurachi Yoshikazu	Mrs. Nijparada Rakteertham	Mr. Mann Leopalote	Mr. Pakorn Apaphant	Mr. Sunchai Wongasamee	Mr. Prasid Hampiyavannasakul	
Asia Precision Public Company Limited		APCS	X	-	/	*/	0/#	/	/	/	#	#					
1. Asia Precision A.T. Co., Ltd.		APAT				*/	0/#				#	///	/				
AUTO 2. Asia Precision Tech Co., Ltd.		AST				*/	0/#				#						
Subsidiaries	EPC 3. A2 Technologies Co., Ltd.	A2			/				#	/			*/#	X	-	/	/#
	4. APCS Technology Co., Ltd.	APT			/	/			#	/			*/#				/#
	5. A2teeravat joint venture Co., Ltd.	A2T			/	/			#	/			*/#				/#
	6. A2 Technologies Vietnam Co., Ltd.	A2VN											/				
WATER 7. Cholkij Sakol Co., Ltd.	CK								/	/		*/					

Notes:
 Symbol X = Chairman - = Vice Chairman * = Chairman of Executive Committee
 / = Director // = Executive 0 = Managing Director

- **Executive**

- Remuneration**

Remuneration of senior executives of the Company, structure of remuneration of senior executives of the Company have been determined appropriately based on clear, transparent and reasonable criteria. Remuneration consists of monthly remuneration and annual bonuses by considering from 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 2021 The Group paid remuneration to the management. In 2021, the Company paid remuneration executives as salary and bonus total amount of THB 30,402,805.33

- **Other Remuneration**

- None -

Changes in APCS shares Held by Director and Executives

Detail as of 30 December 2021						
No	Name	Position	No. of shares ¹⁾ As of 31 December		Increase in APCS shares held in 2021	Percentage of shares held (%)
			2020	2021	Net Buy (Sell)	2021
1.	Prof. Udomsil Srisaengnam, MD	Chairman of the Board Director / Chairman of the Recruitment and Compensation Committee / Audit Committee	-	-	-	-
2.	Mr. Narong Varongkriengkrai	Vice Chairman / Recruitment and Compensation Committee / Chairman of the Audit Committee	-	-	-	-
3.	Mr. Sompote Valyasevi	Executive Director	208,800	208,800	-	0.03
4.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Director / Recruitment and Compensation Committee	3,050,000	3,399,900	349,900	0.52
5.	Mr. Teeralak Sangsanit	Director/Chairman of the Risk Management Committee/Audit Committee	-	-	-	-
6.	Mr. Apichart Karoonkornsakul	Director / Risk Management Committee / Chairman of Executive Committee	94,345,812	94,345,812	-	14.29
7.	Mr. Chairoj Vetnaruman	Director / Managing Director	12,335,682	12,335,682	-	1.87
8.	Mr. Suriyon Udcharchon	Director/ Risk Management Committee	-	-	-	-
9.	Mr. Anurote Nitipornsri	Director / Company Secretary /Executive	441,663	441,663	-	0.07
10.	Mr. Rajeev Vijayan	Director / Executive	-	-	-	-

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

7.5 Human Resources

As of December 31, 2021 APCS and its subsidiaries had 718 employees (executives not included) in the following business lines:

Department	No. of Employee (คน)		
	2019	2020	2021
Business Development	14	13	14
Supply Chain	8	11	10
Engineering & Technical	93	120	98
Operation	716	510	534

Department	No. of Employee (คน)		
Human Resource	27	13	13
Administration	41	53	49
Total	899	720	718
Employee wages (million baht/year)	275.37	241.44	275.34

- **Staff compensation**

In 2021, APCS and its subsidiaries paid an average of 718 employees, totaling THB 275.34 million in the forms of monthly salary, cost of living, brokerage, provident fund, social security, staff benefits and others.

- **Provident Fund**

APCS set up a Provident Fund on January 1, 2006 with Bangkok Bank Public Co., Ltd. with an objective of boosting employees' moral and encouragement as well as motivation for the employees to work for the Company for a long time.

- **Other compensations**

- None -

- **Human resource development policy**

APCS 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 2021, APCS facilitated staff training at the total 8,632.90 hours or average 14.04 hours/person/year.

7.6 Other important information

7.6.1 Persons assigned to be responsible

Company Secretary

At the 1/2011 meeting of the Board of Directors on 19 January 2011, the meeting appointed Mr. Anurote Nitipornsri as the Company Secretary. Also Mr. Anurote Nitipornsri is knowledgeable and have sufficient experience to accounting.

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 Company assigns Mr. Anuroj, the Managing Director (Supervising finance and accounting) to be responsible directly for controlling accounts preparation of the Company. The person must possess qualifications of a person being assigned a direct responsibility to controlling accounts preparation.

A person supervises internal audit

The Company assigns Mrs. Duangduen Hirunrak, Internal Audit Supervisor, to be responsible for supervising internal audit of the Company. The person must possess qualifications of a person being assigned a direct responsibility to internal audit.

Head of Investor Relations

The Company assigns Mr. Anuroj Nithipomsri, 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, 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 : Amata Nakorn Industrial Estate, 700/331 Moo 6, Donhualor, Muang Chonburi, Chonburi 20000
 Tel. : (660) 38-468-300
 Fax. : (660) 38-458-751
 Email : ir@asiaprecision.com

The auditors' remuneration

Auditors' remuneration	2019	2020	2021
1. Audit Fee	1,134,000	757,000	500,000
2. Other expenses which cover miscellaneous expenses during work		Per actual	Per actual

Auditor for the year 2021 of the Company is Miss Kannika Vipaturat, the certified public accountant No. 7305 of Karin Audit Co., Ltd., has been an auditor of the Company for 3 years.

Nonetheless, the auditor and persons or businesses related to the auditor and the audit office affiliated with the auditor of the Company, and subsidiary companies must not have any relationships and no stake holding with the Company, executives, major shareholders or those related to such persons.

*Persons or businesses related to the auditor and the audit office affiliated to the auditor shall include:

- 1). Spouse and children who are dependent or under care of the auditor;
- 2). Business with the authority to control the audit office, 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 materialistic influence of the audit office;
- 4). Partner or equivalent of the audit office;
- 5). Spouse and children who are dependent or under 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 2021

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, 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. Examples of key business performances include:

- **Reviewed the use of CG Code** practices in creating sustainable values for the Company by considering the practice evaluation results according to each item of the CG Code practices of the Company. 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 CG Code and the currently changing business running so as to enhance the Company's competitiveness.

- **Establishment 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.

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 Recruitment and Remuneration, and Good Governance 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' compensation

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 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. Additional meeting may also be held in order to consider urgent and important agendas.

In the meeting, the Executives Committee determines the meeting agenda and considers the issues to be put into 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 2021, 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 2021, there were 4 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 to 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 2021 (1 January 2021 – 31 December 2021)

Attendance of the Board and Five Specific Committee Meetings for 2021							
Board and Specific Committee Meetings in 2021							
Name	Board of Directors (Total 4)	Audit Committee (Total 4)	Nominating & Remuneration Committee (Total 2)	Risk Management Committee (Total 2)	Executive Committee (Total 2)	Annual General Meeting (AGM) (Total 1)	Appointment during the year
1. Prof. Udomsil Srizaengnam*	4/4	4/4	2/2			1/1	
2. Mr. Narong Varongkriengkrai*	4/4	4/4	2/2			1/1	
3. Maj.Gen. Assoc. Prof. Kriengchai Prasongrukarn**/**	3/3		1/1			1/1	April 25, 2021
4. Mr. Teeralak Sangsanit**/**	3/3	3/3		2/2		1/1	April 25, 2021 (replacing Mr. Wichien Cherdchutrakuntong)
5. Mr. Sompote Valayasevi	4/4				2/2	1/1	
6. Mr. Apichart Karoonkornrakul	4/4			2/2	2/2	1/1	
7. Mr. Chairaj Vetnaruman	4/4				2/2	1/1	
8. Mr. Anurote Nitipornzi	4/4				2/2	1/1	
9. Mr. Suriyon Udecharchon	4/4			2/2		1/1	
10. Mr. Rajeev Vijayan					2/2		
11. Mr. Wichien Cherdchutrakuntong	1/1	1/1	1/1				Completed his term, effective from April 24, 2021
Total Attendances	9	3	3	3	5	9	
Total Directors	9	3	3	3	5	9	
Remarks:							
1. * Independent Director							
2. **Mr. Teeralak Sangsanit is the Company's Director, Independent Director, Member of Audit Committee, Chairman of the Risk Management Committee instead of Mr. Wichien Cherdchutrakuntong who retired by rotation on April 24, 2021. The Company has notified the Stock Exchange of Thailand for acknowledgment							
3. **was appointed as a director of the Company, an independent director on April 25, 2021. The Company has notified the Stock Exchange of Thailand for acknowledgment							
4. The company has set a policy that the Board of Directors' meetings each year should have an average of at least 80% of the directors and that each director should attend at least 75% of the total number of meetings throughout the year. However, attendance at the meeting includes electronic meetings.							

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 The shareholders of the Company for the year 2021, on April 24, 2021, resolved to approve the remuneration of the Board of Directors and various sub-committees for the year 2021, the same rate was not changed at the general meeting. Shareholders of the Company for the year 2020, on April 25, 2020, passed a resolution stipulating the following details:

The meeting in the 2021 Annual General Meeting of shareholders on April 24, 2021 resolved to specify monetary remuneration and make payment accordingly to the Board of Directors and Audit Committee as follows.

Directors	Company's Directors			Audit Committee			Recruitment and Compensation Committee			The Risk Management Committee			Meeting Allowance	Remuneration	Total (Year)
	Meeting Allowance		Remuneration	Meeting Allowance		Remuneration	Meeting Allowance		Remuneration	Meeting Allowance		Remuneration			
	No.	Amount		No.	Amount		No.	Amount		No.	Amount				
Chairman	6	150,000	120,000	4	40,000	120,000	2	20,000	-	2	20,000	-	230,000	240,000	470,000
Vice Chairman	6	90,000	120,000		-	-		-	-		-	-	90,000	120,000	210,000
Director	6	180,000	120,000	4	40,000	120,000	2	20,000	-		-	-	240,000	240,000	480,000
Director (Management)	6	450,000	-		-	-		-	-	2	20,000	-	470,000	-	470,000
Total		870,000	360,000		80,000	240,000		40,000	-		40,000	-	1,030,000	600,000	1,630,000
Commission for directors (allocation based on operating results)															370,000
Total remuneration for directors for the year 2021 of no more than															2,000,000

Remuneration of the Board of Directors and Executives 2021																				
No.	Name	Position	Board of Directors				Audit Committee			Nominating & Remuneration Committee			Risk Management Committee			Total				
			Time	Meeting Fees	Remuneration	Reward	Time	Meeting Fees	Remuneration	Time	Meeting Fees	Remuneration	Time	Meeting Fees	Remuneration	Meeting Fees	Remuneration	Reward	Total	
1	Prof. Udomsil Srisaengnam	Chairman of the Board Director Chairman of the Recruitment and Compensation Committee Audit Committee	4/4	100,000	120,000	150,000	4/4	20,000	60,000	2/2	20,000						140,000	180,000	150,000	470,000
2	Mr. Narong Varongkriengkrai*	Vice Chairman Chairman of the Audit Committee Recruitment and Compensation Committee	4/4	60,000	120,000	120,000	4/4	40,000	120,000	2/2	10,000						110,000	240,000	120,000	470,000
3	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn*	Director Recruitment and Compensation Committee	3/3	45,000	40,000	120,000				1/1	5,000						50,000	40,000	120,000	210,000
4	Mr. Teeralak Sangsanit*	Director Audit Committee Chairman of the Risk Management Committee	3/3	45,000	40,000	120,000	3/3	15,000	40,000				2/2	20,000			60,000	80,000	120,000	260,000
5	Mr. Sompote Valyasevi	Director Executive Committee Member	4/4	60,000													60,000	-	-	60,000
6	Mr. Apichart Karoonkornsakul	Director Risk Management Committee Chairman of Executive Committee	4/4	60,000									2/2	10,000			60,000	-	-	60,000
7	Mr. Chairroj Vetnaruman	Director Executive Committee Member Managing Director	4/4	60,000													60,000	-	-	60,000
8	Mr. Anurote Nitipornsri	Director Executive Committee Member Secretary to the Board	4/4	60,000													60,000	-	-	60,000
9	Mr. Suriyon Udcharchon	Director Risk Management Committee	4/4	60,000									2/2	10,000			60,000	-	-	60,000
10	Mr. Wichien Cherdchutrakunton	Director Audit Committee Recruitment and Compensation Committee Chairman of the Risk Management Committee	1/1	15,000			1/1	5,000		1/1	5,000						25,000	-	-	25,000
รวม				565,000	320,000	510,000		80,000	220,000		40,000	-		40,000	-		685,000	540,000	510,000	1,735,000

* Mr. Teeralak Sangsanit was appointed as the Company's Director, Independent Director, Audit Committee Member Chairman of the Risk Management Committee on April 25, 2021 instead of Mr. Wichien Cherdchutrakunton who retired by rotation on April 24, 2021

* Maj.Gen.Assoc.Prof. Kriengchai

Prasongsukarn Appointed as the Company's director, independent director on April 25, 2021

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 managing director 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 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.

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 13th 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 2021, 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.

And, the Company is between requesting for 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 or 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 in order 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 be 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 has 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 has to 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 2021, 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@asiaprecision.com ;
2. email address : Chairman of Executive Committee : apichart@asiaprecision.com ;
3. email address : Managing Director : chairoj@asiaprecision.com ;
4. www.apcs.co.th : IR contact / Whistle-Blowing ;
5. Telephone number 038-468-300 (General Management / Company Secretary)
6. Whistleblowing box (located in the HR room and each sub-factory)

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
3. 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

1. Provide training on anti-corruption policy to new employees.
2. Review understanding Make all employees aware of the importance of anti-corruption. through various media activities at least once a year

3. Provide content related to anti-corruption. It is part of the course for considering the promotion of employees at the supervisor level.
4. Directors and executives participate in educating employees as a role model in implementing anti-corruption policies.
5. 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 2021 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.	Prof. Udomsil Srisaengnam	Audit Committee	4/4
3.	Mr. Teeralak Sangsanit	Audit Committee	3/3
4.	Mr. Wichien Cherdchutrakuntong	Audit Committee	1/1

- The Board of Directors meeting No.4/2019 on 12 November 2019 resolved in appointing the audit committee with a 3-year term (from 24 December 2019 to 23 December 2022), with Ms. Duangduan Hirunruk as the secretary of the committee.

- Mr. Wichien Cherdchutrakuntong completed the terms during the Board of Directors meeting on 25 February 2021 No.1/2021, the Board of Directors resolution not to appoint another term. Mr. Teeralak Sangsanit replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.

- Mr. Teeralak Sangsanit is knowledgeable and experienced enough to review the credibility of the financial statements.

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 2021, 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:

- 1) Performance assessment of the entire Audit Committee.
- 2) 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.

- (a) Item arising from the conflict of interests
- (b) 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 2021, 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 2021 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 2021 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 2021, there are five Executive Committee members as follows.

No.	Name	Position	No. of meeting attendances 2021
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee	2/2
2.	Mr. Chairroj Vetnaruman	Executive Committee Member	2/2
3.	Mr. Anurote Nitipornsri	Executive Committee Member	2/2
4.	Mr. Rajeev Vijayan	Executive Committee Member	2/2
5.	Mr. Sompote Valyasevi	Executive Committee Member	2/2

- The Board of Directors meeting No. 1/2019 on February 25, 2019 resolved in appointing the of Executive Committee with term period of 3 years (from February 26, 2019 to February 25, 2022), With Miss. Kanjana Thajampee as the Secretary of Executive Committee.

- The Board of Directors meeting No.1/2020 on February 28, 2020 resolved in appointing Mr. Sompote Valyasevi as the Company's Executive Committee Member, effective on March 9, 2020, with the serving term equals to all other Executive Committee Members.

8.3.1.1 Term of office

Executive Committee members 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 within the limit of not exceeding 100 million Baht 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 the limit of not exceeding 20 million Baht; 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 Recruitment and Compensation Committee

As of 31 December 2021, the Recruitment and Compensation Committee of three members as follows:

No.	Name	Position	No. of meeting attendances 2021
1.	Prof. Udomsil Srisaengnam	Chairman	2/2
2.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	Director	1/1
3.	Mr. Narong Varongkriengkrai	Director	2/2
4.	Mr.Wichien Cherdchutrakuntong	Director	1/1

The Board of Director Meeting No.1/2020 on February 28,2020 resolved in appointing the of Recruitment and Compensation Committee with term period of 3 years (from March 9, 2020 to March 8, 2023)

- *Mr. Wichien Cherdchutrakuntong completed the terms during the Board of Directors meeting No.1/2021 on February 25, 2021 , the Board of Directors resolution not to appoint another term. Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.

With Mr.Anurote Nitipornsri as the Secretary of Recruitment and Compensation Committee.

8.3.2.1 Term of office of the Recruitment and Compensation Committee

1.Recruitment and Compensation 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. (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022.)

2. The Recruitment and Compensation 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. In the event that the position of the Recruitment and Compensation 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 Recruitment and Compensation Committee will reach the quantity specified by the Board of Directors. The person being replaced such member of the Recruitment and Compensation Committee shall retain his/her office only for the remaining term of office of the member of the Recruitment and Compensation 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 President 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. In the event that a resolution is made by equal votes, the chairman has the right to vote one more vote in order 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

As of 31 December 2021, Risk Management Committee of three members as follows:

No.	Name	Position	No. of meeting attendances 2021
1.	Mr. Teeralak Sangsanit	Chairman	2/2
2.	Mr. Apichart Karoonkornsakul	Director	2/2
3.	Mr.Suriyon Udcharchon	Director	2/2
4.	Mr.Wichien Cherdchutrakuntong	Director	0/0

- The Board of Directors meeting No.1/2020 on February 28, 2020 resolved in appointing the Risk Management Committee with a 3-year term (from March 9, 2020 to 8 March 2023)
- *Mr. Wichien Cherdchutrakuntong completed the terms during the Board of Directors meeting No.1/2021 on February 25, 2021, the Board of Directors resolution not to appoint another term Mr. Teeralak Sangsanit replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining. With Ms. Duangduan Hirunruk as the secretary of the committee.

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 (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022)
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 Recruitment and Compensation 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 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 adequate and appropriate internal control system

9. Providing advices 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 2021, there are five Executive members as follows

No.	Name	Position
1.	Mr. Apichart Karoonkornsakul	Chairman of Executive Committee
2.	Mr. Chairroj Vetnaruman	Managing Director / Chief of Operation (Acting) Chief of Purchasing (Acting) / Executive Director
3.	Mr. Sompote Valyasevi	Executive Director
4.	Mr. Rajeev Vijayan	Chief of Engineering/ Chief of Business Development (Acting) / Executive Director
5.	Mr. Anurote Nitipornsri	Chief of Administration ¹⁾ / Chief of Human Resource Management (Acting)/ Executive Director

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

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 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 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

At the 1/2011 meeting of the Board of Directors on 19 January 2011, the meeting appointed Mr. Anurote Nitipornsri as the Company Secretary. Also Mr. Anurote Nitipornsri is knowledgeable and have sufficient experience to accounting.

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

9. Internal Control and Interrelated transactions

9.1 A summary of the Board of Directors' opinions

In the 1/2021 Board meeting on 18 February, 2022, the Board of Directors assessed APCS's internal control from the assessment report, prepared by the Audit Committee, and came to the conclusion 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 concern.

In 2021, 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 December 31, 2021, 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 prepared 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 1/2012 meeting on February 28, 2012, the Audit Committee appointed Mrs. Duangduan Hirunruk 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 had attended several internal control courses. The Audit Committee felt that she was well qualified and capable enough to handle the internal control.

The internal auditors of the Company from 2018-2022 were as follows:

Year	Internal audit Unit	Internal Audit Supervisor*
2018	Internal Audit Department	Mrs. Duangduan Hirunruk
2019	Internal Audit Department	Mrs. Duangduan Hirunruk
2020	Internal Audit Department	Mrs. Duangduan Hirunruk
2021	Internal Audit Department	Mrs. Duangduan Hirunruk
2022	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 2021

APCS made the following transactions with persons who may have a conflict of interest, whose relationship may be summarized as at 31 December 2021, as follows:

Person which/who may have a potential conflict.	Asia Precision Plc. ("APCS")	Asia Precision A.T Co.,Ltd. ¹⁾ ("APAT")	Asiaprecisiontech Co.,Ltd ("AST")	A2 Technology Co., Ltd. ("A2")	APCS Technology Co.,Ltd. ("APT")	A2teeravat joint venture Co., Ltd. ("A2T")	Cholkij Sakol Co.,Ltd ("CK")	A2 Technologies Vietnam Co.,Ltd ("A2V")	Advance Web Studio Co., Ltd.	AWS Asset Management Co., Ltd.
Registered Capital	659,999,962	550,000,000	1,000,000	600,000,000	10,000,000	75,000,000	120,000,000	1,000,000	3,000,000	1,000,000
Par Value at Baht	1	10	5	10	1,000	10	100	10	100	100
Asia Precision Plc.		Holding 99.99999 %		Holding 99.99999%						
Asia Precision A.T Co.,Ltd. ¹⁾			Holding 99.9985%							
A2 Technology Co., Ltd.					Holding 99.97%	Holding 100.00 %	Holding 98.12 %	Holding 100.00 %		
Mr. Apichart Karoonkornsakul	Director/Executive and Holding 13.89%	Director/Executive and Holding stock 1 share	Director/Executive and Holding stock 1 share	Holding stock 1 share						
Mr. Chairaj Vetnaruman	Director/Executive and Holding 1.87%	Director/Executive and Holding stock 1 share	Director/Executive and Holding stock 1 share	Director and Holding stock 1 share	Director and Holding stock 1 share	Director and Holding preferred stock 1 share				
Mr. Rajeev Vijayan	Executive	Director/Executive								
Mr. Yoshikastu Kurashi		Director								
Miss Chittima Karoonkornsakul		Holding stock 1 share	Holding stock 1 share							
Mr. Anrote Nitipornsi	Director/Executive and Holding 0.07%	Director/Executive	Director/Executive	Director and Holding stock 1 share	Director	Director and Holding preferred stock 1 share	Director			
Mrs. Pimparuda Pitakteeratham				Director/Executive	Director/Executive and Holding stock 1 share	Director/Executive	Director/Executive	Director	Director/Executive Holding stock 1 share	Director/Executive Holding 99.98%
Mr. Suriyon Udcharchon	Director			Director/Executive	Director/Executive and Holding stock 1	Director/Executive and Holding preferred stock	Director			
Mr. Sompote Wallayasewi	Director and Holding 0.03%			Director	Director	Director				
Advance Web Studio Co., Ltd.	Holding 22.12%									
AWS Asset Management Co., Ltd.									Holding 99.9933 %	

¹⁾ February 25, 2019 P2 Precision Company Limited changed the company's name to Asia Precision A.T. Company Limited

9.2.2 Type of transaction

Details of connected transactions between the Asia Precision Public Company Limited and a company or a person which/who may have a potential conflict.

Type of transaction	Currency	Amount as at 31 December 2021 (Million Baht)						Necessity and Appropriateness of Interrelated Transactions
		APAT	AST	A2	APT	A2T	CK	
Short-term loans	Baht							Promissory notes, due at call. Short term loan used for working capital. Interest rate of commercial bank.
Beginning balance		-		297.30	-			
Increase		-		60.00	15.00			
Decrease		-		(15.00)	-			
Ending balance		-		342.30	15.00			
Accrued interest income	Baht							
Beginning balance		-		-	0.02			
Increase		-		14.94	0.76			
Decrease		-		(14.94)	(0.78)			
Ending balance		-		-	-			
Income from sales assets	Baht	10.03						
interest income	Baht			14.94	0.76			
Rental Expense	Baht	0.02						

Type of transaction	Currency	Amount as at 31 December 2021 (Million Baht)						Necessity and Appropriateness of Interrelated Transactions
		APAT	AST	A2	APT	A2T	CK	
Guarantees with financial institutions (Joint guarantees with companies in the group)								Because the Company is the major shareholders and to satisfy conditions demanded by financial institution. Also extends to promoting and supporting financially to the subsidiaries, and increase business strength to follow business plan. No guarantee fees.
Guarantee Loans	Baht			3.78		15.85		
Revolving credit with credit line	Baht			680.00				
Protecting against risk	Baht			20.00				
Revolving credit - Bills	Baht			54.25				
Revolving credit - Overdraft	Baht			10.00				
Revolving credit - Fleet Card	Baht			1.00				
Revolving credit - Foreign currency forward contracts	US Dollar			6				

1 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	Currency	Amount as at 31 December 2021 (Million Baht)						Necessity and Appropriateness of Interrelated Transactions
		APT	A2T	CK	A2V	Advance Web Studio	Shareholder	
Receivables	Baht				312.45			Inter transactions-Construction revenues Pricing policy is market price close to the general market price.
Current receivables	Baht				0.06			
Rental Income	Baht	0.08		0.07				The area used for operations. Pricing policy is market price close to the general market price.
Service income	Baht				42.96			
Short-term loans	Baht							Promissory notes, due at call. Short term loan used for working capital.
Beginning balance		8.70		4.00	219.54			
Increase		66.50		7.10	8.76			
Decrease		-		(8.60)	(228.30)			
Ending balance		75.20		2.5	-			
Accrued interest income	Baht	0.71						

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Type of transaction	Currency	Amount as at 31 December 2021 (Million Baht)						Necessity and Appropriateness of Interrelated Transactions
		APCS	APT	A2T	A2V	Advance Web Studio	Director	
Trade payable	Baht				272.86			Inter transactions-Construction revenues Pricing policy is market price close to the general market price.
Purchase	Baht	-	-	-	-	-	-	
Short-term loans	Baht							Promissory notes, due at call. Short term loan used for working capital. Interest rate of commercial bank.
Beginning balance		297.30		18.10		-		
Increase		60.00		-		-		
Decrease		(15.00)		(18.10)		-		
Ending balance		342.30		-		-		
Accrued interest income	Baht							
Beginning balance		-		2.45		-		
Increase		14.94		0.40		-		
Decrease		(14.94)		(2.85)		-		
Ending balance		-		-		-		

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14 Details of connected transactions between the Cholkij Sakol Co., Ltd. and a company or a person which/who may have potential conflicts.

Type of transaction	Currency	Amount as at 31 December 2021 (Million Baht)		Necessity and Appropriateness of Interrelated Transactions
		Shareholder	At Peak	
Short-term loans	Baht			At Peak Co., Ltd.* offered a loan to Cholkij Sakol Co., Ltd. by making a short-term loan agreement at the interest rate of 0.375-7.750% per annum and payback upon request. It's the loan made when Mr. Tarathip Tharathammarat was a Director and executive of Cholkij Sakol for Cholkij Sakol to have working capital and continue with its business operation Interest rate of commercial bank.
Beginning balance			3.10	
Increase			-	
Decrease			-	
Ending balance			3.10	
Accrued interest income	Baht			
Beginning balance			1.57	
Increase			0.21	
Decrease			-	
Ending balance	Baht		1.78	

15 * At Peak Co., Ltd is no longer a shareholder of the company from July 20, 2020.

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12.3 Necessity and appropriateness of interrelated transactions

Interrelated transactions made are quite necessary and reasonable. Product 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 12.1)

12.4 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 the 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 as the case may be. 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.

12.5 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.

Section 3

Financial Information

1. Statement of Financial

STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31,	Separate financial statement						Consolidated financial statement					
	2019		2020		2021		2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Assets												
Current assets												
Cash and cash equivalents	201.32	11.54	94.54	6.00	23.66	1.54	606.29	19.34	537.95	16.99	596.39	16.75
Trade and other current receivables	221.38	12.69	0.73	0.05	0.36	0.02	1,441.90	46.00	1,562.36	49.33	1,847.91	51.90
Short-term loans	150.00	8.60	312.32	19.83	357.30	23.25	-	-	-	-	-	-
Inventories	4.66	0.27	-	-	-	-	79.56	2.54	74.41	2.35	177.59	4.99
Other current assets	344.85	19.77	-	-	-	-	-	-	-	-	1.93	0.05
Total current assets	922.21	52.86	407.59	25.88	381.32	24.81	2,127.75	67.88	2,174.72	68.67	2,623.82	73.69
Non-current assets												
Investments in subsidiaries	800.00	45.85	1,150.00	73.01	1,150.00	74.83	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-	-	3.25	0.10	3.25	0.09
Property, plant and equipment	5.60	0.32	5.54	0.35	5.48	0.36	791.29	25.24	728.71	23.01	697.10	19.58
Right – of – use assets	-	-	-	-	-	-	-	-	33.24	1.05	35.59	1.00
Right under the raw water distribution contract	-	-	-	-	-	-	142.58	4.55	136.91	4.32	131.25	3.69
Other intangible assets	-	-	-	-	-	-	1.22	0.04	4.09	0.13	5.84	0.16
Deferred tax assets	-	-	-	-	-	-	-	-	1.91	0.06	0.04	0.00
Other non-current assets	16.84	0.97	11.97	0.76	0.02	0.00	71.89	2.29	84.12	2.66	63.59	1.79
Total non-current assets	822.44	47.14	1,167.51	74.12	1,155.50	75.19	1,006.98	32.12	992.23	31.33	936.66	26.31
Total assets	1,744.65	100.00	1,575.10	100.00	1,536.82	100.00	3,134.73	100.00	3,166.95	100.00	3,560.48	100.00
Liabilities and shareholders' equity												
Current liabilities												
financial institution	-	-	-	-	-	-	278.02	8.87	145.18	4.58	124.67	3.50
Trade and other current payables	205.62	11.79	0.41	0.03	2.61	0.17	775.69	24.75	805.09	25.42	1,140.92	32.04
Current portion of long-term liabilities Within one year	-	-	-	-	-	-	8.10	0.26	13.52	0.43	13.50	0.38
Current portion of lease liabilities Within one year	-	-	-	-	-	-	1.15	0.04	62.70	1.98	88.36	2.48
Short-term borrowings	100.01	5.73	-	-	-	-	73.99	2.36	76.78	2.42	79.76	2.24
Current income tax payable	-	-	-	-	-	-	-	-	12.80	0.40	18.28	0.51
Total current liabilities	305.63	17.52	0.41	0.03	2.61	0.17	1,136.95	36.27	1,116.07	35.24	1,465.49	41.16
Non-current liabilities												
Long-term borrowings	-	-	-	-	-	-	61.40	1.96	47.90	1.51	34.40	0.97
Lease liabilities	-	-	-	-	-	-	0.95	0.03	125.04	3.95	25.89	0.73
Deferred tax liabilities	-	-	-	-	-	-	35.87	1.14	34.69	1.10	33.51	0.94
Non-current provisions for employee benefit	5.44	0.31	5.21	0.33	7.11	0.46	24.06	0.77	24.97	0.79	34.34	0.96
Other non-current liabilities	-	-	-	-	-	-	0.01	0.00	27.78	0.88	4.85	0.14
Total non-current liabilities	5.44	0.31	5.21	0.33	7.11	0.46	122.29	3.90	260.38	8.22	132.99	3.74
Total liabilities	311.07	17.83	5.62	0.36	9.72	0.63	1,259.24	40.17	1,376.45	43.46	1,598.48	44.90
Shareholders' equity												
Issued and paid-up share capital	660.00	37.83	660.00	41.90	660.00	42.95	660.00	21.05	660.00	20.84	660.00	18.54
Share premium on ordinary shares	369.18	21.16	369.18	23.44	369.18	24.02	369.18	11.78	369.18	11.66	369.18	10.37
Retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	66.00	3.78	66.00	4.19	66.00	4.29	66.00	2.11	66.00	2.08	66.00	1.85
Unappropriated	338.40	19.40	474.30	30.11	431.92	28.10	613.75	19.58	588.11	18.57	753.43	21.16
Other components of shareholders' equity	-	-	-	-	-	-	-	-	100.78	3.18	106.88	3.00
Total shareholders' equity of the parent company	1,433.58	82.17	1,569.48	99.64	1,527.10	99.37	1,708.93	54.52	1,784.07	56.33	1,955.49	54.92
Non-controlling interests	-	-	-	-	-	-	166.56	5.31	6.43	0.20	6.51	0.18
Total shareholders' equity	1,433.58	82.17	1,569.48	99.64	1,527.10	99.37	1,875.49	59.83	1,790.50	56.54	1,962.00	55.10
Total liabilities and shareholders' equity	1,744.65	100.00	1,575.10	100.00	1,536.82	100.00	3,134.73	100.00	3,166.95	100.00	3,560.48	100.00

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31,	Separate financial statement						Consolidated financial statement					
	2019		2020		2021		2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Revenues												
Revenues from sales and services	918.52	100.00	8.92	100.00	-	-	1,138.15	40.82	952.26	44.65	1,100.13	50.64
Contract revenues	-	-	-	-	-	-	1,650.00	59.18	1,180.54	55.35	1,072.53	49.36
Other income	10.04	1.09	220.92	2,476.68	18.13	100.00	22.52	0.81	5.29	0.25	33.21	1.53
Total revenues	928.56	101.09	229.84	2,576.68	18.13	100.00	2,810.67	100.81	2,138.09	100.25	2,205.87	101.53
Expenses												
Costs of sales and costs of services	728.68	79.33	7.44	83.41	-	-	837.39	30.03	779.84	36.56	785.41	36.15
Contract Costs	-	-	-	-	-	-	1,478.20	53.02	1,064.33	49.90	958.09	44.10
Distribution costs	5.33	0.58	-	-	-	-	5.33	0.19	5.20	0.24	6.05	0.28
Administrative expenses	83.70	9.11	26.69	299.22	19.32	106.56	173.37	6.22	221.48	10.38	182.08	8.38
Other expenses	9.01	0.98	-	-	-	-	1.24	0.04	13.08	0.61	-	-
Finance costs	0.01	0.00	-	-	-	-	8.18	0.29	18.08	0.85	14.11	0.65
Total expenses	826.73	90.01	34.13	382.62	19.32	106.56	2,503.71	89.80	2,102.01	98.56	1,945.74	89.56
Profit (loss) before income tax expense	101.83	11.09	195.71	2,194.06	(1.19)	(6.56)	306.96	11.01	36.08	1.69	260.13	11.97
Tax (expense) income	(17.97)	(1.96)	(19.63)	(220.07)	-	-	(54.65)	(1.96)	(27.25)	(1.28)	(49.44)	(2.28)
Profit (loss) for the year	83.86	9.13	176.08	1,973.99	(1.19)	(6.56)	252.31	9.05	8.83	0.41	210.69	9.70
Other comprehensive income (expense): to be reclassified to profit or loss in subsequent period:												
Exchange differences on translating of financial statement in foreign currency	-	-	-	-	-	-	-	-	(0.36)	(0.02)	6.10	0.28
Items that will not be reclassified to profit or loss □ Gains(losses) on remeasurements of defined benefit plans	-	-	(0.59)	(6.61)	(1.59)	(8.77)	(2.65)	(0.10)	(0.11)	(0.01)	(5.69)	(0.26)
Total comprehensive income (expense) for the year	83.86	9.13	175.49	1,967.38	(2.78)	(15.33)	249.66	8.95	8.36	0.39	211.10	9.72
Profit (loss) attributable to												
Owners of parent	83.86	9.13	176.08	1,973.99	(1.19)	(6.56)	238.74	8.56	14.07	0.66	210.61	9.69
Non-controlling interests	-	-	-	-	-	-	13.57	0.49	(5.24)	(0.25)	0.08	0.00
	83.86	9.13	176.08	1,973.99	(1.19)	(6.56)	252.31	9.05	8.83	0.41	210.69	9.70
Total Comprehensive income (expense) attributable to:												
Owners of parent	83.86	9.13	175.49	1,967.38	(2.78)	(15.33)	236.19	8.47	13.59	0.64	211.02	9.71
Non-controlling interests	-	-	-	-	-	-	13.47	0.48	(5.23)	(0.25)	0.08	0.00
	83.86	9.13	175.49	1,967.38	(2.78)	(15.33)	249.66	8.95	8.36	0.39	211.10	9.72
Basic earnings(loss) per share	0.13		0.27		-		0.36		0.02		0.32	
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	

Million Baht

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31,	Separate financial statement			Consolidated financial		
	2019	2020	2021	2019	2020	2021
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit (loss) before income tax expense	101.83	195.70	(1.19)	306.96	36.08	260.13
Adjusted financial costs	0.01	-	-	8.18	18.08	14.11
Adjusted interest received	(8.75)	(14.26)	(15.76)	(1.35)	(0.74)	(0.38)
Adjusted dividends income	-	(100.00)	-	-	-	-
Adjusted trade receivables and other receivables (increase) decrease	(53.99)	220.66	0.35	(155.66)	(102.64)	(286.39)
Adjusted inventories (increase) decrease	81.40	4.82	-	22.11	2.05	(101.97)
Adjusted other assets (increase) decrease	0.05	0.11	-	(22.43)	(29.77)	(1.44)
Adjustments trade payables and other payables increased (decreased)	12.53	(205.20)	2.20	(159.74)	39.56	306.14
Depreciation and amortization	84.37	2.50	2.00	100.62	103.76	88.41
Adjusted loss on Impairment of recognized in the gain or loss. (reversed)	-	-	-	-	-	6.63
Adjusted unrealized loss (gain) on foreign exchange	0.48	-	-	(26.77)	17.82	6.47
Adjustment with bad debts	-	-	-	0.05	-	(1.22)
Adjusted loss on value of goods (reversed)	(3.20)	(0.16)	-	(3.26)	3.11	-
Adjusted other provisions for employee benefits	4.98	0.57	0.33	6.52	15.31	4.80
Adjusted loss (gain) from assets disposals	1.15	(98.44)	-	1.25	1.65	-
Adjustment by the expenses of business transformation	-	-	-	-	9.29	-
Adjusted other list	-	-	-	-	-	0.16
Total adjust from reconciliation of gain (loss)	119.03	(189.40)	(10.88)	(230.48)	77.48	35.32
Net Cash Provided by (Used in) Operating	220.86	6.30	(12.07)	76.48	113.56	295.45
Cash received from dividends	-	100.00	-	-	-	-
Interest expense	-	(0.01)	-	(5.08)	(15.09)	(10.62)
Interest received	8.75	14.24	15.78	1.44	0.75	0.38
Income tax refund (pay out)	(26.80)	(19.63)	-	(67.38)	(16.08)	(29.18)
Cash paid for transfer to employee benefit plans for subsidiaries	(12.06)	-	-	-	-	-
Other cash received (paid) from operating activities	(0.69)	(1.39)	(0.02)	(0.91)	(14.51)	(1.11)
Net Cash Provided by (Used in) Operating Activities	190.06	99.51	3.69	4.55	68.63	254.92
CASH FLOWS FROM INVESTING ACTIVITIES						
Cash paid for non – controlling interests	-	-	-	-	(53.75)	-
Restricted short-term deposit with financial institutionn (increase) decrease	-	-	-	(0.21)	(5.24)	(5.37)
Cash paid for investment in subsidiary net from received cash	(150.00)	(350.00)	-	-	-	-
Cash received from the sale of property, plant and equipment	3.96	445.61	-	4.06	0.75	0.36
Cash received from the sale of other long-term assets	-	-	10.03	-	-	-
Cash paid to purchase property, plant and equipment	(1.41)	-	-	(32.81)	(21.18)	(24.35)
Cash paid to purchase intangible assets	-	-	-	(1.10)	(4.02)	(3.08)
Cash received from loans to related parties	-	-	-	(2.75)	-	-
Cash paid for loans to related parties	100.00	169.00	15.00	-	-	-
Cash payment for purchase of general investments	(250.00)	(331.30)	(60.00)	-	-	-
Cash paid for expenses of business transformation	-	-	-	-	(9.29)	-
Net Cash Provided by (Used in) Investing Activities	(297.45)	(66.69)	(34.97)	(32.81)	(92.73)	(32.44)
CASH FLOWS FROM FINANCING ACTIVITIES						
Bank overdrafts and Short-term loans from financial institution increase (decrease)	-	-	-	226.75	(163.79)	(2.09)
Cash received from borrowings from the financial institutions	-	-	-	98.20	194.77	74.59
Cash received from borrowings from person and related parties	200.00	-	-	0.19	-	-
Cash paid to pay the financial institutions borrowings	-	-	-	(59.97)	(171.97)	(113.43)
Cash paid to pay the person and related parties borrowings	(100.00)	(100.00)	-	(0.50)	(0.19)	-
Cash paid by the lessee to reduce the amount for liability contract financial lease	-	-	-	(1.22)	(62.89)	(89.85)
Dividend payment	(66.00)	(39.60)	(39.60)	(66.00)	(39.60)	(39.60)
Cash received from sale and lease back	-	-	-	-	255.00	-
Cash paid for deposit for sale and lease back	-	-	-	-	(55.00)	-
Net Cash Provided by (Used in) Financing Activities	34.00	(139.60)	(39.60)	197.45	(43.67)	(170.38)
Net Increase (Decrease) In Cash And Cash Equivalents						
Before Effects Of Exchange Rates	(73.39)	(106.78)	(70.88)	169.19	(67.77)	52.10
Effects Of Exchange Rates On Cash And Cash Equivalents	-	-	-	-	(0.56)	6.33
Net Increase (Decrease) In Cash And Cash Equivalents	(73.39)	(106.78)	(70.88)	169.19	(68.33)	58.43
Cash and cash equivalents at beginning of year	274.71	201.32	94.54	437.10	606.29	537.96
CASH AND CASH EQUIVALENTS END OF YEAR	201.32	94.54	23.66	606.29	537.96	596.39

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 (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. 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 2021

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 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The 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		Name of Company
		Registration Number		
2019	Ms. Kannika Wipanurat	7305		Karin Audit Co., Ltd.
2020	Ms. Kannika Wipanurat	7305		Karin Audit Co., Ltd.
2021	Ms. Kannika Wipanurat	7305		Karin Audit Co., Ltd.

AUDITOR'S REPORT

A) FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

The Company : Certified Public Accountant Basis for Unqualified Opinion

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, 2019, 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, 2019, 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>Allowance for doubtful debt</p> <p>The Group have account receivable from sales and services and unbilled receivable total amount of Baht 1,441.90 million. The Group have considered that it's able to receive money from sales and services and unbilled receivable. I focused on these because allowance for doubtful debt has to subjective on evaluate on receivable repayment ability, also other information describe on note to finance statement no.7 and significant accounting policy.</p>	<p>I have evaluated reasonable of the management's estimating, understanding on approval process of receivable credit line, testing the aging report, interviewing the officer responsibility on receivable repayment and delivery completion work by period, consider the long outstanding receivable, and ask for policy of allowance for doubtful debt to ensure that enough and not over. I also focused on disclosure of allowance for doubtful debt in note to financial statement.</p>

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. 29 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, 2020

The Company : Certified Public Accountant Basis for Unqualified Opinion

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>

C) FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

The Company : Certified Public Accountant Basis for Unqualified Opinion

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 recognition.</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 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>

4. Financial Ratio

Ratio	Separate financial statement			Consolidated financial statement		
	2019	2020	2021	2019	2020	2021
<u>Liquidity Ratio</u>						
Current ratio (times)	3.02	988.92	146.20	1.87	1.95	1.79
A/R turnover (times)	5.87	0.12	N/A	2.92	2.47	2.38
Inventory turnover ratio (times)	16.65	3.20	N/A	26.02	23.96	13.84
A/P turnover (times)	12.45	0.32	N/A	2.87	2.58	1.94
<u>Profitability Ratio</u>						
Gross margin (%)	20.67	16.49	N/A	16.95	13.53	19.85
Net profit margin ratio (%)	9.03	76.61	(6.55)	8.49	0.66	9.55
Return on equity (%)	5.89	11.73	(0.08)	14.70	0.81	11.26
<u>Efficiency Ratio</u>						
Return on asset (%)	4.97	10.61	(0.08)	7.94	0.45	6.26
Return on fixed asset (%)	73.13	3,206.25	14.81	40.70	15.50	41.94
<u>Financial Policy Ratio</u>						
Debt to equity ration (times)	0.22	0.00	0.01	0.74	0.77	0.82
Time interest earned ration (times)	N/A	13,702.63	N/A	12.64	7.35	29.67

Section 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, 2021. 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 Mr. Apichart Karoonkornsakul and Mr. Chairroj Vetnaruemarn to sign on every page of the document. For any documents that do not contain signature of assigned Mr. Apichart Karoonkornsakul and Mr. Chairroj Vetnaruemarn, the Company will assume that it is not the information that the Company has certified.

Name	Position	Signature
1. Mr. Apichart Karoonkornsakul	Authorized Director/ President	
2. Mr. Chairroj Vetnaruemarn	Authorized Director/ Managing Director / Director / Acting Director of Purchasing / Acting Director of Operation	



Assignee

Name	Position	Signature
1. Mr. Apichart Karoonkornsakul	Authorized Director/ President	
2. Mr. Chairoj Vetnaruemarn	Authorized Director/ Managing Director / Director / Acting Director of Purchasing / Acting Director of Operation	

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.

ATTACHMENT 1

Profile of the Directors and Executives

Profile of the Directors and Executives

List of the Director and Executive as of 31 December 2021



1
1

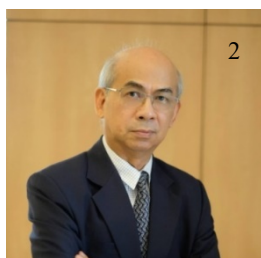
Prof. Udomsil Srisaengnam

Chairman of the Board /

Audit Committee /

Chairman of the Recruitment and Compensation Committee /

Independent Director



2

Mr. Narong Varongkriengkrai

Director /

Chairman of the Audit Committee /

Recruitment and Compensation Committee /

Independent Director



3

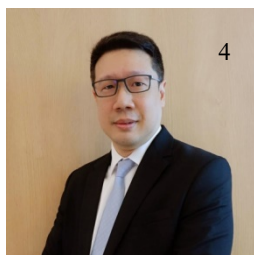
Maj.Gen.Assoc.Prof.

Kriengchai Prasongsukarn

Director /

Recruitment and Compensation Committee /

Independent Director



4

Mr. Teeralak Sangsanit

Director/

Chairman of the Risk Management Committee/

Audit Committee/

Independent Director



5

Mr. Sompote Valyasevi

Director /

Executive Director



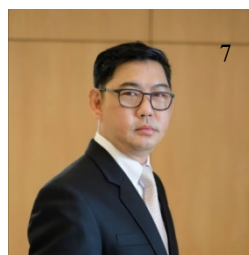
6

Mr. Apichart Karoonkornsakul

Director /

Risk Management Committee /

Chairman of Executive Committee



7

Mr. Chairroj Vetnaruman

Director /

Managing Director /

Executive Director

Profile of the Directors and Executives



8

Mr. Suriyon Udcharchon

Director



9

Mr. Anurote Nitipornsri

Director /

Chief Finance Officer /

Acting Chief of Human Resource

Management / Executive Director /

Secretary of the Committee



10

***Mr. Wichien Cherdchutrakuntong**

Director /

Chairman of Risk Management Committee /

Audit Committee /

Recruitment and Compensation Committee /

Independent Director



11

Mr. Rajeev Vijayan

Executive Director /

Chief Engineering /

Acting Chief of Business Development

Remarks: *Mr. Teeralak Sangsanit replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.

Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn was appointed as a director during the AGM on April 25, 2021

1. Profile of the Directors, Executives and Authorized Persons (as of 18 February 2022)

No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
1.	Prof. Udomsil Srisaengnam, MD	Chairman of the Board / Audit Committee / Chairman of the Recruitment and Compensation Committee / Independent Director	79	- Bachelor of Medicine , Mahidol University. - Doctoral of Certificate in the field of psychiatric medicine (Medicine) FRCP – Fellowship of the Royal College of Physicians (Edinburgh). - Thai Institute of Directors (IDO) (DAP 87/2011).	-	-	Apr 2019-Present 2006-Apr 2019 Feb 2019 -Present 2016-Feb 2019 2015 2014-Present 1994-Present 1991-Present	Chairman of the Board / Independent Director Vice Chairman / Independent Director Audit Committee Audit Committee Chairman Audit Committee Chairman of the Recruitment and Compensation Committee Consultant Psychiatrist Chairman of the Board	Asia Precision PLC Theptarin Hospital Chin Huay Co., Ltd.
2.	Mr. Narong Varongkriengkrai	Director / Chairman of the Audit Committee Chairman / Recruitment and Compensation Committee/ Independent Director	71	- Bachelor of Mechanical Engineering, FACHHOCHSCHULE NIEDERRHEIN , GERMANY. - Master Mechanical Engineering, UNIVERSITAET SIEGEN, GERMANY. - Thai Institute of Directors (DAP 99/2012)	-	-	2011-Present Feb 2019- Present 2016- Feb 2019 2014-Present 2012-Present 2016-Present 2017-Mar 2021 2016-2018	Director / Independent Director Audit Committee Chairman Audit Committee Recruitment and Compensation Committee Director Director Director Director / Audit Committee Chairman	Asia Precision PLC Thai Auto tool and Die Co., Ltd Thai - Germany Institute Bank of Thailand Nippon Kikai Engineering 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
3.	Maj.Gen.Assoc.Prof.Kriengchai Prasongsukarn, MD. (Appointed as director on April 25,2021)	Director / Recruitment and Compensation Committee /Independent Director	55	- Armed Forces Academies Preparatory School. Batch 27 - Doctor of Medicine Program (Second Class Honors) from Phramongkutkloa College of Medicine. -Diploma, Thai Board of Surgery. -Diploma, Thai Board of Thoracic Surgery. -Certification, Directors Accreditation Program (DAP 93/2011) Thai Institute of Director -Certification, Directors Certification Program (DCP 155/2012) Thai Institute of Director	None	0.52	Apr25 2020-present May26 1997 – present May10 2010 – present Oct1 2015–Sep30 2018 Oct1 2018–Sep30 2019 Oct1 2019–Sep30 2020 Oct1 2020 - present	Company Director / Normination and Remuneration Committee/ Independent Director Surgeon Associate Professor Expert Chief of staff Director of Army Institute of Pathology Director	Asia Precision Public Company Limited Phramongkutkloa Hospital Phramongkutkloa College of Medicine Royal Thai Army (Maj.Gen.) Phramongkutkloa Medication Center Phramongkutkloa Medication Center Fort Suranari Hospital
4.	Mr. Teeralak Sangsanit	Director/ Chairman of the Risk Management Committee/ Audit Committee/ Independent Director	52	- Bachelor of Business Administration Finance, University of the Thai Chamber of Commerce - Master Business Administration, Strayer College - Master Engineering Management, The George Washington University - Thai Institute of Directors (DAP 185/2012)	-	-	Apr 2021 - Present Mar 2020 - Present Oct 2020 - Present May 2020 - Present	Director/ Chairman of the Risk Management Committee/ Audit Committee/ Independent Director Deputy Director of Public Debt Management Office Representative Director of Ministry of Finance/ Wastewater Management Organization Committee/ Director/ Corruption Barometer Committee/	Asia Precision PLC Public Debt Management Office/ Ministry of Finance Ministry of Interior Office of the National Anti – Corruption Commission

No.	Name	Position	Age (Year)	Education	Relationship with other Directors	Shares Holding (%) ¹	Work experience in the last 5 years		
							Years	Position	Company
							2018-May 2019	preparation and monitoring of budget management Secretary of the Judicial Law Commission And police affairs	The National Legislative Assembly The National Legislative Assembly
							2018-May 2019	Commission committee to consider the establishment of an agency to manage the promotion of small and medium enterprises.	
6.	Mr. Apichart Karoonkornsakul	Director / Risk Management Committee / Chairman of Executive Committee /	59	- Bachelor of Business Administration (Marketing), Assumption University. - Master of MBA, University of Washington, USA. - Thai Institute of Directors (DAP 86/2010)	- Brother in law of Mr. Chairroj Vetnaruman	14.29	1994-Present 2014-Present 2010-Present 2018-Present 1992-Present 1993-Present 1997-Present 2004-Present 2006-Present 2010-2016	Director / Chairman of Executive Committee / President Risk Management Committee President / Chairman of Executive Committee / Director President / Chairman of Executive Committee / Director Director Director Director Director Director Director / Chairman of Executive Committee	Asia Precision PLC Asia Precision A.T. Co., Ltd. ²⁾ AsiaPrecisionTech Co., Ltd. Park Terrace Co., Ltd. Demac Group Co., Ltd. Thepthanyapa Co., Ltd. Qlustec Co., Ltd. M Dicap Holding Co., Ltd. A2 Technologies 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
7.	Mr. Chairoj Vetnaruman	Director / Managing Director / Executive Director	55	- Bachelor of Accounting , Dhurakij Pundit University. - Master of Business Administration, Chulalongkorn University. - Thai Institute of Directors (DAP 50/2006).	- Brother in law of Mr. Apichart Karoonsa kul	1.87	1994-Present 2014-Feb 2021 2010-Present 2018-Present 2018-Present 2010-Nov 2021 2010-Present 2011-Present	Director /Managing Director / Executive Committee Member /Acting Chief of Purchasing /Acting Chief of Operations Risk Management Committee Director / Executive Committee Member / Executive Director / Executive Committee Member Director / Executive Committee Member / Executive Director Executive Committee Member Director / Executive Committee Member	Asia Precision PLC Asia Precision A.T. Co., Ltd. ²⁾ A2teeravat joint venture Co., Ltd. AsiaPrecisionTech Co., Ltd. A2 Technologies Co., Ltd. APCS Technologies Co., Ltd.
8.	Mr.Suriyon Udcharchon	Director	55	- Bachelor of Engineering, Chiang Mai University - Thai Institute of Directors (DAP 162/2019)	-	-	2018-Present 2018-Present 2017-Present 2016-Present July 2020 -Present 2014-2016 2014-2016 2010-2016	Director Director Director / Executive Director / Executive Director Managing Director Managing Director Managing Director	Asia Precision PLC A2teeravat joint venture Co., Ltd. APCS Technologies Co., Ltd. A2 Technologies Co., Ltd. Cholkij Sakol Co., Ltd Solar EPCF Co., Ltd. Martilay Solar Co., Ltd. Pro Solar Group 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
9.	Mr. Anurote Nitipornsri	Director / Chief Finance Officer/ Acting Chief Of Human Resource Management / Executive Director / Secretary of the Committee / Executive	56	- Bachelor of Accounting, Ramkhamhaeng University. - Thai Institute of Directors (DAP 161/2019)	-	0.07	Apr 2019-Present 2005-Present 2012-Present 2016-Present 2017-Present 2018-Present 2018-Present 2018-Present July 2020- Present 2015-Present	Director / Executive Committee Member Chief Of Administration Acting Chief Of Human Resource Management Director Director Director / Executive Committee Member / Executive Director Director / Executive Committee Member / Executive Director Director/ Auditor	Asia Precision PLC A2 Technologies Co., Ltd. APCS Technologies Co., Ltd Asia Precision A.T. Co., Ltd. ²⁾ A2teeravat joint venture Co., Ltd. AsiaPrecisionTech Co., Ltd. Cholkij Sakol Co., Ltd 2S Advisor Co.,Ltd
10	Mr. Wichien Cherdchutrakuntong ³⁾ (Appointed on Feb 28, 2020 replace Mr. Sompote Wallayasewi effective Feb 28, 2020)	Director / Chairman of Risk Management Committee/ Audit Committee / Recruitment and Compensation Committee/ Independent Director	60	- Bachelor of Business Administration ,Chiang Mai University - Master of Economics, Chiang Mai University - DCP 155/2012 -Director Certification Program,2012 - SFE - Successful Formulation & Execution of Strategy Class, 2012	-	-	28 Feb 2020-Present 1978-Present 1984- Present 1994-Present 2015-Present	Director / Chairman of Risk Management Committee/ Audit Committee / Recruitment and Compensation Committee / Independent Director President Managing Director Managing Director Managing Director	Asia Precision PLC Paradorn bricks Co., Ltd. Paradorn innosys Co., Ltd. Paradon land and house Co., Ltd. Mae ping bio trading 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
				- HRP - How to Develop a risk Management Plan, 2012 (Thai Institute of Directors)			2017-Present	Managing Director	Chiangmai innovation incubation center Co., Ltd.
							2017-Present	Managing Director	Bio advance solution Co., Ltd.

Note :

- 1) Shares Held include Spouse and Child (Children) not over 20 years old
- 2) February 25, 2019 P2 Precision Company Limited changed the company's name to Asia Precision A.T.Company Limited
- 3) Mr. Teeralak Sangsanit replaced Mr. Wichien Cherdchutrakuntong since April 24, 2021, with tenure of office equal to the original director remaining.
- 4) Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn was appointed as a director during the AGM on April 25, 2021

2. Details of position of executives and controlling person of the company and subsidiary (as of 18 February 2022)

	Name	Asia Precision Public Company Limited	Subsidiary						
			Asia Precision A.T. Company Limited	Asia Precision Tech Company Limited	A2 Technologies Company Limited	APCS Technology Company Limited	A2teeravat joint venture Company Limited	Cholkij Sakol Company Limited	A2 Technologies Vietnam Company Limited
1.	Prof. Udomsil Srisaengnam	PD ,ID ,AC , PC							
2.	Mr. Narong Varongkriengkrai	ID , PA , C							
3.	Maj.Gen.Assoc.Prof. Kriengchai Prasongsukarn	ID , C							
4.	Mr. Teeralak Sangsnit	ID , A ,PR							
5.	Mr. Sompote Valyasevi	D , E			D	D	D		
6.	Mr. Apichart aroonkornsakul	D , PE , R , M	PD , PE , M	PD , PE , M					
7.	Mr. Chairoj Vetnaruman	D , E , M	D , E , M	D , E , M	E	D , E	D , E		
8.	Mr. Suriyon Udcharchon	D			D , E , M	D , E , M	D , E , M	D	
9.	Mr. Anurote Nitipornsri	D , E , M	D , E , M	D , E , M	D	D	D	D	
10.	Mr. Rajeev Vijayan	E , M	D , E , M						
11.	Mr. Manu Leopairote				PD,ID ,PA ,C				
12.	Mr. Pakorn Arphaphant				VPD,ID,PC, A				
13.	Mr. Somchai Wongrassamee				ID,A				
14.	Mrs. Pimparuda Pitakteeratham				PE , M	PD , PE , M	PD ,PE, M	PD , M	D
15.	Mr. Prasit Hanpiyavatanasakul				D,E,M				
16.	Mr. Yoshikazu kurachi		D						

Note :

Position	Board Of Director	Audit Committee	Executive Member Committee	Recruitment and Compensation Committee	Risk Management Committee	Executive
Chairman	PD	PA	PE	PC	PR	-
Vice Chairman	VPD	-	-	-	-	-
Director	D	A	E	C	R	-
Independent Director	ID	-	-	-	-	-
Executive	-	-	-	-	-	M

Attachment 2

Details of Directors and Subsidiaries

Positions held by The Management and Authorized Controllers of APCS Plc., Subsidiaries, for 2021

APCS Executive (As of December 31, 2021) Company (As of December 31, 2021)			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
			Prof. Udomsil Srisaengnam	Mr. Narong Varongkritengkrair	Mr. Sompote Valyasevi	Mr. Apichart Karoonkornsakul	Mr. Chairroj Vetnaruman	Maj.Gen.Assoc.Prof.Kriengchai Prasongsukarn	Mr. Teeralak Sangsanit	Mr. Suriyon Udcharchon	Mr. Anurote Nitipornsri	Mr. Rajeev Vijayan	Mr. Kurachi Yoshikazu	Mrs. Pimparuda Pitakteeratham	Mr. Manu Leopairote	Mr. Pakorn Apaphant	Mr. Somchai Wongrassamee	Mr. Prasit Hanpiyavatanasakul
Asia Precision Public Company Limited			APCS	X	-	///	*/	()///	/	/	/	///	//					
Subsidiaries	AUTO	1. Asia Precision A.T. Co.,Ltd.	APAT				*/	()///				///	///	/				
		2. Asia Precision Tech Co.,Ltd.	AST				*/	()///				///						
	EPC	3. A2 Technologies Co.,Ltd.	A2			/					/	/		*/	X	-	/	/
		4. APCS Technology Co.,Ltd.	APT			/		/			/	/		*/				
		5. A2teeravat joint venture Co.,Ltd.	A2T			/		/			/	/		*/				
		6. A2 Technologies Vietnam Co.,Ltd.	A2VN											/				
	WATER	7. Cholkij Sakol Co.,Ltd.	CK								/	/		*/				

Notes:

Symbol X = Chairman - = Vice Chairman * = Chairman of Executive Committee
/ = Director // = Executive () = Managing Director

ATTACHMENT 3

Details on the Head of Internal Auditor

Details on the Head of Internal Auditor (as of December 31, 2021)

Name	Position	Age (Year)	Education	Relationship with the Company	Shares Holding (%)	5 Years' Experience Background		
						Years	Position	Company
Mrs. Duangduan Hirunruk	Manager Internal Audit	44	<ul style="list-style-type: none"> - Bachelor of Accounting (2nd honor), Rangsit University. - Certificate Internal Auditor class 3 (CPIAT) of The Institute of Internal Auditors of Thailand - Certificate Audit Program Development of The Institute of Internal Auditors of Thailand - Certificate Audit Program Report of The Institute of Internal Auditors of Thailand - Certificate Audit Working Paper And Audit Evidence of The Institute of Internal Auditors of Thailand 	-	-	2012 - Present	Manager Internal Audit	Asia Precision PLC (AUTO)

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 2021, the net book value less depreciation amounts to 697.10 million Baht with details as follows:

Type / Asset Nature	Ownership Type	Net book value less depreciation	Obligations
-Land is used as the plant location (5 Title Deeds of land, 12-3-52 rais)	The Company owns	35,985,805.56	The Group has used land with constructions and machinery with the net book value as of 31 st December 2021 and 2020 by the amount of 46.20 million Baht and 46.20 million Baht, respectively to guarantee credits with a commercial bank.
-Land and land improvements used for personnel development (Total land 1 Title Deeds, area 25-2-44 rais).	The Company owns	4,184,226.81	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	117,807.06	None
Total Land and land improvements		349,639,677.08	
Building and Building Improvement	The Company owns	77,483,752.84	None
Construction in progress	The Company owns	14,847,265.62	None
Machinery and Equipment	The Company owns	245,451,212.93	None
Furniture and Office Equipment	The Company owns	4,785,353.83	None
Motor Vehicles	The Company owns	4,892,860.68	None
Total		697,100,122.98	

4.1. Fixed assets used in business incorporation based on the financial statements specifically for Asia Precision Public Company as of 31st December 2021 have the net book value less depreciation of 5.48 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	1,300,444.58	None
Furniture and Office Equipment	The Company owns	4.00	None
Motor Vehicles	The Company owns	1.00	None
Total		5,484,676.39	

4.1.2 Fixed assets used in business incorporation based on the financial statements specifically for Asia Precision A.T. Company Limited as of 31st December 2021

Type / Asset Nature	Ownership Type	Net book value less depreciation	Obligations
Land for plant site (Total 5 Title Deed, total area 12-3-52 rais)	The Company owns	113,344,000.00	The Company has used land with constructions and machinery with the net book value as of 31 st December 2021 and 2020 by the amount of 46.20 million Baht and 46.20 million Baht, respectively to guarantee credits with a commercial bank.
Building and Building Improvement	The Company owns	74,800,930.49	None
Construction in progress	The Company owns	1,438,129.78	None
Machinery and Equipment	The Company owns	195,281,780.53	None
Furniture and Office Equipment	The Company owns	1,926,752.71	None
Motor Vehicles	The Company owns	1,706,512.13	None
Total		388,498,105.64	

4.1.3 Fixed assets used in business incorporation based on the financial statements specifically for A2 Technologies Company Limited as of 31st December 2021

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Building and Building Improvement	The Company owns	14,144,385.61	None
Construction in progress	The Company owns	13,409,135.83	None
Machinery and Equipment	The Company owns	18,436,648.00	None
Furniture and Office Equipment	The Company owns	2,623,938.71	None
Motor Vehicles	The Company owns	2,808,096.59	None
Total		51,422,204.74	

4.1.4 Fixed assets used in business incorporation based on the financial statements specifically for A2teeravat joint venture Company Limited as of 31st December 2021

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Furniture and Office Equipment	The Company owns	2,048.53	None
Total		2,048.53	

4.1.5 Fixed assets used in business incorporation based on the financial statements specifically for A2 Technologies Vietnam Company Limited as of 31st December 2021

Type / Asset Nature	Ownership Type	Net book value less depreciation (Baht)	Obligations
Furniture and Office Equipment	The Company owns	216,305.60	None
Motor Vehicles	The Company owns	23,364.76	None
Total		239,670.36	

4.1.6 Fixed assets used in business incorporation based on the financial statements specifically for Cholkij Sakol Company Limited as of 31st December 2021

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	117,807.06	None
Total Land and land improvements		273,724,772.21	
Building and Building Improvement	The Company owns	9,990,385.54	None
Machinery and Equipment	The Company owns	46,263,155.93	None
Furniture and Office Equipment	The Company owns	19,673.40	None
Total		329,997,987.08	

4.2 Details of Intangible Assets

As of 31st December 2021, intangible assets of the Company and subsidiary companies namely computer programmes with the value according to the net book value of the consolidated financial statements, totaling of 5.84 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 and compel 3.Raw Water Distributionitiveness. 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 and Construction (EPC)
2. Precision Metal Parts Manufacturing (AUTO)
3. Raw Water Distribution (WATER)

ATTACHMENT 5

**Good Corporate Governance
and
Code of Conduct business**



Asia Precision (Public) Company Limited

Good Corporate Governance

A handwritten signature in blue ink, appearing to read 'Udomsin Srisaengnam'.

(Udomsin Srisaengnam, M.D.)

Chairman of the Board

Issue dated February 18, 2022

Approved by the Board of Directors' Meeting No. 1/2565 on February 18, 2022

Message of Good Corporate Governance**From the Board of Directors**

The Board of Directors (the "Board") as the leader of the organization that creates value for sustainable business, established the written good corporate governance policy (the "Policy") in reference to the compliance with the Good Corporate Governance Code ("CG Code"), revised the policy, and monitored the outcome of the compliance with the policy as follows:

In 2011, the Board established the good corporate governance policy to comply with the "Principles of Good Corporate Governance for Listed Companies 2006: CG Principles 2006" and the criteria for Corporate Governance Report of Thai Listed Companies of Thai Institute of Directors and has consistently observed the policy.

In 2013, the Board revised the Code of Conduct APCS by separating it to another "Code of Conduct" to make each part of the corporate governance clearer and compile the policies set out by the Company in one "Code of Conduct".

In 2017, the Board revised the Code of Conduct APCS and prepared the implementation of the CG Code as deemed appropriate to the context of the Company for the Company's changes during that time.

In 2021, the Board revised the Code of Conduct APCS to include all subsidiaries. It was to implement the CG Code as deemed appropriate to the context of the Company Group. The Board considered and revised its good corporate governance policy (Good Corporate Governance Manual) and Code of Conduct in accordance with "Principles of Good Corporate Governance for Listed Companies: CG Code 2017" which was completed in February, 2022.

The CG Code consists of 8 principles as follows:

Principle 1: Recognizing roles and responsibilities as an organization leader creating values for sustainable business

Principle 2: Defining main objectives and goals of sustainable business

Principle 3: Strengthening Board effectiveness

Principle 4: Nominating and Developing Senior Management and Personnel Management

Principle 5: Promoting innovations and business operations

Principle 6: Ensuring effective risk management and internal control

Principle 7: Maintaining financial credibility and disclosure

Principle 8: Supporting engagement and communication with shareholders

Interested parties can view the full version of the Good Corporate Governance Policy and Code of Conduct on www.apcs.co.th.

Although the implementation of the CG Code in accordance with the Apply or Explain principle does not have a fixed formula, depending on the Company's business context, the Board of Directors greatly hope that the directors, sub-committees, executives, all employees of the Company and its subsidiaries will adhere to their performance of duties with their utmost effort and ability in accordance with the CG Code and the Company Group's visions and missions for the further progress and sustainable growth of the Company.

(Udomsin Srisaengnam, M.D.)

Chairman of the Board

Good Corporate Governance Policy

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 as defined by the Stock Exchange of Thailand with the following 8 principles:

Principle 1 Recognizing roles and responsibilities as an organization leader creating values for sustainable business

Board of Directors

The Board of Directors as the leader of the organization creating value for sustainable business should consist of directors with knowledge, skills, and experiences in conducting business in order to define policies, visions, strategies, goals, missions, business plan, and measures, monitor the Company's operating results and budget, and supervise the management team to effectively and efficiently implement the established policies under the framework of the laws, objectives, regulations, resolutions of the Shareholders' Meeting, and resolutions of the Board of Directors' Meeting with responsibility, integrity, and prudence in accordance with principles and best practices as well as drive the organization to adapt to changes in business models in order to maximize economic value for the business and stability for shareholders.

Sub-Committee

The Company has assigned 4 sub-committees appointed by the Board of Directors or the Shareholders' Meeting to assist in the management and supervision of the management of the Company, consisting of:

- (1) Executive Committee
- (2) Audit Committee
- (3) Risk Management Committee
- (4) Nomination and Remuneration Committee

The scope of duties and responsibilities of the Board of Directors and sub-committees is in accordance with the Charter of the Board of Directors and the Charter of sub-committees. to be used in reference to the performance of duties of all directors. The charter is regularly reviewed at least 1 a year or when there is any changes in the scope of authority, duties and responsibilities.

The Board clearly divides the authority and responsibilities for establishing supervision policies and daily administration by assigning the Executive Director and the Management to be the main operators. However, the Chairman of the Board does not participate in daily administration but regularly provides support and advices on the Management's business operations through President. In the meantime, the President is responsible for managing the Company under the framework of authorities assigned by the Board of Directors and as required by laws, such as investments, transactions significantly affecting businesses, transactions with connected parties, acquisition/disposition of assets, dividend payment, etc.

The Company wishes that all directors and executives perform duties within the highest ethical framework and maintain or perform duties with integrity, caution, and prudence for the best interests of the Company and all parties involved as well as become a good model of good conduct for employees. The best practices for the directors and executive are set out in "Code of Conduct".

The Company recognizes the importance of the directors of the Company by providing orientation of new directors and the implementation guidelines, overview of the Company, the structure of the Company Group, subsidiaries, the shareholder structure, corporate governance policy, insider trading policy, anti-corruption policy, related transaction policy, important and necessary information for the performance of the duties of the directors, such as organizational structure, Company's Articles of Association, Company's objectives, code of conduct, laws, rules relating to the performance of duties of directors, resolutions of the Shareholders' Meeting, financial statements, and notes to financial statements, and arranging new directors to meet the Chairman of the Board, committees and sub-committees of the Company.

Stakeholders

The Company defines its stakeholder groups based on the potential impact caused by its operations by referring to the economic, social, and environmental outlook. The Company focuses on the level of impact which is divided into two groups, direct stakeholders and indirect stakeholders. Based on both positive and negative impacts, the main stakeholder groups can be identified into 8 groups as follows: business partners, employees, communities, regulatory agencies, partners, customers, competitors, and shareholders.

The Company recognizes and pays attention to the basic rights of shareholders as an investor in securities and an owner of the Company, such as the right to buy, sell, transfer the securities held, the right to receive a share of profits from the Company, the right to obtain adequate information of the Company, any rights at the Shareholders' Meeting, the right to express opinions, the right to participate in decisions on important matters of the Company, such as dividend allocation, appointment or removal of directors, appointment of auditors, approval of important transactions affecting the direction of the Company's business operations, amendments to Memorandum of Association and Articles of Association.

In addition to the basic rights above, the Company has the policy to perform any act that promotes and facilitates the exercise of shareholders' rights as follows:

1. The Company encourages the Board of Directors, executives, and related agencies, including auditors, to attend the shareholders' meeting.
2. The Company will send a letter of invitation to the meeting with information of the meeting according to the agenda to shareholders at least 14 days prior to the meeting date or as specified by the Office of the Securities and Exchange Commission of Thailand and publish the letter of invitation to the meeting in a newspaper at least 14 days prior to the meeting date for a period of 3 consecutive days. However, each agenda will contain the opinions of the Board of Directors. and such information will be disseminated through Company's website, www.apcs.co.th, so that the shareholders have time to study information in advance prior to the meeting date.
3. In the case that the shareholders are unable to attend the meeting in person, the Company allows shareholders to grant proxy to independent directors or any person to attend the meeting on their behalf by providing one of the proxy forms submitted by the Company together with the letter of invitation to the meeting.
4. Prior to the Annual General Meeting of Shareholders, the Company is aware of the importance of shareholders with the aim that shareholders are treated equally. To comply with the good corporate governance principle regarding the supervision of the rights of shareholders, the Company invites shareholders to propose the agenda of the Annual General Meeting of Shareholders and nominate qualified persons for considering and electing to be directors of the Company in advance.

The Company will publish details and rules for granting shareholders the right to propose the agenda of the Annual General Meeting of Shareholders in advance and nominate persons for considering and electing to be directors at the Annual General Meeting of Shareholders of the Company on its website, www.apcs.co.th, in the section of Investor Relations, from "October 1, 20XX to December 31, 20XX".

5. For the registration to attend the shareholders' meeting, the Company will provide the fast system that facilitates shareholders to register for meeting attendance.

6. At the meeting, the Company will offer shareholders equal rights to express their opinions, provide suggestions, or raise questions for any agenda independently before voting on any agenda. At the shareholders' meeting, relevant directors and executives will attend the meeting to answer questions at the meeting. Important questions and comments will be recorded in the minutes of the meeting so that shareholders can review them.

7. For vote counting, the Company will use state-of-the-art technology as a vote counting tool to ensure accuracy and rapidness, which the results can be announced immediately after each agenda is completely considered. At the end of the shareholders' meeting, details can be requested for review.

8. At the meeting for director election, the Company supports the individual director election.

9. After the meeting is adjourned, the Company will prepare the minutes of the meeting by providing accurate and complete information so that the shareholders can review it and will publish the minutes of the meeting on the Company's website, www.apcs.co.th.

Principle 2 Define Objectives that Promote Sustainable Value Creation

Asia Precision (Public) Company Limited (the "Company or APCS") operates the business as a holding Company which conducts the business of investment and holding Company. Currently, the Company operates 3 businesses, including Engineering Procurement Construction ("EPC") service, business of producing and selling precision metal parts, and business of selling raw water.

To meet the vision of "*Global Expert*", the Company is committed to improving the organization's management system to keep up with changes in global trends and technologies in terms of management, production, and personnel. The Company has adopted cutting-edge technologies and also focused on developing personnel and supporting them to gain knowledge and skill trainings so that they can perform operations with quality and efficiency to meet standards specified by customers and striving to become a leader in engineering, Engineering Procurement Construction (EPC), and consulting services on project management in Thailand and Southeast Asia.

The Company conducts businesses by aiming the true profit or true under the main determination of operations, "**Aim to create good people and return the favor to the nation**", which is another ultimate goal of the organization. Such determination of the Company is not only the idea, wish, and request, it also fosters "**virtues**" for personnel by jointly establishing 5 desirable qualifications of "good people", including discipline, unity, sacrifice, virtue, and gratitude, and acting together with entrepreneurs, the management team, and employees by organizing activities during work hours and after work hours as appropriate based on the available time and budget for the best interests. The main principle of job creation is "**Quality is dignity, unity increases productivity, environmental friendliness**". Such activities do not only promote the personnel to be good people according to the Company's determination, but also support social assistance. According to the Company's code of conduct, the missions are established as follows:

1. Determination of Business Operation

1.1 Believing in the value of goodness, which is the quality of people

The Company believes that all employees are the valuable and skilled resource and good people of the society. The Company focuses on the holistic development of personnel according to the royal guidelines of His Majesty King Bhumibol Adulyadej The Great and the Company's highest determination, *"Aim to create good people and return the favor to the nation"*.

The Company aims to be a valuable social institution with the potential to strengthen the nation to be truly stable and prosperous rather than being an economic organization for subsistence and profit only.

Therefore, the Company focuses on human resource development and believes that *"good quality work derives from employees who work happily and are sincerely loyal to the organization"*. These derive from supervising personnel to be motivate and alert to enhance their professional skills for career progression, including paying attention to health, safety, environment, and continuous improvement of all persons' quality of work life.

If hundreds of thousands of establishments across the country foster and encourage personnel to adhere to good deeds and behave well continuously, such promotion does not require a lot of investment. It is only to invest with sincerity and good wish for each other. These will cause an invaluable positive effect on society and organization.

1.2 Sustainable development to become a global organization

The Company is committed to improving the organization and society to move forward sustainably by learning to improve the management system and develop personnel along with contribute to the development of society and communities amidst changes in global trends and technologies. The Company strengthens internal organization and exchanges knowledge and technologies for society and communities.

1.3 Practices based on ethics

The Company will treat stakeholders equally based on the principles of respect for human rights and take into account the interests of all stakeholders without discrimination. It also encourages employees to adhere to good deeds for society and the nation.

1.4 Transparency and traceability

The Company conducts businesses in good faith and fairly by providing effective and traceable management system, international standard system management, risk management, environmental management system, and quality of work life and safety management system. The Company will always take every step with transparency and traceability.

However, the Board of Directors is engaged in promoting, communicating, and encouraging the vision, mission, and business goals to reflect the decisions and operations of personnel at all levels to become a corporate culture. To ensure that the corporate governance meets its objectives, goals and the Company's strategy, the Board of Directors establishes policies to ensure that all shareholders are treated and protected their basic rights equally, such as providing information before the shareholders' meeting, protecting the rights of minority shareholders, preventing the insider trading and conflicts of interest, making related transactions, internal control, and internal audit. Policies are established as follows:

2. Provision of information prior to the shareholders' meeting and rights protection of minority shareholders

2.1 Notifying the meeting schedule, agenda items, and opinions of the Board in the letter of invitation to the meeting and informing news to the Stock Exchange and publishing it on the Company's website at least 30 days prior to the date of the shareholders' meeting

2.2 Informing shareholders of the procedures and rules used in the meeting, including registration method, proxy, and voting

2.3 Preparing the letter of invitation to the meeting and supporting documents in both Thai and English version and publishing them on the Company's website to facilitate foreign shareholders

2.4 Allowing shareholders to propose and append agenda items in advance and nominate persons to be considered and elected as a director prior to the meeting date by clearly defining the rules and providing a newsletter to the Stock Exchange of Thailand and publishing it on the Company's website

2.5 Conducting the shareholders' meeting according to the agenda outlined in the letter of invitation to the meeting and not unnecessarily appending any agenda items at the meeting without notifying shareholders in advance, especially the important agenda that the shareholders need to spend time studying information before making decisions

2.6 Allowing shareholders to exercise their right to appoint directors individually

3. Insider Trading Governance Policy

The Company has policies and procedures for overseeing directors and executives, employees and workers of the Company and its subsidiaries who have been informed of material inside information to not exploit the Company's unpublished inside information for personal gains as follows:

3.1 Providing knowledge to directors and executives about their duties in reporting their securities holdings, and the securities holding of their spouse and minor children to the SEC under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) as well as reporting the acquisition or disposition of their securities and securities of their spouse and minor children to the SEC under Section 246 and penalties under Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment)

3.2 Directors and executives of the Company, including their spouses and minor children shall prepare and disclose securities holding reports and reports of changes in the Company's securities holdings to the SEC under Section 59 and penalties under sections 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) and submit a copy of such reports to the Company on the same day as the date of submission of reports to the SEC and also report to the Board of Directors' Meeting quarterly.

3.3 Directors, executives, employees and workers of the Company and its subsidiaries who have been informed of the material inside information affecting changes in the price of securities shall not trade the Company's securities for the period of 1 month prior to the public disclosure of financial statements or inside information and during 24 hours after the Company's inside information is completely made public. Those involved in inside information shall not disclose it to any third party until such information is provided to the SET. Regarding the penalty, if there is any violation of the above-mentioned rules, the Company is considered a disciplinary offense in accordance with the Company's work regulations. The penalties shall be considered as deemed appropriate, such as verbal warning, written warning, probation, as well as termination of employment, i.e. dismissal, removal, or discharge, as the case may be, etc.

3.4 Directors and senior executives (according to the SEC's definition) shall notify the Board of Directors or a person assigned by the Board of Directors Assign about the trading the Company's shares at least 1 day in advance before the trading.

3.5 Directors, executives, employees and workers of the Company are not allowed to use the Company's inside information that affects or may affect changes in the price of the Company's securities, which have not been made public but they have acknowledged from their position or status, to buy or sell or offer for purchase or offer for sales or persuade other parties to buy or sell or offer for purchase or offer for sales of shares or other securities (if any) of the Company, directly or indirectly, in the manner possibly causing damages to the Company, directly or indirectly, and whether such

actions are performed for the personal benefit or benefits of any third parties, or to disclose such facts for third parties to perform such actions, whether they receives returns or not.

4. Policy on Conflict of Interest Prevention

The Board of Directors establishes the policy on conflict of interest prevention on the principle that any decision in business activities shall be made only for the best interests of the Company and it should avoid actions that cause conflicts of interest. Those involved or having any interest in considered transactions shall notify the Company about the relationship or interest in such transaction and shall not participate in the decision-making and have no authority to approve the transaction. If there is any transaction possibly causing conflicts of interest which includes the commercial terms that are not the general trading conditions, it must be presented to the Board of Directors' Meeting for approval. The Audit Committee shall carefully consider its appropriateness before presenting to the Board of Directors' Meeting or the Shareholders' Meeting (as the case may be). However, the Company shall comply with the related rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

5. Policy on Related Transaction

The Board of Directors establishes the policy on related transaction. Regarding any related transaction that may occur in the future, the Company shall comply with the securities and exchange laws and regulations, notifications, directives or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the requirements regarding disclosure of information on connected transactions of the Company in accordance with accounting standards specified by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King. The Company has the policy on related transactions as follows:

5.1 In the event of a trade transaction with the general trading conditions, it shall be performed fairly and at arm's length according to the market price and normal course of business. The Company establishes the framework of such transactions, which is considered and commented by the Audit Committee before presenting it to the Board of Directors for consideration and approval. The Management is able to approve such transaction if it includes commercial terms in the same manner as an ordinary person would agree with any general counterparty under similar circumstances with trade bargaining power without the interference power resulted from the status of directors, executives or persons related to the Company or related parties. However, the Company will prepare a summary report of related transactions to report it at the Audit Committee's Meeting of the Company and the Board of Directors' Meeting quarterly. In the event that the Audit Committee and the Board of Directors found that the operation was not in accordance with the specified policies, the Audit Committee and the Board of Directors shall jointly take steps to find a solution.

5.2 Trading transactions with general trading conditions shall be a normal trading transaction or a trading transaction in which the transaction generally has the same manner as those performed by the Company to support a normal business transaction of the Company. Such transaction shall have trading conditions with fair prices and terms and without benefit transfer, which includes trading conditions with prices and terms as follows:

- Prices and terms received by the Company or offered to the general public
- Prices and terms offered by related parties to the general public
- Prices and terms which the Company can show that they include prices and terms where operators in a similar business offer to the general public

5.3 If there is a related transaction that is other transactions, the Company shall present it to the Audit

Committee for considering and expressing opinions before presenting it to the Board of Directors and/or the Shareholders' Meeting of the Company for further approval. In the event that the Audit Committee does not have the expertise to consider potential related transactions, the Company shall assign independent experts or auditors to express opinions on the related transactions to support decision-making of the Audit Committee and/or the Board of Directors and/or the Shareholders' Meeting, as the case may be, to ensure that such transaction does not cause the transfer of interests between the Company and the person with potential conflicts of interest, but it is the transaction in which the Company takes into account the best interests of all shareholders.

6. Internal control and internal audit

The Board of Directors establishes the effective and effective internal control policy. The Board of Directors and executives have direct duties and responsibilities to provide and maintain internal control systems as well as conduct the regular review of the effectiveness of the internal control system to protect the investments of shareholders and the Company's assets. Internal controls shall include financial control, operation, supervision of operations in accordance with relevant laws and regulations, and risk management to make the Company confident in achieving its objectives and goals in relation to the accurate and reliable system of information and reports and the effective internal control relating to such financial reports. The Company appoints an internal auditor who is an independent third party to perform the duties under the direct supervision of the Audit Committee in order to be responsible for effectively auditing the Company's operations. The internal auditor is required to report the results of the audit directly to the Audit Committee.

In addition, the Audit Committee reviews the suitability and adequacy of the internal control system at least once a year and propose it to the Board of Directors for considering and providing opinions on the adequacy of the internal control system in the Annual Report and Annual Registration Statement (Form 56-1 One-Report).

7. Information Technology Security

The Company establishes the policy on information technology security to ensure that everyone in the organization is aware of the importance of information technology security and acknowledges the duties, responsibilities, and guidelines relating to information technology security. Such policy shall include the areas relating to the Company's information asset which must be treated appropriately and in accordance with the main goals of the organization based on the international principles, consisting of:

- Confidentiality
- Segregation of Duties
- Computer Center Access Control and Damage Prevention (Physical Security)
- Information and Network Security
- Control of Development, Amendment, or Change of Computer Operating System (Change Management)
- Back up and IT Continuity Plan
- Computer Operation Control
- IT Outsourcing Control

The Company will adhere to important practices as follows:

- Announcing policies and clarifying guidelines to all stakeholders
- Investing in the data security at the appropriate proportion in accordance with international standards and business context of the Company
- Adhering to the principle of investment value compared with risk appetite
- Everyone in the organization is responsible for information technology security.
- Adopting or applying existing information regulations to suit the organization's environment

- Developing regulations and guidelines that are enforceable and practicable
- Clearly defining or enforcing the relevant scope in relation to information technology security

Principle 3 Strengthen Board Effectiveness

The Board of Directors consists of persons with knowledge, capabilities and experiences that can benefit the Company. They play an important role in establishing the organization's policies and overview as well as monitoring, auditing, and evaluating the Company's performances as planned, and conducting the Company's businesses in accordance with the laws, regulations, and resolutions of the Shareholders' Meeting with integrity and ethics under the Code of Conduct. In addition, they supervise to ensure that the administration of the Management meets the specified goals and guidelines and contributes to the best interests of the Company and its shareholders.

The Board of Directors shall be fully qualified in accordance with Section 68 of the Public Company Act B.E. 2535 (1992) and related notifications of the Capital Market Supervisory Board.

1. Composition of the Board of Directors

1.1 The Board of Directors consists of at least 5 directors appointed by the Shareholders' Meeting or the Board of Directors' Meeting (as the case may be). At least one-third of the total number of directors and no less than 3 persons shall be the independent director.

1.2 No less than half of the total number of directors shall have a domicile in the Kingdom.

1.3 Board diversity shall be provided in terms of qualifications, gender, age, professional skills, and specialties. It consists of at least 3 persons who have knowledge of the Company's business and at least 1 person who has knowledge of accounting and finance.

2. Qualifications of the Board of Directors

2.1 Directors shall be qualified in various fields, possess appropriate capabilities and experience to operate the Company's business with integrity and visions, and devote time to the Company in order to perform their duties with full effort and have the authority to make decisions independently for the best interests of the Company and its shareholders.

2.2 Directors shall be qualified and have no prohibited characteristics as defined in the Law on Public Limited Companies, including no characteristics indicating a lack of appropriateness to be trusted to manage businesses with a public company as a shareholder as specified by the SEC in accordance with the Director Pool for the nomination of new directors.

2.3 Directors has never been an employee or a partner of an external auditing company providing services to the Company in the past 2 years.

2.4 Directors should be trained and obtain a certificate of Director Accreditation Program (DAP) from the Thai Institute of Directors Association (IOD) or equivalent within 12 months from the date of appointment.

2.5 Directors shall not hold directorship in more than 5 listed companies and non-listed companies (including the Company). In the event that any director holds directorship in more than 5 listed companies, the Board will consider the effectiveness of the performance of duties of such director.

2.6 The Chairman of the Board of Directors shall not be the same person as the Chief Executive Officer (CEO) to achieve the balance and the review of management. The Company clearly determines the scope, authority, duties and responsibilities of the Board of Directors, the Chairman of the Board of Directors, the Executive Committee, and the Chief Executive Officer to ensure that the Executive Director and the Managing Director shall have the authority to manage and approve unlimited credit limits.

3. Scope of authority, duties and responsibilities

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.

3.1 Authority and responsibilities of the Chairman of the Board of Directors

3.1.1. 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

3.1.2. 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

3.1.3. Presiding over the Shareholders' Meeting and supervising the meeting to be in accordance with the specified agenda

3.1.4. Strengthening the good corporate governance standards of the Board of Directors

3.2 Scope of authority, duties and responsibilities of the Board of Directors

3.2.1. 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.

3.2.2. 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 presenting to the Shareholders' Meeting for consideration and approval

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

3.2.4. 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

3.2.5. 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

3.2.6. 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

3.2.7. 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.

3.2.8. The Board considers and clearly segregate 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.

3.2.9. 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

3.2.10. The Board may authorize one or several directors or any other person to perform one of any acts 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 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.

3.2.11. 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.

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

3.2.13. 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.

4. Term of office of the Board of Directors

4.1 According to the Company's Articles of Association, at every annual general meeting, at least one-third of the directors shall retire from office. In third by rate. If the number of directors is not a multiple of three, the number of the directors nearest to one-third shall retire. Directors who have to vacate their positions in the first and second years after the registration 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.

4.2 Vacation of office

4.2.1 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

4.2.2. 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.

4.2.3. 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 replacement at the next Board of Directors' meeting. Unless the remaining term of the director is less than 2 months, the person being replaced such director shall retain his/her office only for the remaining term of office of the director whom he/she replaces.

4.3 Directors authorized to sign on behalf of the Company 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."

5. Qualifications of independent directors

Independent directors are fully qualified in accordance with the Notification of the Capital Market Supervisory Board and relevant notifications of SET as follows:

5.1 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

5.2 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

5.3 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

5.4 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 the 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

5.5 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

5.6 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

5.7 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

5.8 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

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

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

5.11 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 independence qualification as an independent director.

5.12 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 independent director to continue holding the position, the Board of Directors shall reasonably consider such necessity.

5.13 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.

6. Board of Directors' Meeting

6.1 Number of meetings

6.1.1 The Board of Directors shall hold the meeting together at least once every 3 months (at least 4 times a year). There may be an additional extraordinary meeting as necessary. The Board of Directors shall schedule the date and time of meeting throughout the year in advance so that directors can allocate time to attend every meeting.

6.1.2 The Chairman of the Board of Directors may summon an extraordinary meeting of the Board of Directors if it is requested by the Board of Directors or the Chairman of the Board of Directors, when there are other urgent agenda items to discuss.

6.1.3 To summon the Board of Directors' Meeting, the Chairman of the Board of Directors or the Secretary of the Board of Directors by an order of the Chairman of the Board of Directors shall prepare the letter of invitation to the Board of Directors' meeting. Date, time, venue, and agendas of each meeting shall be clearly specified. The meeting documents shall be submitted to the Audit Committee and the meeting attendees in advance for a sufficient amount of

time so that they have time to consider matters or request for additional information for consideration. Any matters that are in the responsibilities of the Audit Committee are also determined.

6.1.4 At the Board of Directors' meeting, all directors can discuss and express opinions openly. In addition, at the Board of Directors' meeting, senior executives will be invited to attend the meeting to provide additional details to which they are directly related.

6.2 Meeting attendees

6.2.1 The Board of Directors' meeting requires at least two-thirds of the total number of directors present at the meeting to constitute a quorum. The Chairman of the Board of Directors shall preside over the meeting.

6.2.2 In the event that the Chairman of the Board is not present at the meeting or unable to attend the meeting, the directors attending the meeting shall elect one of the directors to preside over the meeting.

6.2.3 The Company Secretary shall attend meeting every time.

6.3 Voting

6.3.1 Resolution of the Meeting shall be made by a majority vote of directors attending the meeting and eligible to vote. One director shall have one vote. In the case of a tie vote, the Chairman of the Meeting shall have a casting vote.

6.3.2 Directors who have interests in considered matters shall abstain from voting on such matters.

6.4 Record of minutes of meeting

The Company Secretary or the assigned person shall record the minutes of the meeting with full materials and present it to the Board of Directors for adopting such minutes of the meeting.

The Company is committed to providing sufficient, complete, continuous, and timely information to the Board of Directors prior to the meeting. However, directors can contact the Company Secretary directly and independently. The Company secretary is responsible for giving consultation to the Board of Directors in relation to the compliance with laws and regulations.

7. Election and appointment of directors

7.1 Election and appointment of directors shall be in accordance with the methods specified in the Company's Articles of Association. The appointed directors shall be approved by the Shareholders' Meeting. The resolution of the shareholders' meeting shall be made by a majority vote of shareholders attending the meeting and eligible to vote.

7.2 The Shareholders' Meeting elects directors in accordance with the following rules and procedures:

(1) One shareholder shall have a vote equal to the number of shares held.

(2) Each shareholder shall cast his/her existing vote to elect a person or several persons to be a director. In the event of the election of several individuals, votes cannot be divided to any person.

(3) The person who received the highest votes in descending order shall be elected as a director equal to the number of directors to be made or to be elected on that occasion. In the event that a person being elected in subsequent order have equal vote, but their election would exceed the number of directors required to be made or to be elected on that occasion, the Chairman shall have a casting vote.

The Shareholders' Meeting may vote for any directors to leave their positions prior to the retirement by rotation by the votes of not less than three-fourths (3/4) 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.

8. Remuneration of directors

1. Director's pension and remuneration will be determined by the Nomination and Remuneration Committee, the Board of Directors, and the Shareholders' Meeting by at least two-thirds of the total number of votes of shareholders attending the meeting.

2. Directors are entitled to receive remuneration from the Company in the form of gratuity, meeting allowances, pension, bonuses or other benefits in accordance with the Articles of Association or as determined by the Shareholders' Meeting, which may be defined as a fixed amount or as a basis and will be set out at intervals or will be effective permanently until changes are made. In addition, allowances and benefits shall be granted in accordance with the Company's regulations.

Sub-Committee

In addition, the Board of Directors also appoints a sub-committee to perform specific duties and propose matters to the Board of Directors for consideration or acknowledgement. The sub-committee has the rights and duties as defined in the authority and duties of each sub-committee, totaling 4 sub-committees, consisting of:

- (1) Audit Committee
- (2) Risk Management Committee
- (3) Nomination and Remuneration Committee
- (4) Executive Committee

1. Audit Committee

1.1 Composition of the Audit Committee

1.1.1 The Audit Committee is composed of at least 3 independent directors.

1.1.2 The Audit Committee has the appropriate skills and expertise in accordance with assigned missions. At least one member of the Audit Committee shall have knowledge or experience in accounting or finance and sufficient experiences to review the reliability of the financial statements.

1.1.3 The Board of Directors shall elect and appoint one member of the Audit Committee to be the Chairman of the Audit Committee.

1.1.4 The Audit Committee shall elect and appoint the Secretary of the Audit Committee.

1.2 Qualifications of the Audit Committee

1.2.1 The Audit Committee must be qualified as an independent director.

1.2.2 Not being a director assigned by the Board of Directors to make decisions on the operation of the Company, parent company, subsidiaries, associated companies, same-level subsidiaries, major shareholders, or controlling persons of the Company

1.2.3 Not being a director of the parent company, subsidiaries, or same-level subsidiaries, only listed companies

1.2.4 Having sufficient knowledge and experiences to act as a member of the Audit Committee; however, at least 1 member of the Audit Committee shall have sufficient knowledge and experience in accounting or finance to be able to review the reliability of the financial statements. They shall be able to devote sufficient time to the duties of the Audit Committee.

1.2.5 The Audit Committee should not be a director in more than 5 listed companies as it may result in the inability to fully perform their duties in any company.

1.2.6 The Audit Committee should be trained and enhanced knowledge continuously and regularly in relation to the operations of the Audit Committee in order to keep up with potential changes. In addition, the Audit Committee should enhance knowledge on the Company's operations continuously to increase the effectiveness of the Audit Committee.

1.2.7 Being a person who can perform duties and express opinions or report the performance of assigned duties independently without the control of the Company's executives or major shareholders, including those associated or close relatives of such persons

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

The Board of Directors assigns the Audit Committee to perform its duties as follows:

1.3.1 Reviewing the Company's financial report to ensure its accurate 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 of the Company before presenting it to the Board of Directors

1.3.2 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 to 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

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

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

1.3.5 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

1.3.6 Reviewing related party transactions or transactions with 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

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

1.3.8 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.

1.3.9 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.

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

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

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

1.3.13 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

1.3.14 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 performances, 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 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.

1.3.15 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.

1.4 Term of Office/Dismissal of the Audit Committee

1.4.1 Audit 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 (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022)

1.4.2 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 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 of dismissal to the SET without delay.

The audit committee shall immediately vacate office upon:

- Death
- Resignation
- Retirement from a 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 a legal order, except 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

1.4.3 In the event that 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 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 positions.

1.4.4 In the event that 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 acknowledgement.

1.5 Audit Committee's Meeting

1.5.1 The Audit Committee shall hold at least 4 meetings a year, which are the following meetings:

- Meeting to approve the financial reports with the Board of Directors 4 times a year
- Meeting with external auditors and meeting with internal auditors for the annual audit plan, report of internal audit results, and other matters without the attendance of executives at least once a year
- Meeting with the Audit Committee only without the attendance of executives at least once a year

1.5.2 The Chairman of the Audit Committee may summon an extraordinary Audit Committee's Meeting if it is requested by the Audit Committee, external auditor, internal auditor, or the Chairman of the Board of Directors, when there is any urgent agenda items to be discussed.

1.5.3 To summon the Audit Committee's Meeting, the Chairman of the Audit Committee or the Secretary of the Board of Directors by the order of the Chairman of the Audit Committee shall prepare a letter of invitation to the Audit Committee's Meeting. The date, time, venue, and agenda items are clearly specified and submitted the meeting documents

to the Audit Committee and the meeting attendees in advance for a sufficient amount of time so that they will have time to consider matters or request for additional information for consideration. Any matters are determined in the duties and responsibilities of the Audit Committee.

1.5.4 The member of the Audit Committee shall attend the Audit Committee's Meeting at least two-thirds of the total number of members of the Audit Committee to constitute a quorum. The Chairman of the Audit Committee acts as the Chairman of the Meeting.

1.5.5 In the event that the Chairman of the Audit Committee is not present at the meeting or unable to attend the meeting, the members of the Audit Committee member attending the meeting shall select one of the members of the Audit Committee to preside over the meeting.

1.5.6 The Audit Committee may invite external experts or lawyers to attend the meeting as deemed necessary and appropriate.

1.5.7 The Secretary of the Audit Committee shall attend the meeting every time. In the event that there is a necessary reason for the Secretary of the Audit Committee to be unable to attend the meeting, the Company or the Audit Committee may assign a person to attend the meeting and act on behalf of him/her.

1.5.8 Resolution of the Audit Committee's Meeting shall be made by a majority vote. One member of the Audit Committee member shall have one vote for voting. In the case of a tie vote, the Chairman of the Meeting shall have a casting vote. The Secretary of the Audit Committee is not eligible to vote.

1.5.9 One member of the Audit Committee member shall have one vote for voting. The member of the Audit Committee who has interests in any matter shall have no right to vote on such matter. In the case of a tie vote, the Chairman of the Meeting shall have a casting vote.

1.5.10 The member of the Audit Committee who has any interest in the considered matters shall abstain from expressing opinions and voting on such matter.

1.5.11 The Secretary of the Audit Committee is responsible for preparing the meeting and the minutes of the Audit Committee's Meeting.

1.6 Reporting of the Audit Committee

The Audit Committee has the duties and responsibility to report the activities of the Audit Committee or any other duties assigned by the Board of Directors. The Audit Committee's report will be significant to the Board of Directors, shareholders, and general investors as it represents the independent and straightforward opinions of the Audit Committee and assures the Board of Directors that the Management carefully performs management and takes into account the interests of all shareholders equally.

1.6.1 The Audit Committee shall prepare a report of the Audit Committee and disclose it in the Company's annual report. The report shall be signed by the Chairman of the Audit Committee.

1.6.2 In the performance of the duties of the Audit Committee, if the following transactions or actions are found or suspected:

- Transactions that violate any laws or requirements regarding securities and exchange
- Other laws relating to the Company's operations
- Conflicts of interest, corruption or irregularities
- Major deficiency in the internal control system

Such transactions or actions may have a significant impact on the Company's financial position and performances. The Audit Committee shall report such impact to the Board of Directors for consideration and improvement within the mutually specified period.

If the Audit Committee finds that such corrective action is ignored, when reaching the period specified by the Board of Directors without reasonable grounds, the Chairman of the Board or any director may report such detected incidents directly to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

1.7 Remuneration

The Nomination and Remuneration Committee shall consider the remuneration which is approved by the Board of Directors. Such remuneration shall also be approved by the Shareholders' Meeting.

2. Risk Management Committee

2.1 Composition of the Risk Management Committee

The Risk Management Committee consists of at least 3 members and/or executives appointed by the Board of Directors or the Shareholders' Meeting.

2.2 Scope of authority, duties, and responsibilities of the Risk Management Committee

2.2.1 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.

2.2.2 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 analyze, monitor, and report s

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

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

2.2.5 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

2.2.6 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

2.2.7 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

2.2.8 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

2.2.9 Providing advices 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

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

2.2.11 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.

2.2.12 The Risk Management Committee is able to invite relevant parties to attend the meeting to clarify the facts to the Meeting.

2.2.13 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.

2.3 Term of office

2.3.1 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 (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022)

2.3.2 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

2.3.3 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.

2.4 Risk Management Committee's Meeting

2.4.1 Number of meetings

2.4.1.1 The Risk Management Committee shall hold at least one meeting a year and be able to summon additional meetings in accordance with the schedule s deemed appropriate.

2.4.1.2 To summon a meeting, the Chairman of the Risk Management Committee or the Secretary of the Risk Management Committee by the order of the Chairman of the Risk Management Committee shall submit a letter of invitation to the meeting to the members of the Risk Management Committee not less than 7 days prior to the meeting date, except any necessary or urgent cases, the meeting appointment may be notified by other means or the meeting date may be scheduled earlier.

2.4.2 Meeting Attendees

2.4.2.1 The Risk Management Committee's meeting requires one half of the total members of the Risk Management Committee to constitute a quorum. The Chairman of the Board of Directors shall preside over the meeting. In the event that the Chairman of the Committee is not present at the meeting or unable to perform duties, the members of the Risk Management Committee shall elect one of the members to preside over the meeting.

2.4.2.2 The Secretary of the Risk Management Committee shall attend meeting every time. In the event that there is a necessary reason for the Secretary of the Risk Management Committee to be unable to

attend the meeting, the Company or the Risk Management Committee may assign a person to attend the meeting and act on behalf of him/her.

2.4.2.3 The Risk Management Committee may invite persons responsible for or relating to matters on the agenda to attend the meeting or present information.

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

2.4.3 Voting

2.4.3.1 The final decision of the Meeting/meeting resolution shall be made by a majority vote of the executive director attending the meeting and casting a vote. One executive director shall have one vote. Any executive director who has an interest in any matter shall have no right to vote on such matter. In the case of a tie vote, the Chairman of the Meeting shall have a casting vote.

2.4.4 Reporting to the Board of Directors

The Risk Management Committee shall report to the Board of Directors on the following matters:

1. When there is an event affecting the risk appetite or a change in risk framework, the Board of Directors shall be reported.

2. When there is a change in the risk framework and risk management policy

This is to ensure that the risk management policy and system is implemented effectively and efficiently for the Company.

2.4.5 Regarding the record of the minutes of meeting, the Secretary of the Risk Management Committee or the assigned person shall record the minutes of the meeting.

3. Nomination and Remuneration Committee

3.1 Composition and qualifications of the Nomination and Remuneration Committee

3.1.1 The Nomination and Remuneration Committee (the "Committee") consists of no less than 3 members appointed by the Board of Directors or the Shareholders' Meeting and more than one half of the total members of the Nomination and Remuneration Committee shall be independent directors.

3.1.2 The Chairman of the Nomination and Remuneration Committee should be an independent director appointed by the Board of Directors. The Chairman of the Committee will approve the meeting agenda and conduct the meeting.

3.1.3 The Secretary of the Committee will be appointed by the Committee.

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

Nomination

3.2.1 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

3.2.2 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

3.2.3 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

3.2.4 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

3.2.5 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

3.2.6 Considering and reviewing the appropriateness of the director position in the event that there is any change relating to the qualifications of director

3.2.7 Providing an orientation of new directors and developing knowledge to the current directors

3.2.8 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

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

Remuneration

3.2.10 Determining and establishing a written remuneration policy

3.2.11 Proposing guidelines and procedures for remuneration payment to the Board of Directors and sub-committees appointed by the Board of Directors

3.2.12 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

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

3.2.14 Evaluating the performances of the President 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.

Good Governance

3.2.15 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

3.2.16 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

3.2.17 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

3.3 Term of office of the Nomination and Remuneration Committee

3.3.1 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. (first term of continuous tenure starting from the Charter dated February 18, 2022, approved by the Board of Directors No. 1/2022 on February 18, 2022.)

3.3.2 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

3.3.3 In the event that 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 positions.

3.3.3 In the event that 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.

3.4 Nomination and Remuneration Committee's Meeting

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

3.4.2 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.

3.4.3 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.

3.4.4 Regarding the voting, one member of the Nomination and Remuneration Committee shall have one vote and the majority of votes is used as a criterion. In the case of a tie vote, the Chairman of the Nomination and Remuneration Committee shall have a casting vote.

3.4.5 The Nomination and Remuneration Committee is able to invite relevant parties to attend the meeting to clarify the facts to the Meeting.

3.4.6 The Secretary of the Nomination and Remuneration Committee is responsible for preparing the meeting, arranging the meeting, preparing agenda items and meeting documents, and submitting agenda items and meeting documents to all directors within sufficient time so that the directors can review information thoroughly or request for additional information prior to the meeting; After the meeting, the Secretary shall submit the minutes of the meeting to all directors. After each meeting, the adoption of the minutes of meeting shall be conducted at the next Nomination and Remuneration Committee's meeting.

3.5 Reporting

The Nomination and Remuneration Committee shall report the performances to the Board of Directors and prepare the report of the Nomination and Remuneration Committee for disclosure in the Company's Annual Registration Report (Form 56-1 One-Report) which is signed by the Chairman of the Nomination and Remuneration Committee.

3.6 Remuneration

The Nomination and Remuneration Committee shall consider and approve the remuneration which is approved by the Board of Directors. Such remuneration shall also be approved by the Shareholders' Meeting.

4. Executive Committee

4.1 Composition and qualifications of the Executive Committee

4.1.1 The Executive Committee consists of at least 3 members appointed by the Board of Directors or the Shareholders' Meeting.

4.1.2 Having the same basic qualifications as the Board of Directors

4.1.3 The Executive Committee, especially the President, should not serve as a director in more than 5 listed companies and hold position in a company which is the business competitor.

4.1.4 The President may be the same person as the Chief Executive Officer.

4.1.5 The President shall not be the same person as the Chairman of the Board of Directors.

4.2 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:

4.2.1 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

4.2.2 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

4.2.3 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

4.2.4 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

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

4.2.6 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

4.2.7 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

- 4.2.8 Having the authority to consider and approve loans, provision of credit limits or any loan application of the Company within the limit of not exceeding 100 million Baht 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.
- 4.2.9 Considering the profit and loss of the Company and proposing interim dividend payment or annual dividend payment to the Board of Directors for approval
- 4.2.10 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
- 4.2.11 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
- 4.2.12 Having the authority to approve loans and expenditures on normal business operations of the Company within the limit of not exceeding 20 million Baht; 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.
- 4.2.13 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.

4.3 Scope of authority, duties and responsibilities of the President

- 4.3.1 Supervising, managing, operating and performing routine business tasks for the benefit of the Company in accordance with the Company's objectives and Articles of Association as well as the regulations, resolutions, policies, action plans and budgets specified by the Board of Directors' Meeting and/or the Shareholders' Meeting within the relevant legal framework and the scope of authority set by the Board of Directors
- 4.3.2 Supervising the Company's routine operations and/or management
- 4.3.3 Preparing and presenting business policies, business plans, goals, action plans, business strategies, annual budgets of the Company used in business operations, budget, and annual report, and designating administrative authority in order to present it to the Executive Committee and the Board of Directors
- 4.3.4 Adopting the policy of the Board of Directors to determine the business direction, guidelines, strategies, and goals to define the main missions for the Management and the Administration to implement them

- 4.3.5 Supervising and monitoring the performance of the Management and the Administration and suggesting corrective measures for any obstacles and problems so that the executives and the Management can implement according to the specified strategies and business plans in order to be in compliance with the Company's policies
- 4.3.6 Monitoring and evaluating the performance of the Management and the Administration and reporting performances, management, and progress in operations to the Executive Committee, the Audit Committee, and the Board of Directors regularly
- 4.3.7 Issuing orders, regulations, announcements, and memorandums of understanding to ensure that the Company's operations are in accordance with the Company's policies and for the benefit of the Company, including maintaining disciplines within the organization
- 4.3.8 Defining the organizational structure and management method, covering details of the selection, training, employment, and termination of employment of the Company, and determining the rate of wage, salary, remuneration, bonuses, and welfares for employees
- 4.3.9 Having the authority to appoint and remove the Company's officials holding the positions lower than the President position
- 4.3.10 Having the authority to approve the expenditures on normal business operations of the Company, such as the purchase of assets, spending on significant investments for the benefit of the Company, and other transactions for the benefit of the Company; Such approval authority will be the approval of normal commercial transactions with a limit of not more than 100 million Baht for each transaction, but not exceeding the budget approved by the Board of Directors
- 4.3.11 Performing other duties as assigned by the Executive Committee or the Board of Directors

However, regarding any operations that the President or a person authorized by the President or a person with potential conflicts (as defined by the Notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) has interests or conflict of interest with the Company and/or its subsidiaries and/or related companies, the President does not have the authority to approve the implementation of such matters. In addition, such matter shall be presented to the Board of Directors' Meeting and/or the Shareholders' Meeting (as the case may be) for further approval, except the approval of transactions in accordance with normal business and normal trading terms as announced by the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

4.4. Number of meetings

- 4.4.1 The Executive Committee shall hold at least 1 meeting per quarter and be able to summon additional meetings as deemed appropriate.
- 4.4.2 To summon the meeting, the President or the Secretary of the Executive Committee by the order of the President shall submit the letter of invitation to the meeting to the Executive Committee not less than 7 days prior to the meeting date, except any necessary or urgent cases, the meeting appointment may be notified by other means or the meeting date may be scheduled earlier.

4.5 Meeting Attendees

- 4.5.1 At the Meeting of the Executive Committee, the members attending the meeting shall be no less than one half of the total members of the Executive Committee to constitute a quorum. In the case that the Chairman of the Executive Committee is not present at the meeting or unable to perform duties, the members of the

Executive Committee attending the meeting shall elect one of the members of the Committee to preside over the meeting.

4.5.2 The Secretary of the Executive Committee shall attend the meeting every time. In the event that there is a necessary reason for the Secretary of the Executive Committee to be unable to attend the meeting, the Company or the Executive Committee may assign a person to attend the meeting and act on behalf of him/her.

4.6 Voting

4.6.1 The final decision of the Meeting/meeting resolution shall be made by a majority vote of the executive director attending the meeting and casting a vote. One executive director shall have one vote. Any executive director who has an interest in any matter shall have no right to vote on such matter. In the case of a tie vote, the Chairman of the Meeting shall have a casting vote.

4.6.2 Regarding the record of the minutes of meeting, the Secretary of the Executive Committee or the assigned person shall record the minutes of the meeting.

Performance Evaluation of the Board of Directors and Sub-Committees

1. Performance Evaluation of the Board of Directors

The Company has a policy to evaluate the performances of the Board of Directors at least once a year annually to help the Board of Directors review its performances, issues, and obstacles during the past year and increase effectiveness of the Board of Directors. The assessment form and scores will be calculated in percentage so that the Board can compare the development of the results in each year continuously.

The evaluation criteria are based on a percentage of the full score in each topic. The score criteria are as follows:

Higher than	85%	=	Very good
	75-85%	=	Good
	65-75%	=	Fairly good
	50-65%	=	Fair
Lower than	50%	=	Need improvement

However, the results of the evaluation are made into 2 types as follows:

A. Performance evaluation of the entire Board of Directors by assessing the various areas as follows:

- (1) Structure and qualifications of the Board of Directors
- (2) Roles, duties, and responsibilities of the Board of Directors
- (3) Board of Directors' meeting
- (4) Performance of duties of the Board of Directors
- (5) Relationship with the Management
- (6) Self-development of the Board of Directors and executive development

B. Performance evaluation of individual director by assessing the various areas as follows:

- (1) Qualifications of directors
- (2) Performance of duties of directors
- (3) Self-development of directors

2. Performance Evaluation of Sub-Committees

The Company has a policy to provide annual performance evaluation of all sub-committees to be used as a framework for reviewing operations during the past year, correcting them, and increasing productivity. The evaluation results shall be presented to the Board of Directors' Meeting for consideration and acknowledgement.

Company Secretary

The scope of authority, duties, and responsibilities of the Company Secretary under Section 89/15 of the Securities and Exchange Act B.E. 2535 (1992) amended by the Securities and Exchange Act No.4, B.E. 2551 (2008) is as follows:

1. Providing basic advice regarding compliance with laws, requirements, rules, and the Company's Articles of Association, and monitoring to ensure correct and regular implementation
2. Ensuring the disclosure and reporting information under his/her responsibility in accordance with the rules and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission
3. Preparing and retaining the following documents:
 - 3.1 Register of Directors
 - 3.2 Letter of invitation to the Board of Directors' meeting and minutes of the Board of Directors' meeting
 - 3.3 Letter of invitation to the shareholders' meeting and minutes of the shareholders' meeting
 - 3.4 Company's Annual Report
 - 3.5 Report on interests of directors and executives

Principle 4: Nominating and Developing Senior Management and Personnel Management

The Board of Directors appoints the Nomination and Remuneration Committee to consider the nomination, remuneration, and good governance of directors, members of the sub-committees, and senior executives based on the definitions of the SEC so that the Nomination and Remuneration Committee can perform its duties fairly, appropriately, and transparently in accordance with the CG Code to create confidence and reliability for stakeholders.

Nomination

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
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, 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
4. 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
5. Considering and reviewing the appropriateness of the director position in the event that there is any change relating to the qualifications of director
6. Providing an orientation of new directors and developing knowledge to the current directors

7. 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

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

Remuneration

1. Determining and establishing a written remuneration policy

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

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

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

5. Evaluating the performances of the President 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

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 the implementation of corporate social responsibility to 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

In addition, the Company will disclose information about each director, the roles and duties of the Board of Directors and sub-committees as well as the remuneration of directors and senior executives in the annual report (Form 56-1 One-Report).

Criteria for Nomination and Appointment of Directors and Senior Executives

1. Nomination and appointment of independent directors and directors

Guidelines for Consideration	New Directors	Existing Directors
Type of Director		
1.1 Director	1. Being qualified according to the laws, rules, related regulations, and the Company's Articles of Association 2. Having knowledge or being qualified with a wide range of experiences in various professions that are useful for performing duties of director 3. Necessity for lacking composition of the director structure by taking into account: - Board Skill Matrix based on skill, experience, expertise in	1. Performances in the past year 2. Providing useful feedback and comments 3. Dedication of time to the Company 4. Participation in activities of each director

	businesses or
	- main industry in which the Company is operating (Industry Knowledge)
	Accounting, finance and experiences from various professions (Diversify) that is beneficial to the Company and
	- Experience from various professions (Diversify) that is beneficial to the Company
	4. Having any interests or conflicts of interest with the Company
	5. Consent from the nominee for consideration
1.2 Independent Director	Regarding the selection and appointment of independent directors, it will be determined by the number of independent directors in the composition of the Board of Directors.
	1. Being fully qualified according to the Notifications of the Capital Market Supervisory Board and the Notifications of the Stock Exchange of Thailand in accordance with the requirements of the Office of the Securities and Exchange Commission (SEC)
	2. Being in accordance with the definition of independent directors of the Company disclosed in the annual report in the section, "Nomination and Appointment of Directors and Senior Executives" and set out in the Good Corporate Governance Manual

Regarding the election to replace the vacant position in any cases other than the retirement by rotation, the Nomination and Remuneration Committee may recruit and nominate qualified persons so that the Board of Directors may elect directors to replace the vacant position with the votes of at least three-quarters of the remaining number of directors. However, the person being replaced such director shall retain his/her office only for the remaining term of office of the director whom he/she replaces.

2. Nomination and Appointment of President

To nominate a President to replace the vacant position, the Nomination and Remuneration Committee shall consider the criteria including:

- 2.1 Being a director of the Company in accordance with the Company's Articles of Association
- 2.2 Having knowledge and capabilities to conduct businesses, being skilled, experienced, professional, and qualified in various areas that are absolutely necessary and beneficial to the Company's businesses
- 2.3 Having experiences in corporate leadership and high-level leadership
- 2.4 Being accepted by relevant business organizations
- 2.5 Being approved by the Board of Directors
- 2.6 Considering conflicts of interest

Development of Directors and Executives of the Company

The Board of Directors promotes and provides the trainings and knowledge to relevant parties in the Company's corporate governance system, such as directors, Audit Committee, and executives, etc., in order to cause the continuous improvement of operations. Such trainings and provision of education may be conducted in the Company or by using the services of external institutions.

Orientation of Directors

The Company is aware of the importance of the duties of new directors, so when there is any change of new directors, the Company Secretary shall provide documents that are useful for the performance of the duties of the new directors and introduce the nature of business and business practices to new directors, such as internal work structure,

Company's Articles of Associations, Company's objectives, code of conduct, Manual of Directors in Listed Companies, Good Corporate Governance Policy, related laws, financial statements, and notes to financial statements, including hold the meetings with the Chairman of the Board of Directors, the Board of Directors, and sub-committees of the Company to acknowledge about the Company's business operations.

Principle 5 : Promoting innovations and business operations

The Company is committed to producing and distributing quality products that are safe to consumers by taking into account the responsibility for society, communities, and environment along with transparent, ethical and traceable business practices as well as fair treatment of stakeholders, especially emphasis on employees who are the organization's most valuable resources.

1. Fair business operation

The Company has a policy of conducting business with integrity and ethics. The Company performs operations with the full knowledge and competence to ensure the best interests for all stakeholders. In addition, the Company has the "Policy on communication with the Board of Directors and Whistleblowing" to allow stakeholders to inquire, suggest, blow a whistle, or report a complaint on offense, accuracy of financial reports, defects of internal control system, or violation of code of conduct of the Company through independent directors or members of the Audit Committee of the Company. However, complaints and whistleblowing information will be protected and kept confidential. Independent directors or members of the Audit Committee shall inspect information and find corrective measures (if any) and further report them to the Board of Directors. In the event of an anonymous informant, the Company will consider such issue if there is information or suggestion that will be useful to the organization.

Guidelines for fair treatment of stakeholders in terms of cost and return, are as follows: procurement, recruitment, sufficient and accurate process of delivery time, non-exploitative trade contracts, monitoring and evaluation of business partners for sustainable development of related business operations, fair competition by conducting business openly and transparently without creating advantages from unfair competition, etc.

2. Anti-Corruption

The Company adopts the Sufficiency Economy Philosophy to enable sustainable growth of the Company by adhering to the ideal of business operations in good faith with fairness, transparency, and responsibility for society and all groups of stakeholders in accordance with good corporate governance principles. The Company establishes the anti-corruption policy in the Company's Code of Conduct and communicates it to employees at all levels to make them aware of the impact of corruption. The Company foresees that the corruption destroys businesses, society, and the nation. Therefore, the anti-corruption action must come from all sectors as a driving force in cultivating and strengthening Thai society to be free from such actions.

3. Supervision and Development of Personnel

The Company pays attention to personnel who is the key of operations to achieve goals. The Company has the policy to strengthen and develop personnel to be knowledgeable, skillful, experienced, and ethical to perform operations with integrity and responsibility for themselves and all stakeholders. The Company aims to enable employees to apply knowledge and skills to develop and improve the excellence in service and be able to meet the needs of customers, including possess creative initiatives and courage to develop and expand the Company's business to grow stably and sustainably and generate returns and create added value for all stakeholders in the long run.

3.1 Respect for human rights :The Company adheres to the virtues of business operations with an emphasis on respecting human rights and human dignity, which is the basic rights to treat all employees and stakeholders with equal rights and freedom. The Company has no policy of restricting basic rights in terms of races, religion, political opinion, gender, child, or disability as well as allowing employees and stakeholders to express their opinions freely through the Company's suggestion channels.

All employees of the Company will be treated equally. The Company clearly establishes the policy and regulations on welfare. All employees are equally protected according to their basic rights without discrimination on gender and sexuality, physical or mental conditions, such as receiving health insurance, annual health check-ups, medical treatments, eligibility to attend trainings to enhance skills, knowledge and experiences, performing operations based on appropriate and consistent knowledge, competence, obtaining reasonable and equitable benefits, etc.

3.2 Fair treatment of labor :Personnel is an important driver for the Company's progress and growth. Therefore, the Company pays attention to fair treatment of labor by clearly establishing the policy regarding remuneration and welfare of employees, including wages, salaries, bonuses, social security, provident funds, group accident insurance, uniforms, vacations as well as safety care and work environment, and encouraging employees to develop knowledge by holding in-house and off-site seminars or trainings.

3.3 Employee Development Policy :The Company focuses on developing knowledge, operational skills, and expertise of employees so that employees can apply them to improve their performances, including the quality of service that benefits the actual operations. The Company has the policy of encouraging employees to be trained and develop themselves regularly according to the line of work, such as the executive level and operating level.

3.4 Communication with employees :The Company pays attention to communication with employees so that employees can be informed of the policies, guidelines, and any information in the same direction. The Company's employees will receive information from the Company's email system, the Company's bulletins, and the Company's website.

In addition, employees will also have the opportunity to meet senior executives at the annual seminar, annual party, or discuss and express opinions through sub-committee meetings via the Company's Line Group, etc.

3.5 Human Resources Information System: The Company has developed the Human Resources Information System (HRIS) to reduce the use of paper resources in the office. Previously, the leave letter is in the form of paper. Currently, the Company uses Leave Online which enables the organization to reduce the document storage, check the history of leave and use the system in real time, and increase efficiency in human resource management. However, all forms of leave shall be in accordance with the rules, regulations, policies, and related laws included in the employee manual which employees acknowledge in advance before starting work on the day of employee orientation.

3.6 IT Asset Management :The Company is aware of the importance of information technology risk management.IT asset management consists of computer equipment, computer systems, computer networking systems and devices, and information, etc. The responsibilities for the security of IT asset should be identified and determined. To ensure accuracy and up to date, inspection and counting of assets shall be conducted regularly at least once a year and when there are significant changes, such as resignation of employees and executives or changes in job duties.

The Information Asset Management Guidelines are in accordance with IATF 16949 as outlined in the Quality Operating Procedures (QOP) in the Section, Requesting for Information Support Services, Information System Backup, which is the document in the ISO category of the Company.

4. Responsibility for consumers

The Company is committed to creating customer satisfaction and confidence, paying attention to and being responsible for customers until the end users. The customers shall receive good products/services with quality and safety at reasonable price which meet the standards. In addition, the Company strictly complies with the conditions and agreements with the customer. The standard of products and services has been continuously improved. The Company maintains a good and sustainable relationship with customers regularly and do not exploit customer data for the benefit of the Company and those involved.

5. Environmental protection and community or social development

The Company does not only operate its business to create sustainable growth, but also recognizes and values its operations by taking into account environmental protection, including community and social development. The Company allows all employees to engage in presenting and considering projects to build foundations and cultivate employees to have awareness of social responsibility. Since the Company has a production base in Amata Nakorn Industrial Estate, Mueang Chonburi District, Chonburi Province, the Company focuses on participating in such area by supporting school supplies and scholarships for schools and students in the area and organizing the reforestation project, collecting garbage at the beach, and continuously renovating temples and schools in Chonburi province in order to return the favor to the community and society, which is the location of the production base of the Company.

Regarding the environmental protection, the Company focuses on promoting the cost-effective and efficient use of resources, such as water, electricity, paper, etc.

6. Innovation and dissemination of innovations obtained by operations with responsibility for society, environment, and stakeholders

The Company undertakes the development of the information system of the entire organization under the "Enterprise Resource Planning Project (ERP)", which adopts enterprise resource planning system or ERP to help manage business resources for the cost-effective and more efficient benefits, including reduce redundancy of work procedures.

To make the business achieve its main goals, the Company applies innovations of robot to solve the problem of labor shortages, increase production, reduce long-term costs, and improve product quality, etc.

Activities for benefits of society and environment (after process)

The Company has always been involved in the development of society, community and environment. The Company has the policy that if there are any activities of the Company in the community or in any location, the Company will take care and participate in activities with the community in such location. This is considered a CSR - after - Process activity. The Company has the policy to return the favor to employees' hometowns under the "Beloved Hometown Project" by donating funds and supplies so that the employees can return to their hometowns, such as sports equipment or blankets for the poor, etc. It is the contributions to the society, in addition to the business operations. The Company is also responsible for the Company's CSR-in-Process as mentioned above.

Principle 6 : Ensuring effective risk management and internal control

The Board of Directors is aware of the importance of effective governance and internal control at the executive and operating level. The internal control system is an important mechanism to reassure the Management for minimizing business risks and operating businesses efficiently. Resources are allocated appropriately and achieved the goals. It helps protect assets from leakage, losses or misconduct and corruption, prepare accurate and reliable financial reports, allow personnel to comply with relevant laws and regulations, and protect shareholders' investments. Therefore, the Company

clearly defines the written obligations and authority of operators and executives on any matters. The utilization of the Company's assets is supervised for benefits. There is the segregation of duties of operators, supervisors, and evaluator in order to cause the proper balance and inspection.

The Board of Directors appoints the Audit Committee to review the appropriateness and effectiveness of the internal control system provided by the Management and establishes and reviews the control system in terms of operations, financial reporting, compliance with rules, regulations, policies and operational supervision as well as risk management. It also focuses on early warning signs and unusual transactions. The Company establishes the Internal Audit Section to be the internal auditor of the Company to monitor the Company's internal control system. This is to ensure that the Company has adequate internal control system. The Internal Audit Section is independent and able to fully perform audit and balance powers. Internal Audit Section will report the results directly to the Audit Committee. The Company regularly monitors the evaluation. The internal control system adequacy evaluation shall be conducted at least once a year to ensure that the system is effectively implemented. The Company has adequate and appropriate internal control system according to the nature of business as follows:

1. Organization and environment

The Company has clear and measurable business goals. The feasibility of goals is reviewed periodically. The organization chart is prepared by separating duties based on the lines of work and the operating authority is prepared to identify the procedures in writing as well as the main operating manuals. The reviews are always conducted to be in line with the new standards.

2. Risk Assessment

The Audit Committee has cooperated with the Risk Management Committee to evaluate risk factors, internally and externally, that will affect business operations in order to analyze the significant risks level according to the impacts and likelihood in each business process and establish the risk management plan. The Company has also established significant policy and strategies for risk management.

3. Control Activities

The Company establishes important policies for business operations to guide the Company's operations systematically and efficiently for achieving its objectives and goals. The scope of authority, duties, and approval limits of the Management is clearly determined in writing. The segregation of duty is provided for the approval of transactions, recording of transactions, and accounting. Segregation of duty is also provided for storing assets and applicable laws and regulations are observed.

4. Information and Communication System

The Company provides the appropriate information system and internal and external communication channels so that all parties involved can receive accurate, complete, and timely information. There is important information on various matters for the Management to support decision-making.

5. Monitoring and evaluation system

The Company has properly and timely accessed and communicated deficiencies of internal control. Subordinates shall report deficiencies to the supervisor or manager and responsible persons, including senior executives or the Board to find effective solutions in a timely manner.

Compliance Section of the Company

The Company has not established the Compliance Section of the Company but assigned Mr. Anuroj Nithipornsri, the Company Secretary and investor relations, to be responsible for compliance and reporting results to the Board of Directors. He is responsible for supervising the Company, its Board of Directors, executives, and employees to perform their duties in accordance with the notifications, regulations and/or laws and other relevant rules from regulatory agencies of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, including other relevant agencies relating to corporate governance in accordance with the nature of business.

Risk Management

The Company develops and reviews the risk management framework annually to be used as an administrative tool to make the organization achieve its intended objectives and goals, referring to COSO-ERM (The Committee of Sponsoring Organizations of the Treadway Commission-Enterprise Risk Management), which is an international standard widely adopted by global organizations, including:

1. Environment within organization

- Internal factors, such as organizational structure, processes and procedures, corporate culture, enterprise risk management guidelines, and risk appetite of executives
- External factors, such as domestic and international economic, social, and political conditions, technological advancement, rules on compliance of relevant agencies

2. Risk Management Targeting

- Defining risk management objectives in accordance with the main goals and strategy direction of the organization

3. Risk Identification

- Strategic Risk
- Operational Risk
- Financial Risk
- Compliance Risk

4. Risk Assessment

- Measuring the severity of the risk by assessing the likelihood
- Measuring the level of risk impact in financial and non-financial aspects

5. Risk Management

- Accept, Reduce, Avoid /Terminate and Transfer of risks; Risk management is determined by assessing the likelihood and impact causing such risk.

6. Risk Control Policy

- Finding risk control steps to prevent and reduce risk levels to the acceptable level for the organization, including preventive control, detective control, corrective control, and directive control; Risk control steps should be in line with the main goals and strategy direction of the organization

7. Information and Communication

- Information is data from both internal and external sources, such as financial information and performance data, etc.
- Communication: The Board of Directors, executives, and employees are aware of ,and understand the policies, practices, and risk management processes so that communication is a part of internal control which provides the highest benefits to the organization.

8. Monitoring

- Defining information requiring monitoring and frequency of review; The risk should be reviewed at least once a year to assess which risks are already acceptable or whether there are new risks to ensure that risk management is always effective

To make the risk management to be in accordance with the CG Code, the Company reports and monitors the progress of the risk management of the organization through the Risk Management Committee, the Audit Committee, and the Board of Directors on a quarterly basis to manage risk appetite. Control Self-Assessment (CSA) is conducted, which is a bottom-up approach, allowing employees at all levels to review their daily activities and consider what risks they are encountering and present them to supervisors through department/section meetings in the form of monthly meeting and sub-meeting. Activities that are expected to be at risk shall be then recorded in the Risk Register so that other relevant risk issues can be systematically monitored.

Principle 7: Maintaining financial credibility and disclosure

The Board of Directors pays attention to accurate, complete, timely and transparent disclosure of information, both financial information and general information reporting, in accordance with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as other important information affecting the Company's securities prices, which all affect the decision-making process of investors and stakeholders of the Company. The Company has the policy to disseminate the Company's information to shareholders, investors and the public through various channels and media of the Stock Exchange of Thailand and on the Company's website, www.apcs.co.th.

The Board of Directors is responsible for the financial statements of the Company and financial information shown in the Annual Report. Such financial statements are prepared in accordance with generally accepted accounting standards in Thailand by applying appropriate accounting policies and regularly adhering to them. In addition, information is disclosed completely and sufficiently in the financial statements. The Audit Committee will review the quality of financial reports and internal control systems as well as adequate disclosure of important information in the notes to the financial statements and report them to the Board of Directors.

1. Information Disclosure Policy

The Board of Directors recognizes responsibility for financial reports with accurate, complete, true, and reasonable information. The financial statements of the Company and its subsidiaries are prepared in accordance with generally accepted accounting standards by applying appropriate accounting policies. Accounting records are accurate and complete enough to maintain assets and acknowledge weaknesses to prevent corruption or materially unusual conduct. The Company consistently observes these operations, including adequate disclosure of important information in the notes to the financial statements.

The Board of Directors appoints the Audit Committee to review financial reports to ensure the accuracy, completeness, and reliability as well as disclose information accurately, clearly, transparently and timely in accordance with the requirements of a listed Company, review the internal control system to provide effective internal control system, and consider the compliance with laws and regulations of the Company. In addition, the Board of Directors also reviews appropriateness and reasonableness of connected transactions or transactions with conflicts of interest before presenting them to the Board of Directors for further approval.

The Board of Directors encourages the Company to provide management discussion and analysis (MD&A) to support the disclosure of quarterly/annual financial statements in accordance with the criteria for disclosing information

about performances and financial position set by the Stock Exchange of Thailand so that investors are informed about the Company's performance and financial position in addition to the figures in the financial statements. Plus, non-financial reports are also prepared, such as the report of corporate social responsibility, which are included as a part of the annual report. The Company has not considered to prepare such report separately as a sustainability report.

The Company will disclose information about each director, shareholding structure, shareholding information as well as roles and duties of the Board of Directors and sub-committees and the remuneration of directors and senior executives in the Annual Report (Form 56-1 one-report).

Persons authorized to disclose information

Executive Director, Chief Executive in charge of finance and accounting, or a person assigned to be in charge of Investor Relations can consider and decide on the content of important information for disclosure. They can clarify such information in person or may assign relevant parties to clarify it. Those assigned to be on charge of Investor Relations have the authority to publish significant information of the Company and answer the inquiries of shareholders, investors and securities analysts. The Company assigned Mr. Apichart Karunkornsakul and Mr. Anuroj Nithipornsri to communicate with institutional investors, shareholders as well as analysts and related government agencies.

Omission and correction of errors in information disclosure

It is not allowed to disclose business confidential information or information, if disclosed, may result in loss of advantages and competitiveness or uncertain information that is not summarized or under the negotiation process. In addition, it is not allowed to disclose information that has exaggerated predictions or promotion that is beyond the necessity without any supporting reasons. Inappropriate wordings or form should not be used, including those which may mislead to the Company's securities prices.

In the case of incorrect disclosure, error, deviation from facts or significant misinterpretation or mistranslation, the President, Vice President, and Chief Executive in charge of finance and accounting or those assigned to be in charge of Investor Relations shall have the authority to clarify the facts to achieve correct understanding immediately.

Operations in case of data leakage or rumors

When there are significant events, inaccurate news about the Company or inaccurate references or leakage of sensitive information to third parties or premature disclosure of information, which may cause, either positive or negative, rumors affecting the securities price and/ or operations of the Company, the President and the Chief Executive in charge of finance and accounting or a person assigned to be in charge of Investor Relations are responsible for clarifying important information and facts that should be notified through the Stock Exchange of Thailand and the channels for disclosure of information in order to gain an accurate understanding immediately.

Period before Financial Statement Submission (Quiet Period)

The Company has the policy to avoid providing information about performances affecting the share price or benefiting any particular person during the period of 10 days before submitting financial statements and notifying official operating results through the news system of the Stock Exchange of Thailand, unless in the case that there is an issue or event that causes significant deviation in speculation to the Company's operating results which can lead to misunderstanding by those who use information. The Company will disclose information to the Stock Exchange of Thailand, including no meetings for providing information, group meetings or responding to any inquiries relating to the operating results to shareholders, investors, securities analysts, and the media shall be held. It shall be observed in accordance with the insider trading governance policy set by the Company.

2. Communication with third parties

The Company appoints Mr. Anuroj Nithipornsri, the Company Secretary and Investor Relations, to be responsible for Investor Relations in order to supervise the provision of information, answering questions, clarification of important information, facts and disclosure of important information of the Company and its subsidiaries. The channels to contact Investor Relations Section are as follows:

1. Company Secretary Department, Tel: 038-468-300 ext. 148
2. Fax: 038-458-751, Attn: Company Secretary Department
3. E-mail: ir@asiaprecision.com or ind_dir@asiaprecision.com
4. www.apcs.co.th, Section investor Relations

The Company establishes basic guidelines and principles of operations so that investor relations can provide information and treat equally and fairly to stakeholders, which are included in the "Code of Conduct", Section of Investor Relations Code of Conduct.

Principle 8 : Supporting engagement and communication with shareholders

The Board of Directors focuses on the rights of shareholders without committing any act that violates or deprives the rights of shareholders, both major and minority shareholders, Thai shareholders and foreign shareholders. Basic rights of the shareholders include:

- A. Right to trade or transfer shares
- B. Right to receive a share of profits of the business.
- C. Right to receive information accurately, completely, timely, transparently, and regularly and to receive up-to-date important information through the Company's website in both Thai and English versions
- D. Right to attend the meeting and cast a vote at the shareholders' meeting or grant proxy to other persons to attend the meeting and cast a vote on his/her behalf to appoint or remove directors, determine remuneration of directors, appoint an auditor, determine remuneration of auditors, and other matters affecting the Company, such as dividend allocation, determination or amendment of Articles of Association and Memorandum of Association, capital reduction or capital increase, approval of special items, etc.
- E. Any other rights as required by laws

In addition, the Board of Directors establishes the policy to facilitate and promote the attendance of shareholders' meeting to encourage shareholders to exercise their basic rights for attending the meeting and exercise their voting rights at the shareholders' meeting.

Policy to facilitate and promote the attendance of shareholders' meeting

The Company has a policy to facilitate and promote the attendance of shareholders' meeting for all shareholders, including Thai investors, foreign investors, retail investors as well as institutional investors as follows:

- Allowing shareholders to submit questions and propose agenda items in advance prior to the meeting date and nominate persons to be considered and elected as a director in advance according to the criteria clearly set out by the Company and notifying news via the news system of the Stock Exchange of Thailand and disclosing it on the Company's website
- Submitting the letter of invitation to shareholders' meetings and supporting documents to shareholders at least 14-21 days in advance (or any other period as required by laws), including publishing the letter of invitation to meeting

and supporting documents in both Thai and English versions by notifying the news via news system of the Stock Exchange of Thailand and on the Company's website at least 30 days before the date of shareholders' meeting

- Providing all important information in the letter of invitation to meeting, including date, time, venue of meeting, details of agenda, agenda documents with opinions of the Board of Directors, proxy form as required by laws which shareholders can determine the direction of voting, list of independent directors which shareholders can select them as a proxy to attend the meeting, and a map showing the venue of the meeting; In addition, there are instructions and uncomplicated authorization method included in the letter of invitation to meeting, and details of documents that shareholders must present on the date of meeting in order to maintain the right to attend the meeting, including the Company's Articles of Association regarding the shareholders' meeting and voting.

Shareholders' Meeting

- Scheduling the date, time, and venue of the shareholders' meeting by mainly taking into account the convenience of shareholders, and providing adequate personnel and technology suitable for the number of shareholders

- Providing ballots and independent persons to count or verify the votes and disclose them to the Meeting and record them in the minutes of the meeting

- The Chairman of the Meeting or the person assigned by the Chairman of the Meeting will clarify the rules applied to the meeting and voting procedures and appropriately allocate the meeting time and offer all shareholders the opportunity to fully raise questions and express opinions and suggestions. Directors, the Chairman of the sub-committee, and related executives shall attend the shareholders' meeting to answer questions at the meeting.

- In the case that the shareholders are unable to attend the meeting in person, the Company allows shareholders to grant proxy to independent directors or any person to attend the meeting on their behalf.

After the shareholders' meeting

- Disclosing resolutions of the shareholders' meeting with the voting results within the next morning from the date of the shareholders' meeting by notifying via the news system of the Stock Exchange of Thailand and disclosing on the Company's website

- Preparing and submitting the minutes of the shareholders' meeting by correctly and completely recording the list of directors and executives attending the meeting, proportion of directors attending/ absent from the meeting, voting and vote counting methods, resolutions of the meeting, voting results (approval, disapproval, abstention) of each agenda item, inquiries and answers at the meeting, including the name and surname of the inquirer and respondent, within 14 days from the date of the shareholders' meeting, to the Stock Exchange of Thailand, and disclosing the minutes of the meeting on the Company's website so that shareholders and related parties can verify it

In addition, the Company prepares the statement on registration method, proxy, and voting for attendance of the Annual General Meeting of Shareholders in the "Letter of invitation to the Annual General Meeting of Shareholders", which is submitted annually to shareholders.

The Board of Directors establishes policies on matters which supervise all shareholders to be treated equally and protect their basic rights, including provision of information before the shareholders' meeting, rights protection of minority shareholders, prevention of insider trading, prevention of conflicts of interest, making related transactions as well as internal control and internal audit. The policies are defined as follows:

1. Provision of information prior to the shareholders' meeting and rights protection of minority shareholders

1.1 Notifying the meeting schedule, agenda items, and opinions of the Board in the letter of invitation to the meeting and informing news to the Stock Exchange and publishing it on the Company's website at least 30 days prior to the date of the shareholders' meeting

1.2 Informing shareholders of the procedures and rules used in the meeting, including registration method, proxy, and voting

1.3 Preparing the letter of invitation to the meeting and supporting documents in both Thai and English version and publishing them on the Company's website to facilitate foreign shareholders

1.4 Allowing shareholders to propose and append agenda items in advance and nominate persons to be considered and elected as a director prior to the meeting date by clearly defining the rules and providing a newsletter to the Stock Exchange of Thailand and publishing it on the Company's website

1.5 Conducting the shareholders' meeting according to the agenda outlined in the letter of invitation to the meeting and not unnecessarily appending any agenda items at the meeting without notifying shareholders in advance, especially the important agenda that the shareholders need to spend time studying information before making decisions

1.6 Allowing shareholders to exercise their right to appoint directors individually

2. Insider trading governance policy

The Company has policies and procedures for overseeing directors and executives, employees and workers of the Company and its subsidiaries who have been informed of material inside information to not exploit the Company's unpublished inside information for personal gains as follows:

2.1 Providing knowledge to directors and executives about their duties in reporting their securities holdings, and the securities holding of their spouse and minor children to the SEC under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) as well as reporting the acquisition or disposition of their securities and securities of their spouse and minor children to the SEC under Section 246 and penalties under Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment)

2.2 Directors and executives of the Company, including their spouses and minor children shall prepare and disclose securities holding reports and reports of changes in the Company's securities holdings to the SEC under Section 59 and penalties under sections 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) and submit a copy of such reports to the Company on the same day as the date of submission of reports to the SEC and also report to the Board of Directors' Meeting quarterly.

2.3 Directors, executives, employees and workers of the Company and its subsidiaries who have been informed of the material inside information affecting changes in the price of securities shall not trade the Company's securities for the period of 1 month prior to the public disclosure of financial statements or inside information and during 24 hours after the Company's inside information is completely made public. Those involved in inside information shall not disclose it to any third party until such information is provided to the SET. Regarding the penalty, if there is any violation of the above-mentioned rules, the Company is considered a disciplinary offense in accordance with the Company's work regulations. The penalties shall be considered as deemed appropriate, such as verbal warning, written warning, probation, as well as termination of employment, i.e. dismissal, removal, or discharge, as the case may be, etc.

2.4 Directors and senior executives (according to the SEC's definition) shall notify the Board of Directors or a person assigned by the Board of Directors Assign about the trading the Company's shares at least 1 day in advance before the trading.

2.5 Directors, executives, employees and workers of the Company are not allowed to use the Company's inside information that affects or may affect changes in the price of the Company's securities, which have not been made public but they have acknowledged from their position or status, to buy or sell or offer for purchase or offer for sales or persuade other parties to buy or sell or offer for purchase or offer for sales of shares or other securities (if any) of the Company, directly or indirectly, in the manner possibly causing damages to the Company, directly or indirectly, and whether such actions are performed for the personal benefit or benefits of any third parties, or to disclose such facts for third parties to perform such actions, whether they receives returns or not.

3. Policy on Conflict of Interest Prevention

The Board of Directors establishes the policy on conflict of interest prevention on the principle that any decision in business activities shall be made only for the best interests of the Company and it should avoid actions that cause conflicts of interest. Directors, executives, and employees shall review and disclose transactions with conflicts of interest so that the Company will acknowledge the relationship or connections in such transaction. Regarding consideration to make any transactions, those involved or connected to the considered transactions shall not participate in considering transactions and have no authority to approve the transaction. To make a transaction, the appropriateness shall be considered by using prices and terms as if such transaction is made with a third party.

The Audit Committee will present connected transactions and conflicts of interest to the Board of Directors, which have been carefully considered for appropriateness and complied with the rules of the Stock Exchange of Thailand. When there is a change in the Company's securities holdings, the Board of Directors and executives of the Company, which includes their spouses and minor children, shall notify the Company and report the change in the securities holdings to the Office of the Securities and Exchange Commission under Section 59 of the Securities and Exchange Act B.E. 2535 (1992) within 3 working days from the date of purchase, sale, transfer or accept the transfer. In addition, directors, executives or sections receiving inside information are not allowed to disclose inside information to third parties or persons who do not have relevant duties and trade the Company's securities during a period of 1 month prior to the public disclosure of financial statements and after publishing such information at least 3 days. This is to prevent the misuse of inside information.

4. Policy on Related Transaction

The Board of Directors establishes the policy on related transaction. Regarding any related transaction that may occur in the future, the Company shall comply with the securities and exchange laws and regulations, notifications, directives or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the requirements regarding disclosure of information on connected transactions of the Company in accordance with accounting standards specified by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King. The Company has the policy on related transactions as follows:

4.1 In the event of a trade transaction with the general trading conditions, it shall be performed fairly and at arm's length according to the market price and normal course of business. The Company establishes the framework of such transactions, which is considered and commented by the Audit Committee before presenting it to the Board of Directors for consideration and approval. The Management is able to approve such transaction if it includes commercial terms in the same manner as an ordinary person would agree with any general counterparty under similar circumstances with trade bargaining power without the interference power resulted from the status of directors, executives or persons related to the Company or related parties. However, the Company will prepare a summary report of related transactions to

report it at the Audit Committee's Meeting of the Company and the Board of Directors' Meeting quarterly. In the event that the Audit Committee and the Board of Directors found that the operation was not in accordance with the specified policies, the Audit Committee and the Board of Directors shall jointly take steps to find a solution.

4.2 Trading transactions with general trading conditions shall be a normal trading transaction or a trading transaction in which the transaction generally has the same manner as those performed by the Company to support a normal business transaction of the Company. Such transaction shall have trading conditions with fair prices and terms and without benefit transfer, which includes trading conditions with prices and terms as follows:

4.2.1 Prices and terms received by the Company or offered to the general public

4.2.2 Prices and terms offered by related parties to the general public

4.2.3 Prices and terms which the Company can show that they include prices and terms where operators in a similar business offer to the general public

4.3 If there is a related transaction that is other transactions, the Company shall present it to the Audit Committee for considering and expressing opinions before presenting it to the Board of Directors and/or the Shareholders' Meeting of the Company for further approval. In the event that the Audit Committee does not have the expertise to consider potential related transactions, the Company shall assign independent experts or auditors to express opinions on the related transactions to support decision-making of the Audit Committee and/or the Board of Directors and/or the Shareholders' Meeting, as the case may be, to ensure that such transaction does not cause the transfer of interests between the Company and the person with potential conflicts of interest, but it is the transaction in which the Company takes into account the best interests of all shareholders.

5. Internal control and internal audit

The Board of Directors establishes the effective and effective internal control policy. The Board of Directors and executives have direct duties and responsibilities to provide and maintain internal control systems as well as conduct the regular review of the effectiveness of the internal control system to protect the investments of shareholders and the Company's assets. Internal controls shall include financial control, operation, supervision of operations in accordance with relevant laws and regulations, and risk management to make the Company confident in achieving its objectives and goals in relation to the accurate and reliable system of information and reports and the effective internal control relating to such financial reports.

The Company appoints an internal auditor who is an independent third party to perform the duties under the direct supervision of the Audit Committee in order to be responsible for effectively auditing the Company's operations. The internal auditor is required to report the results of the audit directly to the Audit Committee.

In addition, the Audit Committee reviews the suitability and adequacy of the internal control system at least once a year and propose it to the Board of Directors for considering and providing opinions on the adequacy of the internal control system in the Annual Report and Annual Registration Statement (Form 56-1 One-Report).

Appendix**Penalty**

In the case that the Management and employees behave in a manner that causes conflicts of interest with the Company, it shall be considered in accordance with the Company's organizational structure and work regulations. However, each department shall consider preliminarily and summarize the matter and submit it to senior supervisors and related lines of work to convict the offense and identify the penalty as appropriate. However, if the conflict of interest is severe and causes great damage and it may not be under the diagnosis of the affiliation, such matter shall be submitted to the Human Resources Department or the Management of the Company for further considering and imposing the penalty.

Penalties

1. Verbal warning
2. Written warning
3. Suspension of employment
4. Termination of employment
5. Legal proceedings

Acknowledgement and Compliance Form

I have thoroughly read and studied the Good Corporate Governance Policy of Asia Precision (Public) Company Limited dated February 18, 2022. I understand and accept such policy. I am ready to strictly and completely implement the policy, principles, and existing codes of ethics as a guideline for performing duties and operations.

Signed.....

(.....)

Date.....



Asia Precision (Public) Company Limited

Code of Conduct

A handwritten signature in blue ink, appearing to read 'Udomsin Srisaengnam', with a horizontal line underneath.

(Udomsin Srisaengnam, M.D.)

Chairman of the Board

Issue dated February 18, 2022

Approved by the Board of Directors' Meeting No. 1/2565 on February 18, 2022

Introduction

Asia Precision (Public) Company Limited always focuses on the “Conduct and Ethics”. The Company believes that business operations under good conduct and ethics will be the cornerstone of the Company's sustainable and stable growth as well as enable the Company to achieve its established vision, mission, and goals.

The preparation of this "Code of Conduct" is a compilation of policies and practices relating to the code of conduct and business ethics which describes the principles and determines frameworks of the best practices in each policy. The objectives are to allow directors, executives, and employees at all levels to understand and use it as an approach for operations to successfully drive the Company to its destination in the same direction. However, policies and practices in this Code of Conduct are only the practical guidelines in reference to the good corporate governance principles, which may be applied or amended as appropriate, depending on the situation and context of business at that moment.

The Company greatly hopes that all directors, executives, and employees will understand the intent of this manual and adopt the practices as the framework of operations and daily life.

Definition

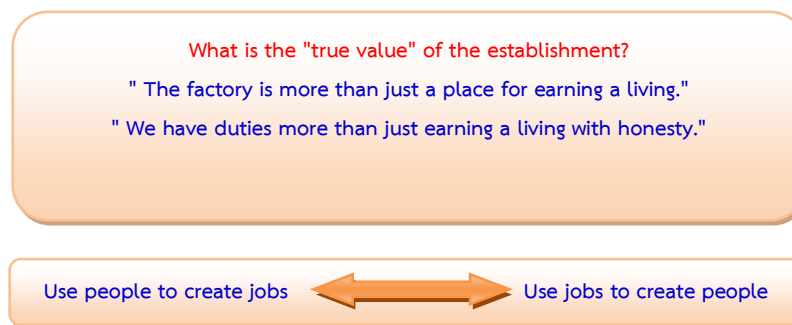
"Company"	Refers to Asia Precision (Public) Company Limited and its subsidiaries
"Affiliated Company"	Refers to subsidiaries and associates of Asia Precision (Public) Company Limited
"Directors"	Refers to persons who have the qualifications of directors. under Section 68 of the Public Limited Companies Act B.E. 2535 (1992), who are elected by the Shareholders' Meeting to be a director. In this regard, this shall include executive directors, directors, and all sub-committees.
"Executives"	Refers to the President, executive director, managing director and employees at the department manager level or higher level.
"Employee"	Refers to full-time employees, part-time employees, employees under special contracts, and co-contractors who will be hired by the Company.
"Stakeholder"	Refers to a person or a juristic person who is involved in or affected by the Company's operations, directly and indirectly. The Company divides the stakeholders into 7 groups, including shareholders, customers, business partners, creditors, competitors, employees, and communities, society and the public sector.
"Notification of Connected Transaction"	Refers to the Notification of the Capital Market Supervisory Board No. ThorChor. 21/2551, Re: Rules on Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 (2003) and its amendments.
"Notification of Acquisition and Disposal"	Refers to the Notification of the Capital Market Supervisory Board No. 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Stock Exchange of Thailand, Re: Rules on Disclosure of Information and Other Acts of Listed Companies Concerning Acquisition and Disposal of Assets B.E. 2544 (2004) and its amendments.

Determination of Business Operations

1. Believe in the value of goodness, which is the quality of people

The Company believes that all employees are the valuable and skilled resource and good people of the society. The Company focuses on the holistic development of personnel according to the royal guidelines of His Majesty King Bhumibol Adulyadej The Great and the

Company's highest determination, *"Aim to create good people and return the favor to the nation"*. The development concepts are as follows:



The Company aims to be a valuable social institution with the potential to strengthen the nation to be truly stable and prosperous rather than being an economic organization for subsistence and profit only.

Therefore, the Company focuses on human resource development and believes that *"good quality work derives from employees who work happily and are sincerely loyal to the organization"*. These derive from supervising personnel to be motivate and alert to enhance their professional skills for career progression, including paying attention to health, safety, environment, and continuous improvement of all persons' quality of work life.

If hundreds of thousands of establishments across the country foster and encourage personnel to adhere to good deeds and behave well continuously, such promotion does not require a lot of investment. It is only to invest with sincerity and good wish for each other. These will cause an invaluable positive effect on society and organization.

2. Sustainable development to become a global organization

The Company is committed to improving the organization and society to move forward sustainably by learning to improve the management system and develop personnel along with contribute to the development of society and communities amidst changes in global trends and technologies. The Company strengthens internal organization and exchanges knowledge and technologies for society and communities under the following concept.

"No establishment can thrive if society and surrounding communities fail."
To build the foundation of sustainable development and be competitive in an era of change

3. Practices based on ethics

The Company will treat stakeholders equally based on the principles of respect for human rights and take into account the interests of all stakeholders without discrimination. It also encourages employees to adhere to good deeds for society and the nation.

4. Transparency and traceability

The Company conducts businesses in good faith and fairly by providing effective and traceable management system, international standard system management, risk management, environmental management system, and quality of work life and safety management system. The

Company will always take every step with transparency and traceability.

Core Value



Policy on Treatment of Stakeholders

The Company prioritizes the rights of all stakeholders, either internal stakeholders, i.e. shareholders, executives and employees of the Company, or external stakeholders, i.e. creditors, customers, competitors, public sector, society, and community, environment. The Company is well aware that support and comments from all stakeholders will be beneficial for the Company's operations and business development. As a result, the Company will comply with applicable laws and requirements to ensure that the rights of such stakeholders are well supervised. In addition, the Company operates businesses by taking into account the rights of all stakeholders according to the following guidelines:

1. Treatment of Shareholders

The Company is committed to creating the highest satisfaction for shareholders by considering sustainable corporate growth and providing consistently reasonable returns as well as performing

operations transparently, adhering to morality and within the framework of laws, framework of the Company's corporate governance policy and equitable treatment of shareholders, and providing reliable accounting systems. To comply with such principles, the Company strictly adheres to the following practices:

1.1 Sustainable growth of the Company

- Respecting the rights of all shareholders equally, paying attention to any suggestions of shareholders by implementing them
- Effectively managing the Company's business with integrity, transparency, knowledge, capabilities, and skills in management with full effort so that the Company can grow and create reasonable returns for shareholders; any decision shall be made carefully and prudently.

1.2 Disclosure of Information

- Disclosing information in the financial statements adequately and completely and providing details about operating results and financial documents to shareholders correctly, transparently, clearly, and fairly
- Reporting the status and future trends of the Company to shareholders equally, consistently, and completely based on facts
- Not exploiting the Company's information that has not been published to the public for personal gains or benefits of related parties
- Not disclosing confidential information that will cause adverse effects to the Company to any third parties

1.3 Shareholders' Meeting

- Holding a shareholders' meeting on the date, time and venue that is convenient for shareholders
- Submitting the letter of invitation to the shareholders' meeting together with agenda items and all relevant information in advance to allow shareholders to have sufficient time to study information in advance and publishing such information on the Company's website in advance before submitting the documents
- All directors shall attend the shareholders' meeting to hear opinions and answer questions to shareholders.
- Facilitating all shareholders to propose additional agenda items of the shareholders' meeting in advance prior to the meeting
- The Board of Directors will not append the agenda items of the shareholders' meeting without prior notice to shareholders.
- Allowing all shareholders to propose and append agenda items in advance
- Allowing all shareholders to nominate a person to be a director; Shareholders should nominate the list together with information about qualifications and a letter of consent of the nominee and submit them to the Board of Directors at least 3 months prior to the Annual General Meeting of Shareholders.
- The Chairman of the Meeting will allocate sufficient and appropriate time and encourage all

shareholders to have the opportunity to express opinions and raise questions to the Meeting on matters relating to the Company.

- On the agenda of the appointment of directors, the Board of Directors shall arrange an appointment of directors to be voted individually.
- Preparing the minutes of the meeting with complete details and publishing it to shareholders via the Company's website within 14 days

2. Treatment of Customers

The Company is committed to creating customer satisfaction and confidence and paying attention to and being responsible for customers in terms of producing quality and safe products at reasonable prices based on the established standards using state-of-the-art technologies. In addition, the Company has improved standards continuously and seriously to ensure the highest customer satisfaction and maintained a positive and sustainable relationship with customers consistently. The Company shall not exploit customer data for its benefits and related parties. The Company establishes the following practical guidelines:

- Responding to the needs of customers with good quality products or services according to the specified standards and safety
- Providing services to all customers with equality
- Delivering products and services on a timely manner; If there is any obstacles causing the failure to deliver the products or services as required, the Company will notify customers in advance to jointly consider and find solutions.
- Strictly performing operations according to any conditions of customers; If the Company is unable to do so, customers and related parties shall be notified in advance to jointly consider and find solutions.
- Adhering to integrity, honesty, and fairness to customers
- Respecting customers and communicating with them politely and sincerely
- Providing complete, accurate, and fair information without distorting the facts to customers
- Listening to opinions and suggestions and clarifying correct information to customers
- Not disclosing confidential information to customers, nor unlawfully exploiting it for personal gains and benefits of related parties
- Communicating and disseminating the Company's anti-corruption policy
- Offering opportunities to customers to make complaints regarding the incompleteness of products and services and taking actions according to the requirements of customers rapidly through sales agents or the Company's website
- Treating customers fairly in terms of products and services without discrimination
- Not request, accept or offer any dishonest benefits with customers

3. Treatment of Business Partners

- 3.1 Complying with contracts, agreements, or other conditions with customers; In the case of failure to perform such actions, it is required urgently negotiating with business partners in

advance to jointly find solutions and prevent damages.

3.2 Procurement shall be made transparently to prevent any corruption in all stages of the procurement process, especially rules on the selection of business partners.

3.3 Treating business partners equally based on a fair return for both parties

3.4 Not requesting, accepting or offering any dishonest benefits with business partners

4. Treatment to Creditors

The Company considers equity and fairness without taking advantages and has integrity in business operations and maintains benefits with business partners and creditors by strictly complying with the laws and mutually specified rules. The Company has a code of conduct by avoiding any request, acceptance, or offer of any dishonest benefits in trade with business partners as well as strictly complying with the conditions and treating creditors fairly, including scheduled repayment, supervision of collaterals, and other conditions according to contracts, correctly and completely and in accordance with good corporate governance principles. The Company shall report business partners and creditors in advance in the case of failure to perform according to contractual obligations in order to jointly find solutions for such issues. As a result, the Company establishes good and fair practices as follows:

- Strictly maintaining and complying with the conditions of creditors in terms of repayment of collateral and other conditions and not using the funds obtained from the loans in a way that is contrary to the purpose of the agreement made with the lender
- Reporting accurate information relating to the Company based on facts to creditors with integrity
- If the contractual obligations cannot be fulfilled, the Company shall notify creditors in advance to jointly find solutions for such issue.
- Communicating and disseminating the Company's anti-corruption policy
- Regularly disclosing correct and complete financial information

5. Treatment of Competitors

Business operation is a competition. The Company shall adhere to the rules of good competition and the good and fair practices by equally treating its trading competitors in accordance with international principles under the framework of the law on the principles of trading competition and the rules of good competition as follows:

- Providing cooperation in the exchange of useful information for joint business operations
- Not damaging business partners' reputations by slandering without truth and avoiding any dishonest ways to damage competitors
- Complying with a good competition framework for business partners
- Not requesting, accepting, and offering any commercial benefits to business partners dishonestly
- Not seeking confidential information of business partners in dishonest or inappropriate ways, such as paying wages to employees of business partners, etc.
- Communicating and disseminating the Company's anti-corruption policy

6 Treatments of Employees

The Company is aware that employees are valuable, and they are an important factor leading the organization to success. Therefore, the Company treats employees equally and fairly in terms of opportunity, returns, welfares, and competence development. Employees are encouraged and developed to have knowledge for works, including morality and ethics according to the Company's determination, "Aim to create good people and return the favor to the nation". As a result, the Company focuses on encouraging employees to have disciplines, unity, sacrifice, virtue and gratitude, and is committed to developing the organization to be a learning organization, creating culture and work environment, promoting teamwork, supporting the development of employee's knowledge and capabilities for career progress and stability, providing confidence in quality of life and occupational safety, maintaining work environment, and listening to opinions and suggestions of employees at all levels fairly and equally. The Company establishes the practices as follows:

- Treating employees with politeness, respecting for individuality and human dignity
- Continuously and consistently promoting and developing employees' knowledge and capabilities to enhance their knowledge and capabilities for career progress and stability with equality and without discrimination
- Providing appropriate returns for work based on knowledge, capabilities, responsibility and performances
- Providing employees with reasonable welfare that is consistent with actual circumstances
- Appointment, transfer, and reward and punishment of employees shall be conducted with equality and integrity based on knowledge, capabilities, and appropriateness, including actions or treatment of employees.
- Providing fairness and rights to make a grievance about work, listening to opinions and suggestions
- Maintaining a safe work environment for life and property
- Keeping workplace hygienic, creating an atmosphere that is conducive to effective work
- Respecting employee's privacy and retaining employee's personal information, which is considered confidential information
- Strictly complying with laws and regulations relating to employees
- Preparing an operating manual for employees to ensure smooth operations
- The Company offers the opportunity to employees who know that there is any action in breach of the Company's regulations, against the corporate governance principles of the Company or contrary to any applicable laws or regulations to blow the whistle to the Board of Directors through the Chairman of the Board and the Chairman of the Audit Committee. The Board will not keep the name of the whistleblower confidential.
- Encouraging and promoting the drive of anti-corruption policy in the organization
- Providing appropriate returns, welfare and other benefits, such as salary, bonus, overtime pay, provident fund, etc. based on the knowledge, capabilities, responsibilities, performances of

each employee, and the Company's short-term and long-term operating results at the competitive level in the same industry and in the same direction with the Company's strategies and operational goals

- Regularly maintaining a safe work environment for life, health, and assets of employees
- Promoting the engagement of employee in determining the direction of work and solutions
- Providing facilities in the establishment to improve the living of employees during performance of duties

7. Treatment of Community, Society, and Public Sector

As the Company is a part of society, it must comply with laws relating to the Company, focus on transparency, take into account the integrity of dealing transactions with officials or government agencies to avoid actions that may affect inappropriate conduct and go against the good management principles, and fight against offering bribery to government officials for facilitation or business benefits of the Company. As a result, the Company establishes practices as follows:

- The Company shall strictly act in accordance with laws relating to environment, safety, labor, tax management and accounting as well as any notifications of the government sector relating to the Company's business operations.
- Focusing on transparency and taking into account integrity in dealing transactions with government officials, entities, and agencies to avoid actions that may affect inappropriate conduct and go against the good management principles
- Not offering bribes or other latent benefits to government officials for facilitation or business benefits
- The Company performs operations under its anti-corruption policy and rejects any form of corruption.
- Conducting businesses that are beneficial to economy and society
- Encouraging employees to have awareness and responsibility for environmental and society as well as support social activities
- Paying attention to maintaining local custom and traditions where the Company is located or operates business
- Performing or supervising the strict implementation in accordance with the intent of the laws and regulations issued by regulatory agencies

Policy on Non-violation of Human Rights

Each person may have different race, skin color, gender, age, language, religion, physical status. or idea, but everyone has human dignity, freedom and equality. Therefore, the Company establishes the policy on non-violation of human rights in terms of human rights, occupational safety, and work environment so that all employees, including directors and executives have rights and freedom equally, which will result in the smooth and pleasant operations of the Company.

1. Privacy

The Company assumes that personal rights and freedoms must be protected from violation of

the use, disclosure or transfer of personal data, such as biographies, employee background, work experiences, health history, or other personal data. It shall not be disclosed to unrelated persons who may cause damage to any other data subjects. However, the violation is a disciplinary offense unless it is done in good faith or by laws or for the public benefits. The Company establishes the practical guidelines as follows:

1. Protecting personal data of employees in possession or under the supervision of the Company.
2. Disclosure or transfer of personal data of employees to the public shall be made upon an approval of such person only.
3. Limiting the disclosure and use of personal data of employees and persons relating to that Company
4. Encouraging all persons in the Company to respect the rights, dignity, and privacy and respect each other, including employees of the Company and persons who have interaction with during their duties
5. Not performing any acts or promoting violation of rights or human rights, directly and directly

2. Equitable Treatment

The Company recognizes the right of equal humanity by treating stakeholders with fairness without discrimination against any person due to similarities or differences, regardless of physical or mental status, races, religion, gender, age, education or any other matters. The operational guidelines are as follows:

1. Employees shall treat each other with respect and respect for each other.
2. Nomination process and performance evaluation based on goodness shall be conducted correctly and fairly.
3. Regarding the performance of duties, comments relating to physical or mental differences, races, nationality, religion, gender, age, education or other matters that lead to conflicts should be avoided.
4. Monitoring and supervising to prevent oppression, persecution and unfair actions when being treated unfairly and providing communication channels or consultation to understand when unfair actions occur
5. Respecting each other's opinions

3. Political Operations

The Company is politically neutral and does not perform any acts that pursue or support any political party or any person with political power.

The Company recognizes the respect for the right and freedom of exercising political rights of employees, such as voting for elections or being a member of political parties, without limiting the right, forcing, or guiding. The practical guidelines are as follows:

1. Avoiding being a member of political parties or a representative of political parties in any activities or a member of local government organizations, such as PAO, SAO, or not performing any acts that make others understand that the Company involves, supports, or pursues politics or political parties.
2. Avoiding commenting on politics in the workplace or during working hours that may cause

conflicts of idea

3. Being careful when receiving money or doing business with politicians or persons related to politicians

4. Avoiding dressing in employee uniforms or dressing in a manner misleading that the Company's employees perform duties relating to any politics or political parties

4. Occupational health and safety of employee

1. Supporting the health, safety, and security of employees to enhance good health and safe work environment

2. Providing the risk identification and assessment and the annual accident statistics record or the rate of leave or the rate of work injury to control and prevent occupational accidents and diseases

5. Work environment

1. Promoting equality in employment, not supporting discrimination, directly and indirectly, regardless of race, skin color, gender, sexual orientation, age, disability, religion, legal political expressions, or any other expressions

2. Providing benefits and welfares that employees should obtain from the Company, such as provident fund, group health insurance, vacations, annual recreational activities, etc.

3. Providing appropriate and fair procedures, methods, and processes for grievance and grievance settlement

4. In the case that any conduct against rules or disciplines that is required punishment and investigation is found, the Human Resources Department or the Management shall investigate the disciplinary offenders in order to ensure fairness.

Policy on Business Operations under Environment Quality Standard.

The Company aims to promote and support employees' good health, safety, and good quality of work life by paying attention to the value of human resources and promoting employee happiness at work based on safety and good health. As a result, the Company establishes the following practical guidelines:

1. Focusing on complying with laws and requirements relating to safety and quality of work life
2. Communicating to all employees, including third parties, contractors, customers and the public to be aware of the policy on safety and quality of life
3. The Company pays attention to the assessment of risk, hazard, and impact on life and health of employees by assessing, inspecting, improving, and supporting any protective equipment to prevent and reduce hazards possibly occurring to employees, including contractors and third parties entering the Company.
4. The Company will define objectives, goals, and action plans to reduce the impact on safety and quality of work life.
5. Reducing work-related accidents causing a leave to zero and the rate of work-related injuries and illnesses to meet the goals

6. Minimizing the risk of work-related hazards to an acceptable level to ensure that employees are safe and healthy under the good work environment and good quality of life
7. Aiming to encourage employees to be happy at workplace by emphasizing on their participation in activities and training programs to improve knowledge and promote quality of work life; The Company also aims to promote knowledge and attitude to raise awareness of safe operation and healthcare so that employees will have a better quality of work life by providing and supporting trainings and activities to raise awareness of safety for employees.
8. The Company will conduct surveillance, prevent, and correct the impact on safety and quality of life. The Company prioritizes and abides by the laws on occupational health, safety, and work environment and performs operations according to the management system to promote the quality of work life.
9. The Company assumes that the compliance with the policy on safety and quality of work life is the duty of employees at all levels to adhere to and perform together.

Environment

The Company recognizes and pays attention to the prevention of environmental impact as well as the conservation of limited natural resources for the benefits of future generations, including promotes the consumption of energy efficiency in order to achieve sustainable development. As a result, the following practical guidelines are defined:

- Regarding the use of natural resources, the Company takes into account alternatives that have minimal negative impact on environment.
- Fostering an awareness of environmental responsibility among all employees constantly and seriously
- Strictly complying with and providing cooperation or supervising the compliance with laws, regulations or rules issued by regulatory agencies as well as providing cooperation in the implementation of international standards or agreements in any matters to help prevent or reduce environmental impacts
- Continuously evaluating, improving, and designing or developing production processes, machinery, and equipment to control and/or reduce pollution which include wastewater and waste caused by business operations and ensuring that the business operations will not cause environmental impacts beyond the specified standards
- Studying and providing cooperation in waste reduction and waste disposal with correct methods
- Continuously assessing the impact of business activities and processes on safety, quality of life, and environment
- Promoting and supporting employees to be aware of the importance of environmental protection by organizing activities and trainings on natural resources and environmental protection to raise awareness of environmental conservation and provide knowledge and understanding to employees
- Conducting business by taking into account the environmental conservation and safety

management standards in mind and complying with applicable environmental laws and regulations; Although there are no laws and regulations, the Company will promote the compliance with standards.

- Continuously supporting the development, research, and study of knowledge to handle with pollutions caused by businesses
- Being aware of the capacity of efficient use of energy resources, oil, and other resources and studying the efficiency of delivery or production for the most efficient and cost-effective use of resources
- Being open and encouraging employees at all levels from upstream to downstream to provide cooperation and share opinions for sustainable use of resources according to local wisdom
- Promoting the transfer of knowledge on the environment among employees to create understanding and foster a good corporate culture and implement it for sustainability
- Defining and reviewing the Company's policy on quality by holding a Management Review Meeting at least once/year/system or when it is necessary to hold a review meeting urgently in accordance with the requirements of ISO 14000:2015 and also communicating to all agencies for acknowledgement

Quality of Life, Society, and Community

The Company recognizes the importance of community and society, and supports social and community activities emphasizing on social and community development and promoting public interest activities in various areas. The Company aims to achieve sustainable development under the concept, "No establishment can thrive if society and surrounding communities fail". As a result, the Company has the following operational guidelines for society and community:

- Fostering an awareness of social and environmental responsibility among all employees continuously and seriously
- Assessing, inspecting, and communicating channels for receiving complaints and suggestions relating to stakeholders, including nearby factories, communities, and societies in all areas to prevent, correct, and improve impacts caused by the Company's business operations
- The Company aims to carry out activities or projects to reduce the impact on communities and society and listen to social and community feedback as well as disclose information on implementation to create a good understanding between the community and society to ensure that the Company operates business properly.
- The Company aims to encourage employees to be responsible for society through activities by supporting and providing assistance for social assistance and development activities, allowing employees to take part, and implementing them continuously. The Company also improves them to truly meet the needs of communities and society.
- The Company aims to promote the development and exchange of knowledge and technology between the community and the Company to achieve sustainable development

together with communities and society by truly realizing the importance of wisdom according to the Thai way and the management on the basis of sufficiency economy.

The Company will continue performing operations seriously to promote safety, health, environment, society and community or related parties and aim to raise an awareness of such matters for employees and related parties to have the duty to follow the established practices.

Policy on Non-infringement of Intellectual Property.

The Company assumes that the intellectual property, trademarks, including patents, copyrights, petty patents, trademarks, trade secrets, design or product information, and customer's equipment parts are assets that are protected and maintained from any violations. The company does not encourage employees to infringe intellectual property rights in any form. The Company establishes the policy on non-infringement of intellectual property as the practical guidelines as follows:

1. Works arising from performance of duties are the property of the Company unless it is explicitly authorized that they are the work of the developer, inventor, researcher or other persons
2. Regarding operations, employees shall maintain and prevent reports, information, formulas, statistics, programs, methods, processes and facts which are the Company's intellectual property from any infringement and shall not disclose them to any persons, unless the written permission is provided by the Company.
3. Not reproduce and modify the Company's intellectual property or perform any acts for personal gains or benefits of other persons without permission
4. To enter into any contract or legal transaction, there should be a clear agreement regarding the right to intellectual property.
5. Reviewing information that is a third party's right to be used in the Company to reduce the likelihood of the intellectual property infringement of other persons
6. Employees are responsible for reporting to intellectual property supervisors or managers when an act deemed to be an infringement of rights possibly leading to an infringement of rights or an act possibly causing disputes regarding the Company's intellectual property is found.
7. Employees at all levels shall comply with the law on intellectual property. If they are unsure, consult their supervisors for an accurate understanding.
8. Being careful when using confidential information or the rights of others without the permission of the owner
9. Being careful when informing, presenting or disclosing the Company's information or documents to non-relevant internal and external persons, including supervising visitors or third parties not to use and publish information, photos, and workpieces of customer, which are considered confidential, to the public that will cause damages to the Company and its customers

10. Hiring or participating in projects with persons, agencies or juristic persons outside the Company without a written agreement on intellectual property rights and benefits arising from intellectual property should be agreed prior to implementation.
11. When the employment status is terminated, employees shall return all intellectual properties, including works, inventions, information, reports, statistics, formulas, programs, methods, and processes to the Company.
12. Employees are not allowed to use information, documents, computer programs, software, books, articles, video tapes, audio tapes, and other persons' works in a manner that will cause the infringement of intellectual property of such person, whether or not the work is reserved by the person who owns or has legitimate rights in such work.
13. All employees are responsible for maintaining works which are intellectual property of the Company and shall not use or offer the Company's intellectual property to other persons without permission.
14. Any work created by employees or arising from the Company's operations shall be possessed by the Company and it is the Company's intellectual property. Upon termination of the Company's employment status, the employee is obliged to return the intellectual property, including works, inventions, etc., to the Company, regardless of any form of storage.
15. If an act regarding violation of rights or an act possibly causing disputes regarding intellectual property, employees shall report it to supervisors or relevant officers.

Policy on Anti- corruption.

The Company pays attention to anti-corruption in all forms by establishing the policy on anti-corruption or likelihood causing corruption as follows:

1. The Company's directors, executives, and employees, who take any action on behalf of the Company, are not allowed to offer bribes, directly or indirectly, to workers, officers, or representative of any government or any other person relating to the business with the intention causing the Company to receive benefits in a wrong manner.
2. The Company's directors, executives, and employees are not allowed to participate in demanding, operating, or accepting all forms of corruption, directly and indirectly, such as bribery for the Company's business benefits, etc.
3. Strengthening awareness and designating the Company's personnel to have duties and responsibilities for anti-corruption in all forms
4. Promoting trainings and orientations and providing knowledge on the Company's policy or guidelines on anti-corruption as well as to offering incentive rewards to employees and representatives of the business to eliminate bribery under the philosophy of sufficiency economy, and promoting integrity
5. Supporting and providing internal control systems that are suitable for the Company's business operations, which includes the financial and accounting record collection process and other processes relating to the Company's operations

6. Encouraging employees and other stakeholders to report any violations of policy on anti-corruption and unfair and unethical performance of duties by accepting whistleblowing, suggestions or complaints through channels for receiving complaint regarding corruption and providing a fair investigation process for all clues as well as measures on right protection for such persons without demoting, punishing, or giving a negative effect to employees refusing corruption even if such act causes the Company to lose business opportunities; executives or supervisors shall communicate clearly with employees.
7. Supporting the internal and external communication of policy on anti-corruption for the broad compliance, including notifying the subsidiaries in which the Company has management powers to adopt the policy on anti-corruption of the Company
8. In the event that corruption problems are found, it must be reported to the Board of Directors immediately.

Policy on Acceptance of Gifts or Business Gifts.

Acceptance or offer of assets or benefits to induce decision-making

The Company defines that any offer or acceptance of gifts, hospitality and entertainment shall be in accordance with the appropriate acts under custom and traditions. Its value shall not be unreasonable or it shall not be an action to induce or omit any practices, which may cause corruption. The Company establishes guidelines on offer or receipt of gifts or hospitality.

The Company's business operations, including employees at all levels, shall be conducted honestly and ensure that such operation will not cause any harm or discredit.

1. Not using the method of accepting or offering money, including any assets, items, gifts or hospitality or other benefits from anyone to induce immoral or inappropriate acts
2. Not demanding or accepting money, including any assets, items, gifts or hospitality or other benefits from business-related persons, business partners, competitors, contractors or organizations that induces unfair decisions, including business benefits.
3. Not offering money, assets, items or other benefits to business-rated persona, government agency, agency or organization to exchange any privileges that should not be granted
4. Expenditures on business entertainment and other expenditures relating to the performance of business contract are acceptable, but it shall be made reasonably.
5. In addition to those mentioned in Item 1 – 4, the Company requires the compliance with the policy on anti-corruption and other requirements under the Anti-Corruption Program.

Acceptance of gifts or souvenirs

Acceptance or offer of assets or items as gifts/souvenirs in accordance with local custom and traditions is acceptable. However, the Company does not want employees to receive gifts/souvenirs that have inappropriate values from business-related persons.

1. Before accepting or offering gifts/souvenirs, be sure to comply with the laws and regulations of the Company. Items or gifts offered based on duties should have reasonable price and be suitable for each occasion.

2. Not accepting or offering gifts or souvenirs that are cash, cheques, bonds, stocks, gold, jewelry, real estate or similar items
3. Not accepting or offering gifts or souvenirs that may influence decision, which causes unfair performance of duties; In the case where it is necessary to receive gift/ souvenir which its value exceeds the normal value from business-related persons, report supervisors based on the position hierarchy.
4. Keeping proof of expenditures showing the value of gifts or souvenirs for subsequent inspection
5. In the event that the supervisor assigns or authorizes an employee to assist an external agency, money, items or gifts can be accepted in accordance with the rules or standards set by such agency.
6. In addition to those mentioned in Item 1 – 5, the Company requires all employees to comply with the policy on anti-corruption and other requirements under the Anti-Corruption Program.

Entertainment

1. Entertainment should take place after business is conducted. If it occurs before the business operations, it can be done only to promote products of the Company.
2. Business Entertainment should be appropriate based on the actual expenses as follows:
 - In the case that the average value does not exceed 2,000 Baht/person, no approval is required but it shall be reported to the supervisor for acknowledgment.
 - In the case that the average value exceeds 2,000 Baht/person, the approval of the supervisor is required.
3. Regarding the reimbursement of the entertainment fee, it shall be in accordance with the manual on approval authority of the Company.
4. Directors, executives, and employees should avoid implying that such entertainment is intended to exchange any business objectives. However, it should be held to increase the Company's opportunities for increasing the promotion of its products or creating opportunities to know customers/business partners better.

Policy on Political Neutrality

The Company has the policy on political neutrality by not supporting or performing an act that is involved with a political party, directly and indirectly, including using the Company's resources in activities that will cause the Company to lose its political neutrality and/or suffer damages from the involvement with such activity. The Company defines the guidelines on political neutrality as follows:

1. The Company has the policy on political neutrality by not supporting or performing an act that is involved with a political party, directly and indirectly, including using the Company's resources in activities that will cause the Company to lose its political neutrality and/or suffer damages from the involvement with such activity.
2. The Company encourages employees at all levels to comply with applicable laws, adhere to democracy, and exercise their political rights as good citizens. In addition, they are able

to participate in political activities on their behalf without affecting the Company's working hours and performance of duties.

3. The Company does not have a policy for directors and executives directs to command or convince by any means that allow employees to engage in all kinds of political activities, which may cause conflicts within the organization and damages.

Policy on Conflicts of Interest

The Board of Directors establishes the policy on conflicts of interest prevention on the principle that any decision in business activities shall be made only for the best interests of the Company and it should avoid actions that cause conflicts of interest. Those involved or having any interest in considered transactions shall notify the Company about the relationship or interest in such transaction and shall not participate in the decision-making and have no authority to approve the transaction. If there is any transaction possibly causing conflicts of interest which includes the commercial terms that are not the general trading conditions, it must be presented to the Board of Directors' Meeting for approval. The Audit Committee shall carefully consider its appropriateness before presenting to the Board of Directors' Meeting or the Shareholders' Meeting (as the case may be). However, the Company shall comply with the related rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

Rules on Conflicts of Interest Prevention

1. Executives, directors, advisors, employees and workers of the Company and its subsidiaries are not allowed to perform any acts which go against the interests of the Company, such as dealing with people involved in the trade with the Company, i.e. business partners, customers, competitors, or using opportunities or information obtained by being a director, executive, advisor, employee, and worker of the Company and its subsidiaries (hereinafter referred to as position status) or exploiting information for personal gains and business operations obtained from the position status for personal gains. This shall include business operations that competes with the Company or any work other than the Company's works which affect the position, duties, and responsibilities for the Company's works.
2. Executives, directors, advisors, employees and workers of the Company and its subsidiaries are not allowed to hold shares in the Company's competitors, which results in or causes employees to perform or refrain from performing any act in accordance with their positions and duties or affects the Company's works. In the event that an employee acquires the shares before becoming an employee of the Company or before the Company engages in the business or acquires the shares by inheritance, the employee shall report it to supervisors based on the position hierarchy and prepare a letter of consent to provide securities holding information and a letter of intent for non-disclosure of information by submitting all documents to the Compliance Section to screen and store such information regarding securities holdings and the nature of transactions that may cause conflicts of interest to the Company and its subsidiaries according to the Notification of the Office of the SEC No. 14/2558, Re: Rules in Detail on the Protection and Management of Conflicts of (codified)

(including its amendment)

3. Employees shall not borrow money from the Company's business partners, individuals or juristic persons conducting businesses with the Company or its subsidiaries, except financial institutions, as it may influence the performance of duties as a representative of the Company.
4. The Company will comply with the law on intellectual property or any other laws if directors, executives, advisors, employees and workers of the Company and its subsidiaries violate business confidentiality.
5. Not exploiting information or anything they know due to their position, duty and responsibility
6. Avoiding performing works other than the Company's works which may affect the responsibility for work under their responsibility in any way

Policy on Insider Trading

The Company has policies and procedures for overseeing directors and executives to not exploit the Company's unpublished inside information for personal gains as follows:

1. Providing knowledge to directors and executives about their duties in reporting their securities holdings, and the securities holding of their spouse and minor children to the SEC under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) as well as reporting the acquisition or disposition of their securities and securities of their spouse and minor children to the SEC under Section 246 and penalties under Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment)
2. Directors and executives of the Company, including their spouses and minor children shall prepare and disclose securities holding reports and reports of changes in the Company's securities holdings to the SEC under Section 59 and penalties under sections 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment) and submit a copy of such reports to the Company on the same day as the date of submission of reports to the SEC.
3. Directors, executives, employees and workers of the Company and its subsidiaries who have been informed of the material inside information affecting changes in the price of securities shall not trade the Company's securities for the period of 1 month prior to the public disclosure of financial statements or inside information and during 24 hours after the Company's inside information is completely made public. Those involved in inside information shall not disclose it to any third party until such information is provided to the SET. Regarding the penalty, if there is any violation of the above-mentioned rules, the Company is considered a disciplinary offense in accordance with the Company's work regulations. The penalties shall be considered as deemed appropriate, such as verbal warning, written warning, probation, as well as termination of employment, i.e. dismissal, removal, or discharge, as the case may be, etc.
4. Directors and senior executives shall notify the Board of Directors or a person assigned by the Board of Directors Assign about the trading the Company's shares at least 1 day in advance before the trading.
5. Directors, executives, employees and workers of the Company are not allowed to use the

Company's inside information that affects or may affect changes in the price of the Company's securities, which have not been made public but they have acknowledged from their position or status, to buy or sell or offer for purchase or offer for sales or persuade other parties to buy or sell or offer for purchase or offer for sales of shares or other securities (if any) of the Company, directly or indirectly, in the manner possibly causing damages to the Company, directly or indirectly, and whether such actions are performed for the personal benefit or benefits of any third parties, or to disclose such facts for third parties to perform such actions, whether they receives returns or not.

6. Preventing the insider trading for exploitation or decreasing the benefits of the Company or causing conflicts of interest; The Company stipulates it in the good corporate governance policy, Code of Conduct and work practices, employment agreements, and work regulations.
7. Keeping confidential information of customers; The Company prohibits directors, executives, employees and related persons to use such information for personal benefits or benefits of other persons, unless it is information that must be disclosed as required by laws.
8. Information security in information systems; The Company controls and/or prevents access to the Company's information from third parties and assigns rights to access information to employees at different levels according to the authority and responsibility
9. In the case where third parties are involved in specific work relating to information that has not been disclosed to the public and is in the process of negotiation, which is within the scope of keeping inside information possibly affecting the movement of the Company's securities prices, such person shall enter into a Confidentiality Agreement until such information is disclosed to the SET and the SEC Office.

* The Company's inside information refers to:

- Financial information/Financial Statements/Operating results of the Company, its subsidiaries and/or joint ventures that have not been disclosed to the public through the system of the Stock Exchange
- Production information (including production formulas) of the Company, its subsidiaries and/or joint ventures
- Information acquired from important commercial contracts that will significantly affect the overall operating results of the Company, its subsidiaries and/or joint ventures
- Information relating to the management and executives of the Company, its subsidiaries and/or joint ventures, except information that has been disclosed to the public or information disclosed in accordance with the laws, as the case may be

Regulations on Insider Trading Governance

1. Directors, executives, employees and workers of the Company and its subsidiaries who have been informed of inside information affecting changes in the price of securities that has not been disclosed to the public shall not trade the Company's securities. Persons relating to such inside information shall not disclose such information to other persons until such information is reported to the Stock Exchange of Thailand, which is stipulated in Section 241 of the Securities and Exchange Act. The Company is considered a disciplinary offense

- according to the Company's work regulations, which the punishment will be determined as appropriate.
2. Directors, executives, employees and workers of the Company are not allowed to use the Company's inside information that affects or may affect changes in the price of the Company's securities, which have not been made public but they have acknowledged from their position or status, to buy or sell or offer for purchase or offer for sales or persuade other parties to buy or sell or offer for purchase or offer for sales of shares or other securities (if any) of the Company, directly or indirectly, in the manner possibly causing damages to the Company, directly or indirectly, and whether such actions are performed for the personal benefit or benefits of any third parties, or to disclose such facts for third parties to perform such actions, whether they receives returns or not.
 3. Directors, executives, employees and workers of the Company and its subsidiaries shall not use inside information for exploitation or decreasing the benefits of the Company or causing conflicts of interest. The Company stipulates it in the good corporate governance policy, Code of Conduct and work practices, employment agreements, and work regulations.
 4. Directors, executives, employees and workers of the Company and its subsidiaries shall not use confidential information of use the Company, customers, and business partners for personal benefits or benefits of other persons, unless it is information that must be disclosed as required by laws.
 5. Upon the purchase, disposal and transfer of securities, directors and executives of the Company, including their spouses and minor children shall prepare the securities holding report and submit it to the SEC Office within 3 days from the date of transaction. It shall be in accordance with Section 59 and penalties under sections 275 of the Securities and Exchange Act B.E. 2535 (1992) (including its amendment).
 6. The Company's executives and employees shall prepare a letter of consent to provide securities holding information and a letter of intent for non-disclosure of information on the commencement date of the employment agreement. If it has not been prepared, it shall have retroactive effect from the commencement date of the employment agreement. Both documents shall be submitted to the Compliance Section to screen preliminary information on securities holdings and the nature of transactions that may cause conflicts of interest to the Company and its subsidiaries in accordance with Section stipulated in item 5.

Regulations of Personal Data Protection

1. The Company is a listed company on the Stock Exchange of Thailand. Its main business is to manufacture high-precision industrial parts and construction engineering. Therefore, personal data is collected and used only for the necessary purposes. When the Company requests for personal data, the Company will notify the purpose in order to request for permission before using such information.
 - 1.1 Operations relating to contract between the Company and the customer
 - 1.2 Operations relating to contract between the Company and the supplier

- 1.3 Contact for negotiation and business meetings with customers
- 1.4 Personal data of employees
- 1.5 Delivery of products in the case of after-sales service and submission of information about new products and works organized by the Company
- 1.6 Business operations, including system development, operations, and maintenance that are trusted by customers
- 1.7 Service provision of members
- 1.8 Information about stocks, securities holding, disclosure of transactions with potential conflicts of interest, and answering investors' questions
- 1.9 Information of shareholders
- 1.10 Answering customers' questions
- 1.11 Analysis based on questionnaire for the development of products and services
- 1.12 Provision of personal data to the Company Group (herein referred to as the Company) in the case of a joint operation
2. The Company shall not disclose personal data to third parties if the permission is not obtained from such person, except the following events;
 - 2.1 Provision of personal data according to laws
 - 2.2 Provision of personal data that is necessary for protecting life, body, or property of such person and it is difficult to ask for permission from such person
 - 2.3 Provision of personal data that is essential to protect consumers' safety and fairness from their consumption of goods and services
 - 2.4 Provision of personal data that is necessary for the cooperation with government agencies, regulatory agencies, educational institutions or specialists, such as auditors, lawyers, legal advisors, and insurers, or any other agencies that have legal effect
 - 2.5 Application of personal data and management of personal data, wholly or partly, within the extent necessary to achieve the purpose of use in the Company's activities, such as promotional activities, marketing promotion activities
3. When requesting information for business operations which the Company jointly conducts with its subsidiaries, the Company may provide personal data, such as name, workplace, or home address, telephone number, facsimile number, e-mails, etc., to such subsidiary.
4. If your personal data is transferred outside Thailand, the Company will comply with the Personal Data Protection Law applicable to such country. This includes the compliance with appropriate procedures to acknowledge the organization obtaining personal data in foreign country, which is required by laws to be an organization that has a duty to establish standards for protection of the transfer of personal data that are comparable to the protection under Thai laws.

Personal data will be kept confidential and secure, including application of technology and expertise to store and protect personal data from violations of laws or accidental destruction, accidental loss, unauthorized collection of information, disclosure, access,

copying, alteration, leak, damage, alteration or any other forms of act that violate the laws.

Policy on Connected Transaction

The Board of Directors of the Company has established the Connected Transaction Policy that the Company shall observe the law on securities and exchange and related rules, announcements, orders, or regulations of the Capital Market Supervisory Board and the Securities and Exchange Commission, Thailand for any contingent transactions that may occur. In addition, the regulations on disclosure of connected transactions shall be followed according to the accounting standards stipulated by the Federation of Accounting Professions under the Royal Patronage. The Connected Transaction Policy are as follows:

1. In case of trade items with general trading conditions, they shall be carried out fairly, based on the market price and business as usual (Fair and at arms' length). The Company has set up a framework for such transactions which have been considered and commented by the Audit Committee before proposing to the Board of Directors for approval in principle so that the management shall approve transactions accordingly if such transactions attached with trade agreements in the same manner that a reasonable man should do with a general partner of contract in the same situation, given the trade negotiation power uninfluenced by the Company's directorship, management, related company or related person statuses. A summary report of transactions and connected items shall be prepared in order to report in the meetings of the Audit Committee of the Company and the Board of Directors in a quarterly basis. In case of nonobservance of the stipulated policy discovered by the Audit Committee and the Board of Directors, Audit Committee and the Board of Directors shall closely look for a solution together.
2. Trade items with general trading conditions shall be trade items that the Company normally carry outs, or trade items that the usual business is the same as that carried out by the Company in order to support normal business transactions of the Company. Such items must be items with trading conditions that whose prices and conditions are fair and do not lead to benefit transfer including:
 - Prices and conditions that the Company obtains or provides for general public;
 - Prices and conditions that a related person provides for general public;
 - Prices and conditions that the Company can show that such prices and conditions are those of similar businesspersons provide for general public.
3. In case that connected items being carried out are other transactions, the Company shall propose to the Audit Committee for consideration and opinions before submitting to the Board of Directors and/or the meeting of shareholders of the Company for approval. In case the Audit Committee has no expertise in considering contingent connected items, the Company shall arrange for an independent expert or auditor to give opinions to such connected items in order to support decision-making of the Audit Committee and/or the Board of Committee and/or the meeting of shareholders, whichever the case. This is to ensure that such connected items being carried out shall not be of benefit transfer between companies and persons who may have conflict of interests, but shall be items that have been carried out by already taking maximum benefits of

every shareholder into consideration.

Policy on Internal Control and Internal Audit

The Board of Directors has established an efficient and effective internal control policy. The Board of Directors and the management have direct duty and responsibility to provide and maintain the internal control system as well as review its efficiency on a regular basis in order to protect shareholders' capital and assets of the Company. Internal control includes financial control, performance, supervision of business operations so that they comply with related laws and regulations as well as risk management to ensure the Company achieve the specified objectives and goals with respect to systems, information and financial reports that are correct and reliable, and to ensure effective internal control with respect to such financial reports.

Besides, the Company has appointed an internal auditor who is an independent third party with respect to performing duty, and reports to the Audit Committee. The internal auditor shall be responsible for the audit of the Company's business operations for efficiency and reports the audit findings directly to the Audit Committee.

In addition, the Audit Committee has revised the appropriateness and adequacy of the internal control system at least once a year and proposes to the Board of Directors for opinions concerning the adequacy of the internal control system to be put in the annual report and the annual data reporting form (Form 56-1 One-Report).

Policy on Whistle Blowing and Complaint Handling

The Company gives an opportunity for stakeholders to make inquiries, recommend, and report traces or complaints of legal offences, accuracy of the financial reports, defect internal control system or breach of business ethics, through independent committees or the audit committee. This will be an additional channel for the Company to obtain information faster and solve the problem on a timely manner. The Company has determined the scope of whistle blowing, reporting channels and procedures as follows:

1. Scope of whistle blowing

- 1.1 Legal offences, violations or behaviors that indicate corruption including nonobservance of rules, regulations, etc.
- 1.2 Abnormality of financial reports, defect internal control system, and fault documentation, for example inappropriate reporting of the Company's asset utilization, disbursement and approval of expenses, etc. which may negatively affect the Company's reputation or cause damage to the Company.
- 1.3 Spending or other compensations to public or private agencies for business benefits or achievements.

2. Channels of whistle blowing

If any event considered as actions and behaviors that may indicate corruption, legal offences, accuracy of financial reports, defect internal control system or breach of business ethics, is found, the trace of such event or complaint can be submitted the Audit Committee together with reliable and adequate detailed information by specifying identity (specify the name of whistle blower,

address, telephone number, fax number, E-mail, and relationship with the Company, etc.) or anonymously via the following channels:

1. E-mail the Audit Committee at audit_committee@asiaprecision.com ; or
2. E-mail the management at management@asiaprecision.com ; or
3. Website of the Company (Subject: Whistle blowing); or
4. Telephone number 038-468-300 extension to the Company's secretary; or
5. Fax number 038-458-751
6. Whistle blowing and Complaint Box (located at the Personnel Department)

3. Complaint Notification

All stakeholders of the Company include shareholders, customers, trade competitors, creditors, the government, community, the Company's executives and employees. They can notify complaints or traces to the Company upon finding, or knowing, or suspecting, or having causes in good faith that the agency or the Company's employee has taken actions that breach or do not observe relevant laws, rules, regulations, good governance, business ethics, policies and practices that may cause damages to the Company.

4. Protection and Privacy Measure for Petitioner

In order to protect the petitioner's right and an informer who notifies in good faith, the Company shall conceal the name, address or any information that can indicate the identity of the petitioner or informer, and keep the petitioner and informer's information in confidential. Only limited to the person responsible to the investigation of complaints that can access to such information.

Those who obtain information from performing duty involving complaints are responsible to keep such information, complaints and evidence documents of the petitioner and informer in confidential. Disclosure of such information to other parties who do not have any relevant duty is strictly not permitted, unless disclosure of such information is stipulated by law.

5. Procedures upon receiving complaints

The Audit Committee shall consider the received complaints and notifies a relevant agency to proceed with investigation for facts and perform appropriate actions. The Audit Committee shall follow up the progress periodically. The relevant agency shall report its actions within appropriate timing to the petitioner and the Audit Committee shall report to the Bank's Board of Director on a monthly basis.

Policy on Disclosure of Information

The Committee is aware of the responsibility to report correct, complete, true and reasonable financial reports. Financial statements of the Company and its subsidiaries are prepared according to the generally accepted accounting standards by using appropriate accounting policies, recording correct, complete and adequate accounting information for the purpose of securing assets, and in order to be able to identify weaknesses so as to protect against corruption and significant abnormality on a regular basis. In addition, important information should be disclosed adequately in the notes to the financial statements.

The Committee has appointed audit committee members to verify financial reports for correctness, completeness and reliability, as well as disclosure of correct, explicit, transparent and

timely information according to the requirements of a registered company. Also, the Audit Committee is responsible for verifying the internal control system for efficiency as well as observance of relevant laws and the Company's regulations. Moreover, The Committee shall verify and consider connected items or items with conflict of interests for appropriateness and reasonableness before submitting to the Board of Directors for approval.

In addition, the Company shall disclose information relating to each director including the role and responsibility of the Board of Directors and sub-committees, as well as remunerations of directors and senior executives in the annual data reporting form (Form 56-1 One-Report).

1. Authorization of information disclosure

1.1 The Chairman of the Executives Committee, Managing Director, Chief Executive responsible for accounting and finance, or a person assigned the responsibility of Investor Relations, can consider and make decision regarding the content of important information whether to be disclosed by explaining himself or assigning a related party as an expositor.

1.2 A person assigned the responsibility of Investor Relations has the authority to disseminate significant information of the Company, answer any enquiries of shareholders, investors and securities analysts.

2. Exceptions and Error Corrections in Information Disclosure

2.1 Business confidential information, information that if disclosed may cause disadvantage and loss of competitiveness, or information that is inconclusive or in between negotiation, must be strictly prohibited.

2.2 Do not disclose exaggerated information or unnecessarily promoting information that has no reasonable supporting cause, by omitting use of inappropriate words or formats or any way that may lead to misunderstanding of the price of the Company's securities.

2.3 In case of disclosing information that is incorrect, mistaken, inexact from the facts, or misinterpreting such information significantly, the Managing Director, Deputy Managing Director and Chief Executive responsible for accounting and finance, or a person assigned the responsibility of Investor Relations, has the authority to clarify the facts so as to ensure correct understanding at once.

3. Procedures upon Leaks of Information or Rumors

Upon a significant event happening, erroneous news concerning the Company, incorrect references, leaks of information to a third party, or untimely disclosed information and may lead to rumors affecting the price of securities and/or performance of the Company, whether positively or negatively, the Managing Director, Deputy Managing Director and Chief Executive responsible for accounting and finance, or a person assigned the responsibility of Investor Relations, shall be responsible for clarifying important information and actual facts that should be reported through the Stock Exchange of Thailand and various disclosing channels so as to ensure correct understanding at once.

4. Quiet Period

The Company has a policy to avoid the provision of information on performance that affects the share price, or beneficial to a particular party within the period of 10 days before already submitting

the financial statements and officially notifying its performance through the news supply system of the Stock Exchange of Thailand. Except for the case that an issue or event arises and affects the Company's performance estimate to be significantly erroneous such that users of information may misunderstand. The Company shall carry out disclosure of information to the Stock Exchange of Thailand while no meetings shall be arranged for disseminating information or answering any enquiries concerning performance to shareholders, investors, securities analysts and the mass media, and the Company's supervisory policy on internal use of information must also be observed.

5. Investor Relations Ethics

In the practices of Investor Relations, the Company has set a practical guideline and basic principle for Investor Relations so that they can provide equitable and fair information and practices to stakeholders as follows:

- 5.1 Investor Relations shall disclose information important and necessary to decision making of investors in a correct, adequate and timely manner.
- 5.2 Investor Relations must not use internal information for own benefits and others'.
- 5.3 Investor Relations shall disclose information in a equitable and fair manner by providing opportunity for every group of related parties to be able to gain access and make enquiries to such information.
- 5.4 Investor Relations shall perform their duty with professional morality based on the fairness principle, nondiscrimination against any bribery and personal inducement that benefits oneself more than the benefits of the Company and related stakeholders.

Policy on Information Technology Security

The Company has established the Information Technology Security Policy so that every member of the Company is aware of the importance of information technology security, as well as the duty, responsibility and practices concerning information technology security. The Policy has to cover every aspect involved information of the Company (Information Asset) which must be treated appropriately and in line with the main goal of the organization and international principles which include Confidentiality, Segregation of Duties, Physical Security, Information and Network Security, Change Management, Back up and IT Continuity Plan, Computer Operation, and IT Outsourcing. The Company shall hold on to the following key practices:

- Announce the policy and explain the practices to all related parties;
- Invest in information security in an appropriate proportion based on international standards and the business context of the Company;
- Hold to the worthiness of investments by risk appetite;
- Everyone in the organization is responsible for the information technology security;
- Adapt existing information-related practices or apply them appropriately to the organization's environments;
- Develop operational regulations and practices that can be practical and enforceable;
- Clearly determine related coverage or enforcement on information technology security.

Use and Maintenance of Electronic Information

Electronic equipment or information technology are regarded as valuable assets of the Company and important for business operation efficiency. Employees must use and observe the determined policy and regulations on use of information technology as well as ensure protection of breach or unapproved dissemination with the following practice guidelines:

1. Use of electronic equipment, electronic information or technology is only for the Company's benefits.
2. Use of electronic equipment, electronic information or technology must not violate the law.
3. Use of electronic equipment, electronic information or technology for own business benefits or other political benefits is strictly prohibited.
4. Use of electronic equipment, electronic information or technology in order to gain access to inappropriate, immoral or unknown websites which are suspect of security, is strictly prohibited.
5. Prevent electronic equipment, electronic information or technology from unapproved use.
6. Keep and do not give passwords for the use of the Company's information systems to others.
7. Use information in the most efficient and effective way.
8. The Company has the right to inspect electronic equipment, electronic information or information technology such as sending – receiving of data, data storage without necessary approval.

Policy on Work Management in Subsidiaries and Associated Companies

The scope of duty and responsibility of the Board of Directors in supervising the management structure and business running of the Company also includes work management in subsidiaries or associated companies to ensure consistency with the business operation plan, goals and strategies of the Company according to the resolution of the shareholders in good faith under the law, objectives and regulations of the Company. In addition, it includes the duty to supervise the Company, subsidiaries and associated companies to comply with the law on securities and the stock exchange and the regulations of the Stock Exchange of Thailand. A summary of such operations based on key issues are as follows:

1. Management Structure of Subsidiaries and Associated Companies
 - 1.1 Appoint a representative as a director or executive in a subsidiary or associated company in order to ensure operations of such a company in line with the Company's Policy in an efficient and effective manner.
 - 1.2 Monitor operations of subsidiaries or associated companies on a regular basis as well as establish a direction to be observed by a person appointed by the Company as a director or executive in such a company.
 - 1.3 Control and supervise operations of subsidiaries and associated companies so that they follow the business policy, goals, operational plan, strategies and budgets which have been approved.

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- 1.4 Consider the organizational structure and management of subsidiaries and associated companies in order to ensure efficiency and supportive to business running environments.
- 1.5 Consider to approve spending for investment or other operations, acquisition or disposal of assets, borrowing or making credit requests from financial institutions, lending, capital increase, capital decrease and business termination, which significantly affect business operations of subsidiaries and associated companies.
- 1.6 Consider to assign authority to:
- The Audit Committee to verify accuracy and reliability of financial reports, to verify the internal control system, internal audit, connected items preparation, observance of related laws and regulations as well as to supervise operations of subsidiaries and associated companies.
 - The Risk Management Committee to scrutinize the policy and risk management guideline of subsidiaries and associated companies.
 - The Executive Committee via the management to be responsible for reporting performance of subsidiaries and associated companies and consider their performance on a quarterly basis. Moreover, subsidiaries shall report business plan, investment projects and joint-venture with other entrepreneurs to the Company as a part of the performance report. Subsidiaries must provide relevant information or documents in conjunction with their performance to the Company upon request as appropriate. In case that a significant issue is found, the Company shall inform the subsidiary for further clarification and document submission for further consideration.
- 1.7 Develop the management of subsidiaries and associated companies in order to ensure a business supervisory system, a good internal control and risk management system are in place.
2. Scope of Duty and Responsibility of Directors and Executives in Subsidiaries and Associated Companies
- 2.1 Closely follow up operations of subsidiaries and associated companies so as to ensure consistency with the goals determined by the Company.
- 2.2 Carry out the duty determined by the Board of Directors of a subsidiary or associated company and/or the resolution from the meeting of shareholders of the subsidiary or associated company.
- 2.3 Consider and vote in the meeting of the Board of Directors of a subsidiary or associated company on a matter concerning general operations based on normal business of the subsidiary and associated company, as the directors and executives of the subsidiary and associated company see appropriate for the maximum benefits of the subsidiary and associated company. The Company shall except consideration and voting with respect to the following matters which have to get approval from the Board of Directors of the
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Company and/or the meeting of shareholders of the Company, namely:

2.3.1 Preparation of items of a subsidiary according to the announcement on connected items and the acquisition and disposal announcement.

2.3.2 Preparation of items that may significantly affect the financial status and performance of the subsidiary which include:

- Sale or transfer of the business of the subsidiary, either wholly or partly of materiality to another party;
- Acquisition or transfer of another company's business to the subsidiary;
- Termination of the subsidiary's business;
- Transfer or giving up privileges and right of claims that are substantial to the subsidiary's damage;
- Borrowing, lending, guarantee, obligation commitment or financial support to another company that significantly affect the financial status of the subsidiary;
- Amendments of the subsidiary's regulations;
- A capital increase, share allocation of capital increase and a decrease of authorized capital of the subsidiary as well as any actions that affect the shareholding proportion of the Company in the subsidiary, both directly and indirectly, to reduce from 10 per cent of the paid capital of the subsidiary, or reduce until less than 50 per cent of the paid capital of the subsidiary.

Policy on Holding a Position in Other Registered Companies of the Company's Director

The Board of Directors, as the organization's leader who creates sustainable value to the business by emphasizing efficient and effective performance of duty, has determined the appropriate number of companies in which each director can hold a position so that the directors can fully perform their duty as the Company's director as follows:

In case of holding a director position in other registered companies of the Company's director

- 1) Each director (except a director who is an executive) holds a director position in no more than 5 other registered companies with no exception.
- 2) A director who is an executive can hold a director position in no more than 5 other registered companies.
- 3) In case that the Company's director holds a director or executive position in other companies/businesses that are not a registered company, the director has to inform the Board of Directors for acknowledgement.

In case of holding a director position in other registered companies of the Chairman of the Executive Board

- 1) The Chairman of the Executive Board can hold a director position in other companies but such companies should not have conflicts of interests with the Company, either directly or

indirectly, and affect the duty and responsibility of every position held.

- 2) In case that the Chairman of the Executive Board holds a director or executive position in other companies/businesses, the Chairman has to inform the Board of Directors for acknowledgement.

Policy on Remuneration and Employee Welfare

The Company has a policy concerning remuneration and employee welfare by paying remuneration to employees as follows:

1. **Monetary remuneration**

Monetary remuneration are in the form of salary, bonus, incentives, diligent overtime pay, allowances for field operations and monthly fuel expenses by considering appropriateness, fairness, knowledge, capability as well as performance of each employee while consistent with the average of the same industrial. Employee remuneration should be in line with business growth.

2. **Other remuneration**

Employees can join the Provident Fund set up by the Company. The Company shall contribute 2 per cent of an employee's salary to the Fund while the employee accumulatively pays 2 – 15 per cent of his/her salary to the Fund. The Provident Fund is managed by the BBL Asset Management Co., Ltd.

In addition, the Company is aware of good life quality support and mitigating employees' burdens by providing welfares stipulated by law and additional welfare arrangements such as Social Security Fund, annual health check-up for employees, wedding grants, funeral aids for the death of employee's father or mother, accident insurance, etc.

Policy on Dividend

The Company pays dividend at least 40 per cent of the net profit based on the financial statements of the Company less corporate income tax, legal reserve and other reserves. However, the Company may determine a fixed rate of dividend payment different from that specified above depending on the need to use the working capital for operations, financial status, liquidity, business expansion, additional investments and other factors relating to the Company's administrative management. For the dividend policy for subsidiaries, it will be considered mainly based on economic situations and operational performance.

Nevertheless, the resolution of the Board of Directors concerning dividend payment approval must be submitted to the meeting of shareholders for approval, except for interim dividend payment which the Board of Directors has the authority to approve such interim dividend payments and report to the meeting of shareholders for acknowledgment in the next meeting.

Policy on Consumer Responsibility

The Company is committed to generating satisfaction and confidence for its customers, attentive and responsible to customers with respect to producing quality and safe goods at an appropriate price and specified standards using up-to-date technology. Moreover, the Company has upgraded its standards consistently and earnestly so as to achieve maximum customer satisfaction, maintain good,

sustainable and regular relationships with customers. Customers' information shall not be used for the benefits of the Company and related parties. In doing so, the Company has set up practice guidelines as follows:

- Respond to customer demand with quality goods or services with specified standards and safety;
- Disclose correct and complete information about goods and services;
- Do not carry out actions that cause ambiguity or distortion of information on goods and services; do not exaggeratedly advertise or refrain from stating material information that may lead to misunderstanding;
- Research and develop goods and service innovations on a constant basis;
- Place importance to procedures and activities that are benefit to the society, community and environment so as to achieve sustainable consumption;
- Create opportunities for customers to make complaints via the Company's website;
- Honor customers and contact them with courtesy, both in front of and behind them;
- Adhere to honesty, truthfulness and justice to customers.

Code of Conduct for Directors and Executive Directors

The Company expects its directors, executives and advisors performing their duties within the highest morality framework and adhere themselves or perform duty with honesty, carefulness and prudence for the maximum benefits to the Company and all related parties. In addition, they should be a role model of good behaviors to employees in general. In doing so, the Company has determined the code of conduct for directors, executives and advisors as follows:

1. Perform the duty following relevant laws as well as the good corporate governance code.
2. Perform the duty to the best capability for the maximum interests to the Company including attending every meeting except for a necessary case.
3. Perform the duty with neutrality. In a meeting, if a director, member of a sub-committee, executive or advisor has any interests in the issue put forward for consideration, the director, member of a sub-committee, executive or advisor must leave the meeting and refrain from any participation in the decision-making of that issue.
4. Perform the duty according to relevant laws, objectives and regulations of the Company as well as the resolution of the meeting of shareholders.
5. Manage for the benefits of the Company, shareholders and other stakeholders as well as preserving the Company's image.
6. Manage with honesty without political inclination while maintaining strict neutrality for the Company's benefits.
7. Play an important role in controlling and making decision on policies including executive appointments in order to manage the Company's operations, where each shall be responsible for their own duties in carrying out operations according to the objectives and regulations of the Company by providing full and fair support with regular improvements.

8. Have not any interests in a business that is related to the Company, or business that is competitive to the Company, whether directly or indirectly.
9. Manage by avoiding any conflict of own interests and that of the Company so that management can be carried fully and efficiently including:
 - Do not seek for own interests as a director;
 - Do not misuse the Company's secrets;
 - Do not hold a director position in a competitor company;
 - Do not have any interests from the Company's contracts;
 - Carefully manage and do not incur any obligations that may have a conflict with own duty and responsibility afterwards.
10. Must not be an entrepreneur, or important shareholder, or having a family member as a director, or important shareholder in a business or trading that is of the same nature and competitive, or do the business with the Company, whether for own or others' interests.
11. Must not take any actions that seems like going into manage or carry out anything that destroys the interests of the Company or serves other persons or juristic persons, whether for own or others' interests.
12. Commit to protect and eliminate all types of corruptions by taking as the first priority to deal with in a quick, explicit and decisive manner in order to create value and good image of the Company. The anti-corruption policy must be complied with.
13. Conduct oneself as a good example in complying with the anti-corruption policy.
14. Promote practices on observing the anti-corruption policy.
15. Must be independent on decision-making and actions based on justice.
16. Shall manage work based on employee care according to labor standards, labor practices as well as safety, occupational health and environmental care related to the Company's performance and impacts that will occur to the community, society and environment.
17. Manage work by considering the Company's internal and external participation by accepting recommendations, opinions related to the management including participation with the community on the matter that is effect from the Company's business running.
18. Keep confidential information of the Company from leaking to other unrelated persons which may cause damages to the Company or stakeholders unless specified by law.
19. Directors, executives and authorized persons are required to prepare the Stakeholder Report of themselves and related persons and send to the Company's secretary at the first stance. Any change of stakeholder information must be reported.
20. In acquiring and disposal of registered securities of directors, spouses and children under the legal age, it will follow the Announcement of the Securities and Exchange Commission, Thailand on the code of conduct and prohibitions of directors regarding acquisition and disposal of registered securities, and the Stakeholder Report of the directors.

Code of Conduct for Executives

1. Perform the duty with honesty and fairness for the maximum interests of the Company, customers, shareholders and employees.
2. Strictly adhere to observance of relevant laws, objectives and regulations of the Company.
3. Disclose the true statuses of the Company to the directors and shareholders on a complete and timely basis.
4. Do not seek for own and others' interests from the position held and confidential information of the Company.
5. Do not disclose confidential information of the Company.
6. In case of giving information, news or interviews to the mass media or general public, this has to be assigned from the Company.
7. Do not run a business in competition with the Company.
8. Preparation of inter-company transactions must be approved with consideration of the highest interest of the Company and lawfulness.
9. Do not take any actions that will cause conflict of interests to the Company.
10. Behave with good morality.
11. Dedicate oneself, knowledge, and capability for the interests of the Company at all times.
12. Govern subordinates with kindness, sympathy and fairness while do not use the authority improperly.
13. Perform and behave oneself as a good and credible example to subordinates.
14. Have good attitude to the Company and subordinates.
15. Give knowledge and advice to subordinates as well as willingly and sincerely listen to opinions and recommendations from subordinates.
16. Promote subordinates towards work security and private life.
17. Do not give information on customers' projects to other parties or use to compete with customers.
18. Do not lead customers to anticipate, or give any promises on any matter without appropriate authority while willingly listening to customers' opinions.
19. Compete with other persons or organizations within the stipulated rules and regulations without reprimand or blame on others.
20. Conduct oneself as a representative of the organization to third parties.
21. Strictly perform the duty according to the policy or regulations regarding the scope of social practice specified by the organization.
22. Participate in social activities and community organizations by providing assistance based on reasonable status and opportunity.
23. Do not participate or support any business with an objective that compromises good morality or encourages vices.
24. Participate in any political activities with the right and liberty under the provisions of the Constitution.

25. Commit to protect and eliminate all types of corruptions by taking as the first priority to deal with in a quick, explicit and decisive manner in order to create value and good image of the Company.
26. Conduct oneself as a good example in complying with the anti-corruption policy.
27. Promote practices on observing the anti-corruption policy.

Code of Conduct for Employees

The Company has set up the code of conduct for employees as a practical guideline and reinforce good and efficient work performance as follows:

1. Have good attitude towards the Company and superiors as well as respect and comply with the superiors.
2. Perform the duty with honesty, morality, perseverance and diligence while always developing and equipping themselves with knowledge.
3. Strictly perform the duty according to relevant laws and regulations of the Company.
4. Perform the duty by using best knowledge and capability, efficiency and standards relevant to the position with vigilance and responsibility.
5. Acknowledge, understand and strictly perform the duty according to the Company's policy as well as regulations regarding the scope of social practice specified by the organization.
6. Behave with good morality.
7. Refrain from tainted behaviors such as vices, drugs, all types of gambling, overwhelming debts that may damage the image of oneself and the organization.
8. Do not run a business that competes with the Company.
9. Pay attention to and strictly observe the moral rules and practices stipulated by the Company as well as avoiding any actions that may cause conflict of interests to the Company.
10. Comply with the anti-corruption policy.
11. Behave towards employee fellows with good courtesy, sincerity and harmony, give assistance in a lawful way and beneficial for the work of the Company, pass on work experiences to colleagues and line subordinates.
12. Do not criticize a personal matter or information belonging to colleagues in a derogatory way.
13. Utilize the Company's assets for the maximum interests of the Company and not for own interests.
14. Compete with other parties or organizations under the stipulated rules and regulations without criticizing and blaming others.
15. Appropriately conduct oneself as a representative of the organization to third parties including promoting the image of the Company at any suitably available opportunity.
16. Participate in social activities and community organizations by cooperating, providing assistance based on reasonable status and opportunity.
17. Participate in any political activities with the right and liberty under the provisions of the Constitution.
18. Do not cooperate or support any business with an objective that compromises good morality or encourages vices.

19. Strictly keep secrets of customers and the Company while not using customers' trusts for own interests.
20. Do not seek for own and others' interests from the position held and confidential information of the Company.
21. Service customers with the objective to ensure customers' maximum interests based on honesty, listening to customers' opinions, realizing the duty of customer service, and treat every customer equally with courtesy.
22. Do not give information on customers' projects to other parties or use to compete with customers.
23. Do not call for or accept any property from customers and those who do business with the Company in addition to expenses and fees that the Company charges.
24. Do not lead customers to anticipate, or give any promises on any matter without appropriate authority. In case of a problem occurred regarding operations or involving customers, ask for advice from line superiors.

Appendices

Punishment clause

In case that the management and employees behave in such a way that causes a conflict of interests to the Company, the case shall be considered according to the organizational structure of the Company and relevant work regulations. Each division provides an initial consideration, concludes and submits to senior superiors and a relevant line of responsibility for proper decision making on the offence and punishment. If the conflict of interests is severe and causes significant damages, and the issue may be beyond the original affiliation’s judgment, then the issue will be sent to the Human Resource Department and the Company’s management for further consideration in order to reach a conclusion and punishment imposition.

Punishment Imposition

1. Verbal warning
2. Written warning
3. Work suspension
4. Termination of employment
5. Legal prosecution

Acknowledgement and Adherence to Practice

I have read and studied the business ethics and regulations of Asia Precision Public Company Limited **dated 18th February 2022** thoroughly. I have understood and accepted such policies and prepared to strictly and completely apply the existing policies, principles and code of conduct as a guideline in performing the duty.

Sign.....
(.....)
Date.....

ATTACHMENT 6

2021 Audit Committee's Report

2021 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 Director, Prof. Udomsil Srisaengnam, MD and Mr. Teeralak Sangsanit as 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.4/2019 on November 12, 2019 resolved approval which will complete that period in December 23, 2022.

In the accounting cycle of 2021, 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 had 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 at every quarter. Those can be summarized as follows:

1. Audit quarterly and annual financial statements of 2021, 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 2022.

An evaluation in "self-evaluation of the Audit Committee" in 2021 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.

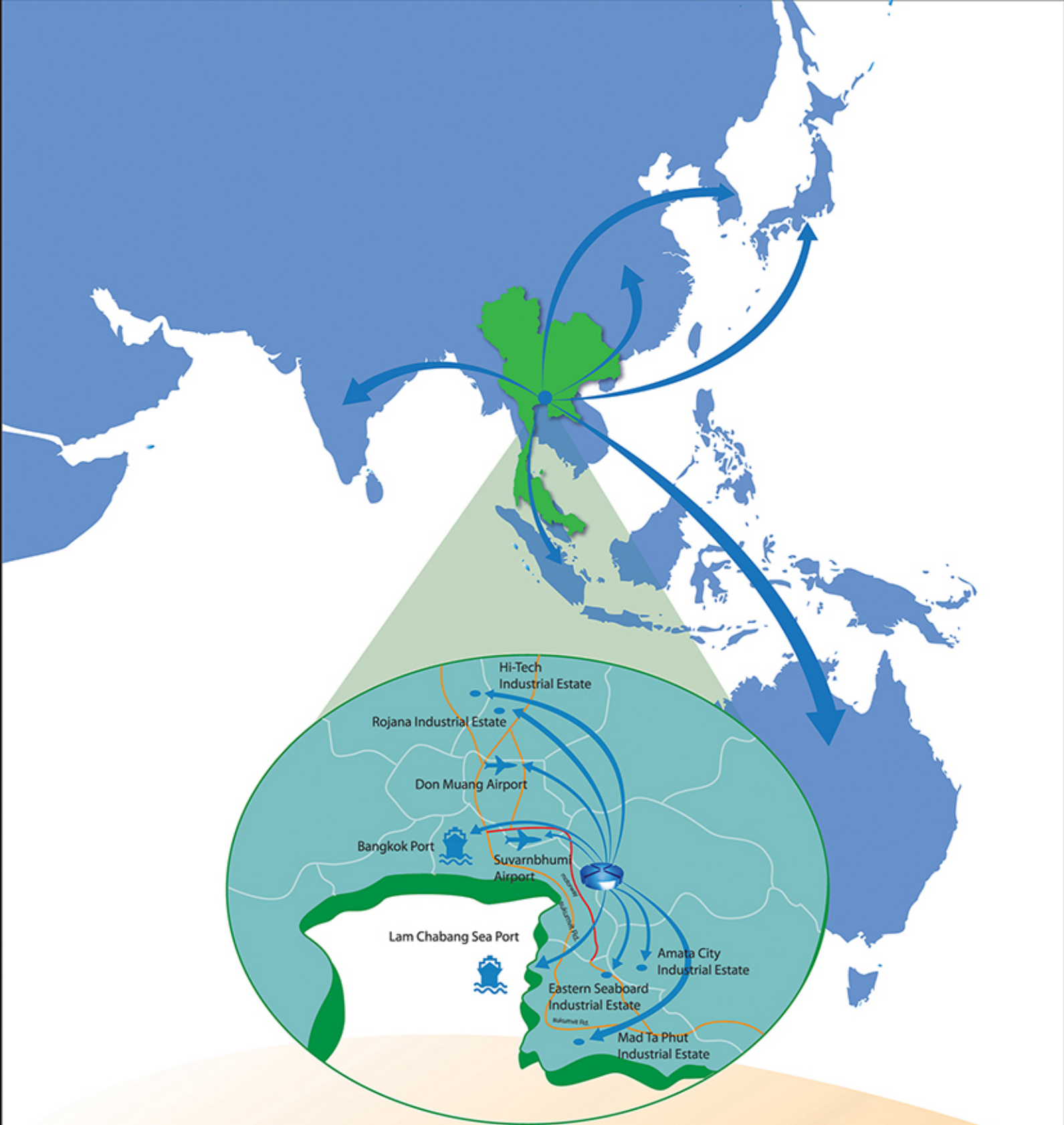
The Audit Committee has come to a conclusion that APCS has prepared correct financial statements in line with the accounting principles, generally recognized, has had adequate and efficient internal control and risk management without significant defects; complied with related legal provisions, rules 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

February 18, 2022



APCS

www.apcs.co.th

บริษัท เอเชีย พรีเมียม จำกัด (มหาชน)

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