

Annual Report 2020 (56-2 Form) As at 31st December, 2020



บริษัท พีรพัฒน์ เทคโนโลยี จำกัด (มหาชน)
Peerapat Technology Public Company Limited



@peerapat



Peerapat Technology



02-290-1234

Annual Report (Form 56-2)

ended as of 31 December 2020



บริษัท พีรพัฒน์ เทคโนโลยี จำกัด (มหาชน)

Peerapat Technology Public Company Limited

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Message from Chairman and Chief Executive Officer

In 2020, Thailand and all countries over the world have encountered the crisis of COVID -19 outbreak, the Company has been also affected by the said situation, including lock down measure, policy to prohibit the movement of goods and labor across provinces, resulting in the difficult circumstance of the Company's operational plans. The Company has realized that this crisis will affect the Company and our business partners for at least 1-3 years.

In 2020, the Company revised its business plans and reduced unnecessary expenditures for cost reduction during the Company encountered the problems of reducing congestion in the workplace, by allowing some employees to work from home. The company took such opportunity to develop and improve the reduction of offline workflow, develop some work processes to be more online so that the operation will not be interrupted. However, the Company does not have a policy to lay off employees because we believes in the potential and readiness to accept projects to be implemented after the outbreak slows down.

Although the Company's performance in 2020 showed the loss but the Company continues to more carefully and cautiously expand the selling zones for products and services, and expand the sales of products under the One Ton Laundry Project in laundries, Show Room Smart Kitchens Project, and could achieve new projects of customers in hotel, resort, restaurant businesses, enabling the Company to have more stable recurring income. This will enable the Company to have a continuous income base in the coming years in addition to sales revenue of products & services that fluctuates according to the economic cycle.

The Company is committed to conducting its businesses with good management, continuous development, and responsibility to customers and society, by emphasizing safety, occupational health and environment in the Company's projects and surrounding communities. We focus on reducing the occurrence of work accidents and environmental impact as well as minimize operational costs, leading to sustainable development results in business, society and environment.

The Company has continued to adhere to the creation of values for all groups of stakeholders without stopping to develop itself and find new channels and innovations for further expansion and stable and sustainable growth for the Company.

On behalf of the Board of Directors, Peerapat Technology Public Company Limited



Mr. Santi Thanyawong

(Chairman of the Board)



Mr. Veerapong Luesakul

(Chief Executive Officer)

1. Policy and Business Overview

1.1 Background and Business Operation

Peerapat Technology Public Company Limited (“Company” or “PRAPAT”) and its subsidiaries which are manufacturers and distributors of cleaning agents and disinfectants under the main brand “PEERAPAT”, and importers and distributors of machineries and equipment related to businesses in Hospitality Industry, such as automatic utensil washing machine, floor cleaning machines and equipment, prefabricated swimming pool and related equipment, heat pump, etc. The products manufactured or imported by the Company are classified into 7 product groups (see more details about the product groups in Section 2.2 Nature of Business) consisting of:

Peerapat Technology Public Company Limited (“The Company” or “PRAPAT”) and its subsidiaries are manufacturers and distributors of cleaning agents and disinfectants under the main brand “PEERAPAT”, importer and distributor of machines and equipment related to businesses in Hospitality Industry, such as automatic utensil washing machine, floor cleaning machines and equipment, prefabricated swimming pool and related equipment, heat pump, etc. The products manufactured or imported by the Company are classified into 7 product categories (see more details about the product groups in Section 2.2 Nature of Business) consisting of:

- 1) Laundry Products such as detergent for laundry, water conditioning agents and laundry detergent specially formulated for hospitals, laundries and slaughterhouses, etc.
- 2) Disinfectants Products such as general disinfectant, disinfectant for food and beverage industries, etc.
- 3) Kitchen Products such as dishwashing agents and drying agents, automatic utensil washing machine, utensils and equipment related to kitchen appliances, etc.
- 4) Building Care Products such as floor cleaning agents, floor coating agents, floor cleaning machines and equipment, consumer products for the housewives, etc.
- 5) Home Care Products such as laundry detergent, dishwashing liquid, fabric softener, alcohol disinfectant, consumer products for household, etc.
- 6) Swimming Pool Products such as chemicals for swimming pool, prefabricated swimming pool, equipment related to swimming pool system, etc.
- 7) Heat Pump

In addition, the Company and its subsidiaries also lease and provide services related to the products of the Company including Lease and Service for Kitchen Products, Service for Swimming Pool Products, Service for Heat Pump and Other Services.

The Company has organized the structure of the Company Group to achieve operational efficiency, the Company and each subsidiary company will share their operational responsibilities as follows:

1. Peerapat Technology Public Company Limited (PRAPAT) produces and distributes cleaning agents, imports kitchen machines and equipment, cleans swimming pools, sells and provides maintenance services for heat pump, by focusing on Business-to-Business marketing such as hotels, resorts, department stores, etc.
2. Thai Steward Services Company Limited (TSS) operates a lease service and sells utensil washing machines to food and beverage customers with experienced sales teams, where TSS will purchase utensil cleaning agents from the company for selling to customers who rent or buy utensil washing machines from TSS.
3. Mr. Pool Company Limited (MP) provides consultation, distributes and installs swimming pool systems and related equipment which is imported from abroad, as well as distributes water conditioning chemicals, by providing services to hotel customers, property developer, and MP will buy cleaning agents from the Company for reselling to customers.
4. Calvatis-Asia Pacific Company Limited (CVT) sells cleaning agents and disinfectants for factories in food and beverage industry and industrial plants where CVT will purchase cleaning agents from the Company for reselling to customers.
5. Allies Intertrade Company Limited (AL) sells detergents specially formulated for businesses other than hotels and resorts, such as hospitals, industrial laundries, slaughterhouses, where AL will purchase cleaning agents from the Company for reselling to customers.

The Company can produce both cleaning agents for both Liquid Hygiene Cleaning and Powder Hygiene Cleaning. At present, the Company has a manufacturing plant located in Thap Khang Sub-district, Khao Yoi District, Phetchaburi Province with its production capacity of 1,200 tons per month for liquid chemicals and 400 tons per month for powder chemicals.

Profile of the Company is as follows: The Company was established in 1988 under the name of Peerapat Industrial Chemical Co., Ltd. by Mr. Suebpong Ketnute ("Mr. Suebpong ") in collaboration with school friends who have knowledge and experience in the business of cleaning agents and disinfectants for industrial sector, with a registered capital of 2.00 Million Baht, and the Company started from being a manufacturer and distributor of laundry detergents for industrial sector used with large washing machines. The first phase of its establishment focused on hotel and hospital customers who have a lot of laundry and use a large washing machine. Later, with the Vision of the management team to expand the market of related products and services, the Company has researched and developed agents for floor cleaning agents products, kitchen cleaning agents, imported and distributed products related to swimming pool such as pumping system, swimming pool treatment system, etc. In addition, the research and development is also provided to disinfectants for industrial customers and factories, especially the customers of food and beverage factories requiring hygienic disinfection but not harmful to health and free from contamination.

From our experience and expertise in the business of cleaning agents and disinfectants for more than 30 years, together with the availability of personnel, technician team and equipment, the Company can expand its services of design, installation, testing, improvement, maintenance, as well as advice, inspection, measurement and consulting on the use of the agents for maximum efficiency, cost and energy savings for customers in an integrated manner such as a consulting services on agents to solve problems for customers in the areas of laundry - sterilization – cleaning, services of quality testing for washing- disinfection – cleaning, services of quality testing for washing-disinfection-cleaning products after using detergents, repair services for equipment within 24 hours, maintenance services for machines and equipment as an annual contract, etc.

The Company's business focus on becoming a leader of innovative cleaning technology in cleaning and sanitation industry in Thailand, research and development of high quality cleaning solutions and disinfectants for commercial marketing to industrial customers (Business-to-Business: B2B) and household customers (Business-to-Customer: B2C) along with offering good and complete services to customers, as well as having distribution channels nationwide, makes the Company is entrusted by the customers until our agents for cleaning, disinfecting and laundry are recognized by customers in Thailand. Additionally, we can expand our customer base to foreign countries in the Asean Economic Community (AEC). Presently, the Company has distributors in 5 countries including Cambodia, Vietnam, Myanmar, Lao PDR and Indonesia.

1.2 Vision, Mission and Principles of Business Operation

Vision

To be the market leader in cleaning technology in hospitality and food industries in Southeast Asia through research and development of cleaning agents that are hygienic for utmost satisfaction of customers and comit to drive business and society to sustainably grow together.

Mission

- Build strong Corporate Branding & Positioning, Corporate Brand Awareness and Customer Loyalty across Southeast Asia: The Company will focus on marketing through the brand PEERAPAT to be recognized by the customers and build their loyalty in the brand, as well as emphasize on close communication with customers by the executives of the Company Group, Business Center Manager and Branch Managers, domestic distributors and overseas distributors including reaching target customers through international exhibitions and trade fairs.
- Build Corporate Positioning as a leader of “Cleaning Hygiene Agents” by integrating “PPG Synergy” within Peerapat Group (PPG): The Company will focus on offering a wide range of products to meet the highest demands of each customer, including continuous service to increase income-generating opportunities by creating knowledge of products and services of the entire company group through training the teams and creating additional key accounts.
- Push forward into Industry 4.0 with technology of Internet-of-Things (IoT) used to provide customers with services to increase efficiency and effectiveness: The Company started this mission by investing in the Seiko program system from Italy to serve customers, our customers can control the use of agents dispenser through a mobile application or IT equipment, and its operational status and working result will be shown to customers to immediately know its performance.
- Drive the research, development and searching for innovative products and services within the organization and under the cooperation with domestic and overseas business partners: the Company emphasizes its competitive strengths through research and development of products that have special properties suitable for using in cleaning and disinfecting according to intended objectives of customers. Such research and development is made through the cooperation with business partners and educational institutions in the country.

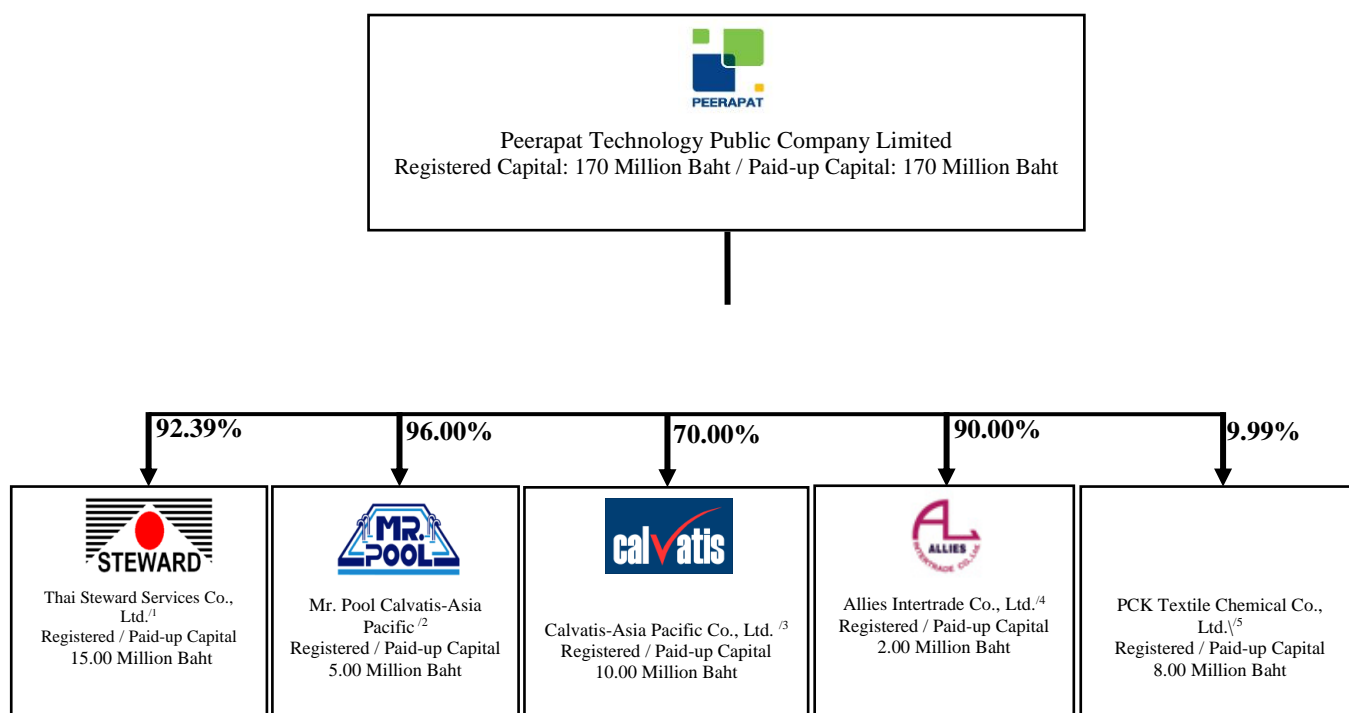
- Drive the market expansion through digital platform in cooperation with Fintech technology to expand SMEs-Small and Medium Enterprises customer bases nationwide: The Company started marketing for Business-to-Customer (B2C) customer group through online marketing channels such as Line OA, Shopee, Lazada, etc.
- Promote the creation of people and social values by developing corporate personnel, maximizing customer satisfactions and sustainably growing business with society: the Company creates corporate culture for all sectors to adhere to the principles of business operations.

Principles of Business Operation

- Accountability –Having a sense of responsibility to organization, customers and the society.
- Encouragement –Encouraging and supporting all functions to create the success of the organization as a whole.
- Competitiveness –Helping each other to enhance competitiveness for maximum profit in a consistent manner.

1.3 Structure of Company Group

The shareholding structure of the Company Group as of 31 December 2020 is as follows:



Remarks: /1 Remaining shareholders of TSS are TSS executives /employees holding 1.71% of shares and investors holding 5.90% of shares.

/2 Remaining shareholders of MP are MP executives / employees (presently retired), holding 4.00% of shares.

/3 Remaining shareholders of CVT are Calvatis GMBH holding 20.00% of shares and CVT executives / employees holding 10.00% of shares.

/4 Remaining shareholders of AL are AL executives / employees holding 10.00% of shares.

/5 PCK Textile Chemical Company Limited is a company under Panichaporn family, operating its business in selling industrial chemicals for textile products, in which the Company has jointly held shares since 2001 and recorded in the transaction of other long-term investments.

Subsidiaries

1) Thai Steward Services Company Limited (“TSS”)

Registration Date	:	21 October 1992
Registered capital and paid-up capital	:	15.00 Million Baht (Par Value: 10 Baht)
Office Location	:	408 Ratchadaphisek Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok 10310
Nature of Business	:	Provide leasing and distribution services of automatic utensil washing machines with an option of agents inclusion or agents exclusion.
Company’s Directors	:	1) Mr. Suebpong Ketnute 2) Mr. Annop Julaphan 3) Mr. Veerapong Luesakul
Authorized Directors Binding the Company	:	Mr. Veerapong Luesakul jointly signing with Mr. Suebpong Ketnute or Mr. Annop Julaphan with the Company's Seal affixed.
Relationship with the Company	:	TSS is a subsidiary where PRAPAT holds 1,385,923 shares, accounting for 92.39% of TSS's registered capital, with PRAPAT directors including Mr. Suebpong Ketnute, Mr. Annop Julaphan and Mr. Veerapong Luesakul.

2) Mr. Pool Company Limited (“MP”)

Registration Date	:	31 March 1995
Registered capital and paid-up capital	:	5.00 Million Baht (Par Value: 100 Baht)
Office Location	:	408 Ratchadaphisek Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok 10310
Nature of Business	:	Giving consultancy, selling, setting swimming pool system imported from abroad and selling water conditioning chemicals
Company’s Directors	:	1) Mr. Suebpong Ketnute 2) Mr. Annop Julaphan 3) Mr. Veerapong Luesakul
Authorized Directors Binding the Company	:	Two directors jointly signing with the Company's Seal affixed.
Relationship with the Company	:	MP is a subsidiary where PRAPAT holds 48,002 shares, accounting for 96.00% of MP's registered capital, with PRAPAT directors including Mr. Suebpong Ketnute, Mr. Annop Julaphan and Mr. Veerapong Luesakul.

3) Calvatis-Asia Pacific Company Limited (“CVT”)

Registration Date	:	18 January 2000
Registered capital and paid-up capital	:	10.00 Million Baht (Par Value: 100 Baht)
Office Location	:	406 Ratchadaphisek Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok 10310
Nature of Business	:	Selling cleaning agents and disinfectants for food and beverage factories and industrial plants
Company’s Directors	:	1) Mr. Suebpong Ketnute 2) Mr. Annop Julaphan 3) Miss Rungtip Mimaenwit
Authorized Directors Binding the Company	:	Miss Rungtip Mimaenwit jointly signs with Mr. Suebpong Ketnute or Mr. Annop Julaphan, totally 2 directors with the Company's Seal affixed.
Relationship with the Company	:	CVT is a subsidiary where PRAPAT holds 70,000 shares, accounting for 70.00% of CVT 's registered capital, with PRAPAT directors including Mr. Suebpong Ketnute and Mr. Annop Julaphan.

4) Allies Intertrade Company Limited (“AL”)

Registration Date	:	1 May 2000
Registered capital and paid-up capital	:	2.00 Million Baht (Par Value: 100 Baht)
Office Location	:	406 Ratchadaphisek Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok 10310
Nature of Business	:	Selling detergent specially formulated for businesses other than hotels and resorts, such as hospitals, industrial laundries, slaughterhouses.
Company’s Directors	:	1) Mrs. Pairin Treelaksanavilai 2) Mr. Suebpong Ketnute 3) Mr. Veerapong Luesakul
Authorized Directors Binding the Company	:	Mrs. Pairin Treelaksanavila jointly signing with Mr. Suebpong Ketnute or Mr. Veerapong Luesakul, totally 2 directors with the Company's Seal affixed.
Relationship with the Company	:	AL is a subsidiary where PRAPAT holds 179,999 shares, accounting for 90.00% of AL's registered capital, with PRAPAT directors including Mr. Suebpong Ketnute and Mr. Veerapong Luesakul.

Long-term Investment

1) PCK Textile Chemical Company Limited (“PCK”)

Registration Date	:	5 February 1993
Registered capital and paid-up capital	:	8.00 Million Baht (Par Value: 10 Baht)
Office Location	:	23 Premier 1 Alley, Srinagarindra Road, Nong Bon Sub-district, Prawet District, Bangkok 10250
Nature of Business	:	Selling chemicals for textile industry
Company’s Directors	:	1) Miss Kingkarn Chawanon 2) Mr. Kampan Panichaporn
Authorized Directors Binding the Company	:	One director signing with the Company's Seal affixed.
Relationship with the Company	:	PRAPAT holds 79,996 shares, accounting for 9.99% of PCK's registered capital.

2. Nature of Business

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- 1) Laundry Products such as detergent for laundry, water conditioning agents and laundry detergent specially formulated for hospitals, laundries and slaughterhouses, etc.
- 2) Disinfectants Products such as general disinfectant, disinfectant for food and beverage industries, etc.
- 3) Kitchen Products such as dishwashing agents and drying agents, automatic utensil washing machine, utensils and equipment related to kitchen appliances, etc.
- 4) Building Care Products such as floor cleaning agents, floor coating agents, floor cleaning machines and equipment, consumer products for the housewives, etc.
- 5) Home Care Products such as laundry detergent, dishwashing liquid, fabric softener, alcohol disinfectant, consumer products for household, etc.
- 6) Swimming Pool Products such as chemicals for swimming pool, prefabricated swimming pool, equipment related to swimming pool system, etc.
- 7) Heat Pump

The Company and its subsidiaries also lease and provide services related to the products of the Company including Lease and Service for Kitchen Products, Service for Swimming Pool Products, Service for Heat Pump and Other Services.

The Company has a manufacturing plant located at Thap Khang Sub-district, Khao Yoi District, Phetchaburi Province and has been accredited of Quality Management System Standard (ISO 9001), Environmental Management System Standard (ISO 14001), Health and Safety Management Standard (TIS 18001, OHSAS 18001), certification standard related to hygiene and production requirements (Good Manufacturing Practice: GMP) and HALAL Product Standard. For distribution channels, the Company sells its products to its customers through the Company’s sales teams, business centers and branches. In addition, the Company has presently appointed 10 distributors selected by the Company covering all sales territories of Thailand. The Company and its subsidiaries have expanded the businesses to foreign countries in the Asean

Economic Community (AEC) by appointing distributors in each country that the Company expanded its sales territories into. At present, 10 distributors have been appointed in five sales areas, including Cambodia, Vietnam, Myanmar, Lao PDR and Indonesia.

The Company has organized the structure of Company Group to achieve operational performance, the Company and each subsidiary company have shared operational responsibilities as follows:

Product Type	Product Description	Operating Company	Customer Group
(1) Laundry Products	Detergent for laundry Water conditioning agents Agents for ironing, fabric softening	<u>PRAPAT</u> ● Manufacturing and distributing agents	● Hotel & Resort Business ● Laundry Business ● Household customers: retail for use in household
	Laundry detergent specially formulated for hospitals, laundries and slaughterhouses with additional special property of disinfection in washing	<u>AL</u> (Subsidiary) ● Selling laundry detergents to specific customers.	● Hospital Business ● Industrial Laundry Business ● Slaughterhouse Business
(2) Disinfectants Products	General disinfectant	<u>PRAPAT</u> ● Manufacturing and distributing agents	● Industrial Plant Business ● Household Customers: Retail for use in household, especially, Disinfectants Products and general cleaning
	Disinfectants for food and beverage industries	<u>CVT</u> (Subsidiary) ● Selling agents under the manufacturing formula and the brand "Calgonit" and providing service of disinfecting in manufacturing plants.	● Food and Beverage Factory Business ● Industrial Plant Business
(3) Kitchen Products	Dishwashing liquid, drying liquid, scale remover,	<u>PRAPAT</u> ● Manufacturing and	● Hotel and Resort Business

Product Type	Product Description	Operating Company	Customer Group
	automatic utensil washing machine under the brand STEWARD, utensils and equipment related to kitchen appliances.	<p>distributing agents</p> <ul style="list-style-type: none"> ● Ordering the production of automatic utensil washing machines from abroad and importing for sale ● Distributing utensils and equipment related to kitchen appliances. ● Providing maintenance and repairing services for automatic utensil washing machines by our team from "Technician Hub" 	
		<p><u>TSS</u> (Subsidiary)</p> <ul style="list-style-type: none"> ● Selling automatic utensil washing machine 	<ul style="list-style-type: none"> ● Hotel and Resort Business * ● Catering Business ● Food & Beverage Chain Business and Stand Alone <p>* TSS will operate for the case of customers from hotel and resort business who wish to rent automatic utensil washing machine only.</p>
(4) Building Care Products	Floor cleaning agents, disinfectant for floor application, floor coating agents, floor cleaning machines and equipment, consumer products for housewives, such as cleaning gloves	<p><u>PRAPAT</u></p> <ul style="list-style-type: none"> ● Manufacturing and distributing agents ● Distributing machinery and equipment related to floor cleaning. ● Distributing consumer products for housewives 	<ul style="list-style-type: none"> ● Hotel and Resort Business ● Industrial Plant Business ● Cleaning Service Business for Office Buildings ● Real Estate Development Business ● Household customers (Home-use): retail for use in cleaning floors in houses

Product Type	Product Description	Operating Company	Customer Group
(5) Home Care Products	Agents for household customers such as laundry detergent, dishwashing liquid, fabric softener disinfectant alcohol, etc., Home Care Products such as tissue paper, garbage bags, etc.	<u>PRAPAT</u> <ul style="list-style-type: none"> ● Manufacturing and distributing agents used in household under the brand "Solvable Gang" ● Distributing consumer products used in household 	<ul style="list-style-type: none"> ● Retail customers ● Employees of the Company and its subsidiaries who are members of the Digital Selling Channel Group. ● Agricultural Cooperatives which purchases products to resell to members
(6) Swimming Pool Products	Chemicals for swimming pool, prefabricated swimming pool, equipment related to swimming pool, maintenance service for swimming pool	<u>PRAPAT</u> <ul style="list-style-type: none"> ● Manufacturing and distributing agents for cleaning swimming pools ● Importing chlorine, filter powder from abroad for sale to customers. ● Being a distributor of prefabricated swimming pool under the brand "Magiline" from France. 	<ul style="list-style-type: none"> ● Hotel & Resort Business ● Real Estate Development Business ● Educational institution ● Retail Customers who are owners of villa and pool villa
	Equipment, spare parts and chemicals for swimming pool	<u>MP</u> (Subsidiary) <ul style="list-style-type: none"> ● Selling equipment, spare parts and chemicals for swimming pool. ● Being a distributor for equipment of swimming pool, pumping system for swimming pool under the brand "Pentair", salt system under the brand "Davey" 	
(7) Heat Pump	Heat pump, providing maintenance and repair services for Heat Pump	<u>PRAPAT</u> <ul style="list-style-type: none"> ● Ordering the production of heat pump from abroad and 	<ul style="list-style-type: none"> ● Hotel & Resort Business

Product Type	Product Description	Operating Company	Customer Group
		domestic for selling under the trademark “PP Energy”	
(8) Services	<p><u>PRAPAT</u></p> <ul style="list-style-type: none"> ● Being hired to produce agents under customer’s brand (Original Equipment Manufacturer: OEM) for retail customers who order production for repacking and reselling in retail ● Providing on-site service for utensil washing for food courts, canteen in office buildings, or educational institutions; and the Company has a mobile vehicle to provide off-site service of utensil washing for party, events, banquets and catering ● Providing maintenance and cleaning services for swimming pool ● Providing services of maintenance and repair for machineries that are products of the Company Group and other services <p><u>TSS</u></p> <ul style="list-style-type: none"> ● Leasing automatic utensil washing machines 		

3.1 Structure of Revenues

In 2018-2020, the Company and its subsidiaries had following structure of revenue:

3.1 Structure of Revenue	2018		2019		2020	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
Sales Revenue						
Laundry Products	188.41	20.16%	192.29	19.16%	120.78	14.54%
Disinfectants Products	174.73	18.70%	197.36	19.66%	217.64	26.19%
Kitchen Products	116.86	12.51%	137.87	13.73%	108.43	13.05%
Building Care Products	69.81	7.47%	75.89	7.56%	79.73	9.59%
Home Care Products	52.01	5.57%	50.05	4.99%	38.28	4.61%
Swimming Pool Products	141.28	15.12%	141.25	14.07%	95.94	11.55%
Heat Pump	17.47	1.87%	20.77	2.07%	6.96	0.84%
Total Sales Revenue	760.57	81.40%	815.48	81.24%	667.74	80.36%
Rental & Service Revenue						
Kitchen Products	111.27	11.91%	121.93	12.15%	114.86	13.82%

3.1 Structure of Revenue	2018		2019		2020	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
Swimming Pool Products	40.35	4.32%	44.15	4.40%	40.04	4.82%
Heat Pump	6.85	0.73%	2.53	0.25%	1.55	0.19%
Other Services	0.27	0.03%	0.82	0.08%	1.21	0.15%
Total Rental & Service Revenue	158.74	16.99%	169.43	16.88%	157.67	18.98%
Total Revenue from Sale and Rental & Service	919.31	98.38%	984.91	98.12%	825.41	99.34%
Other Revenues ²	15.09 ²	1.62%	18.92 ²	1.88%	5.52	0.66%
Grand Total	934.40	100.00%	1,003.83	100.00%	830.93	100.00%

Remarks : /1 –Revenue from other services such as installation service, repair service for liquid dispenser for large washing machines, etc.

/2 –Other revenues include profit(loss) from foreign exchange rate, profit (loss) from sales of assets, interest income, rental fee of machinery & equipment and services to distributors, service revenue of Technician Hub, etc. In 2019 and 2020, the Company has reclassified other revenues for rental fee of machinery & equipment and services to distributors. and service revenue of the Technician Hub, which is the nature of normal business, as a sales revenue and/or Rental & Service Revenue according to the nature of that revenue. In case of reclassification of other revenues from 2018 to 2019 for the benefit of comparative analysis from 2018 to 2020, other sale-related revenues will be classified and included into sales revenue, and other service-related revenues will be classified and included into Rental & Service Revenue as the summary shown in below table:

Structure of Revenue	2018		2019		2020	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
Sales Revenue before reclassification	760.57	81.40%	760.57	81.40%	0.00	0.00%
Other Sales-related Revenues	3.91	0.42%	3.91	0.42%	0.00	0.00%
Sales Revenue after reclassification	764.48	81.82%	764.48	81.82%	0.00	0.00%
Rental & Service Revenue before reclassification	158.74	16.99%	158.74	16.99%	0.00	0.00%
Other Service-related Revenues	6.95	0.77%	5.50	0.59%	0.00	0.00%

Structure of Revenue	2018		2019		2020	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
Rental & Service Revenue after reclassification	148.80	16.45%	164.24	17.58%	0.00	0.00%
Total Sales Revenue and Rental & Service Revenue after reclassification	898.40	99.30%	928.72	99.39%	0.00	0.00%
Other Revenues	6.35	0.70%	5.68	0.61%	0.00	0.00%
Grand Total	904.75	100.00%	934.40	100.00%	0.00	0.00%

3.2 Characteristics of Products and Services

The Company and its subsidiaries are manufacturers and distributors of cleaning agents under the main brand “PEERAPAT”, and importers and distributors of machineries and equipment related to businesses in Hospitality Industry, the products and services of the Company and its subsidiaries are classified as follows:

1.2.1 Sales Revenue

1. Characteristics of Products

1) Laundry Products

PRAPAT is a manufacturer and distributor of laundry agents of both Liquid Hygiene Cleaning and Powder Hygiene Cleaning to customers in Hotel and Resort Business under the trademark "PEERAPAT". When customers buy Liquid Hygiene Cleaning from the Company, a dispenser will be installed for the customers without charge, to be used in conjunction with the Company's laundry agents since the laundry agents must be used with a liquid dispenser only. The automatic liquid dispenser allows the control of optimal liquid consumption based on the fabric type. The mixing can be set on the automatic liquid dispenser, resulting in consistent and good washing performance, the result is clean and safe cloth. In addition, the use of automatic liquid dispenser in conjunction with the Company's liquid also helps customers to save cost of washing because it helps reduce the waste of liquid from adding more than necessary, helps reduce the errors of laundry staff and it is safe because customers or their employees will not directly touch the agents. There are two types of automatic liquid dispenser: Single Washer and Multi Washer. Single Washer will supply

agents to one washing machine only, while Multi Washer will supply agents to multiple washing machines. The Company's liquid dispensers are available in many brands such as Nova Seko and Dositek, which are European product and USA product. In addition, the Company has purchased automatic liquid dispenser of the brand “Combine” from distributor in Thailand, to be installed for customers as well.



The Company has expanded its customer base to Hospital Business, Restaurant Chain, Laundry Business and Livestock Business which is operated by a subsidiary, Allies Intertrade Company Limited (AL), in order to clearly divide target customers. This is because customers in such business segments need to use specialized laundry agents with superior properties to conventional laundry agents to clean clothes contaminated with wastes such as blood, grease, urine and feces, stains from secretions, etc.

Table showing Sales Revenue of Laundry Products

	2018		2019		2020	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
PRAPAT	136.26	72.32%	142.03	73.86%	74.26	61.40%
AL	52.15	27.68%	50.26	26.14%	46.69	38.60%
Total Sale Revenue of Laundry Products	188.41	100.00%	192.29	100.00%	120.95	100.00%

Laundry agents of the Company and its subsidiaries are divided into 6 groups as detailed below.

1.1) Washing Products

Washing products can be divided into two types: Powder Detergent and Water Detergent, which contain chemical compounds for cleaning all types of fabrics, helping to remove dirt on the cloth by dissolving in the water, the water-based detergents are easily dissolved, making them effective in reaching deep stains, suitable for washing baby clothes and clothing for people with sensitive skin, sensitive to chemicals, because the water-based product will not leave

residues, while the powder-based detergent is effective in removing stains from the soil such as mud, and some formulas contain bleaches to whiten fabric appearance.



1.2) Bleaching Products

Bleaching products are divided into 2 groups: Chlorine Bleach, with properties in bleaching the clothes to be bright and white, especially suitable for washing white clothes; and Oxygen Bleach acting in general stain removal as well as making the fabric brightly colored, therefore suitable for cleaning colored fabrics



1.3) Alkaline Additives

Alkaline additives have the property to adjust the chemical alkalinity properties of water, resulting in more efficient washing, the increase in alkalinity of the water will make the contaminants on the fabric loosened more easily.



1.4) Degreasing Agents

Degreasing agents contain special chemical compounds for degreasing and making grease easier loosened from the fabric.



1.5) Water Conditioning Agents

Water conditioning agents contain chemical compounds that have water conditioning properties to adjust the acid-base in water, making the fabric having pH Balance so it doesn't irritate skin when touching the fabric after washing.



1.6) Fabric Softener

Fabric softeners contain chemical compounds that make fabrics softer. The fabric softener is coated on the fabric, making it smoother, softer and reducing the friction of the fabric. This makes the fabric feel thicker and fluffier when touching. In addition, fabric softeners help fabric dry faster and easier to iron because fabric softeners are hydrophobic. Presently, the Company also adds various fragrance ingredients to be mixed in fabric softeners, making its smell more fresh.



2) Disinfectants Products

In expanding customer base to the food and beverage manufacturing industry sector, the Company established a subsidiary, Calvatis-Asia Pacific Company Limited (CVT) acting as an investor in machinery and equipment for disinfection systems to be installed in the customer's factory to support the distribution of disinfectants produced under the chemical formula and the trademark "Calgonit" and disinfectants under the chemical formula and the trademark "PEERAPAT". Examples of product names are express, HI Alk, capitol, etc. Calgonit is a brand "Calvatis GmbH" from Germany (Joint Venture holding 20.00% of the paid-up capital in CVT). Calvatis GmbH is an international disinfectant specialist with modern technology and marketing networks in many countries around the world. CVT has more than 20 years of experience and expertise in such products, making the customers choose to purchase Calgonit or PRAPAT products depending on the nature of their applications, water quality, physical characteristics, and customer's requirements.

For the production and distribution of cleaning agents and general disinfectants which have different formulas from disinfectants used in the food and beverage industry will be operated by PRAPAT such as multi-purpose utensil cleaning agents, cleaning enhancement agents, etc., under the trademark "PEERAPAT", the customers buying PRAPAT disinfectants are hotels and resorts.

Industrial factories producing food and beverages must be certified of "Good Manufacturing Practice (GMP)", requiring quality control of raw materials and hygiene of entire production process, therefore, the cleanliness within the factory is important, food and beverages produced must be free of pathogens, which will affect the trust of consumers on products, the disinfectants for food and beverage industries must have special properties that are different from conventional disinfectants, by containing a mixture of disinfectants and sanitizers.

Table showing Sales Revenue of Disinfectants Products

	2018		2019		2020	
	Million		Million		Million	
	Baht	%	Baht	%	Baht	%
PRAPAT ^{/1}	11.81	6.76%	10.53	5.34%	11.71	5.38%
CVT ^{/2}	162.92	93.24%	186.82	94.66%	205.93	94.62%
Total Sales Revenue of Disinfectants Products	174.73	100.00%	197.36	100.00%	217.64	100.00%

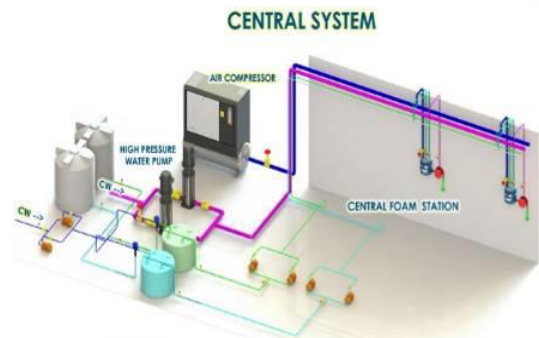
Remarks : /1 - Revenue under the name of PRAPAT will be the distribution to customers in hotel and resort business only.

/2 - Revenue under the name of CVT will include the sale of disinfectants under the brand Calgonit and Calgonit.

CVT provides service of cleaning equipment systems in a wide range of food and beverage industries, to support the distribution of disinfectants to such customers as follows

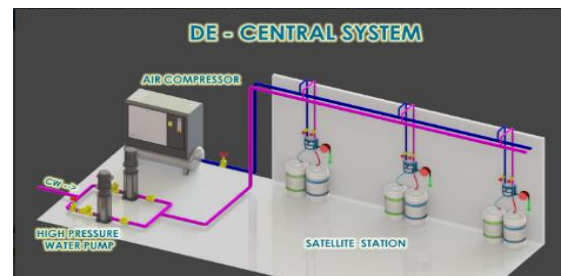
1. Central Foam System

In Central Foam System, a control system and a pump system will be installed for supplying cleaning liquid to each production line, the agents dispensed from agents tank will be sent and stored in the Foam Box. When cleaning, the operator will open the valve to spray the foam on the surface of equipment or production conveyors. The advantage of this Central Foam System is the operators can conveniently adjust the mixing ratio based on formula as desired. The mixing tank is located outside the building or production line.



2. De-Central Foam System

This De-Central Foam System is suitable for factories requiring different cleanings in different areas of the plant. The mixing ratio will be different at each point of use. The agents tank is located inside the building or production line.



3. Mobile Foam Device System

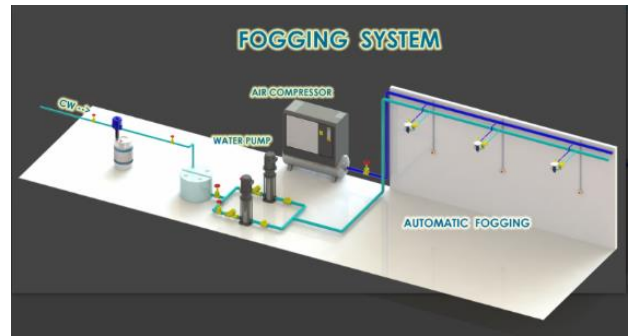


This Mobile Foam Device System is available in sizes of 20 liters and 50 liters, the operators can conveniently move it to clean any area as desired, suitable for small factories. In addition, the Mobile Foam Device System is also safe for users since it is not involved with electrical system.

4. Fogging System

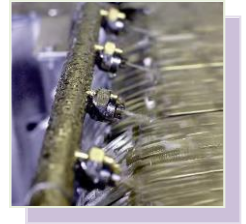
The automatic fogging system with diffusing nozzles on all four sides can spray the products 180 degrees, it will be used after cleaning and no people inside the area. This fogging system will spray the mist or fog from the ceiling to replace the air in the area

requiring cleaning to disinfect and eliminate odors, making the area or room used in food and beverage production clean and ready for the next production running. The fogging process will take about 3-8 hours per time.



5. Lubricant Conveyor System

This automatic Lubricant Conveyor System will spray agents onto the conveyor belt so that the conveyor belt will not get stuck and help disinfect.



PRAPAT and CVT disinfectants can be divided into 5 groups as follows:

1. Foam Products

The foam cleaning is an acceptable and suitable cleaning method for food and beverage industry. The disinfectant foam products have the properties in disinfecting and removing stains in factory machines and equipment, there are two types of foam products as follows:

1. Acid Foam: Highly concentrated, a lot of lather, suitable for removing dregs, deep stains in manufacturing plants of food and beverage industry.



2. Alkali Foam: Foam products designed to remove grease, and protein stains in manufacturing plants of food and beverage industry.



2. Clean in Place (CIP) Products

Chemicals for wet food and beverage production plants with CIP agents such as detergents, cleaning agents, and disinfectants, in which cleaning with CIP system does not disassemble parts of equipment or machines, this product is suitable for food and beverage factories that have continuous production lines or have machines in closed system, CIP products are divided into 2 types as follows:

1. Alkali -type CIP products: this group of products is used to remove deep protein or grease stains in CIP circulation system, which can be easily washed off.



2. Acid-type CIP products: This group of products is used for removing dregs and rust in CIP circulation system and cleaning by soaking, suitable for industrial factories producing food and beverages, the residues and concentration of products can be precisely checked.



3. Disinfectant Products

Disinfectant products contain chemical compounds used for destroying microorganisms or germs on the surface of equipment in food and beverage production. CVT disinfectant products are divided into 2 types as follows:

1. Disinfectant products with QAC (Quaternary Ammonium Compounds) are specially developed to disinfect in all conditions, well absorb the surface, are anti-corrosive of all types and will not affect plastics or machinery structures by destroying gram-positive bacteria (bacteria producing lactic acid and spores) and gram-negative bacteria (bacteria causing food spoilage).



2. Disinfectant products with PAA (Peracetic Acid) are high-performance disinfectant products with properties of both cleaning and disinfecting that can be in direct contact with food, without leaving residues that affect food, suitable for disinfection in a CIP circulation system that can kill bacteria, fungi, yeast and virus.



4. Lubricants

It is a product to help lubricate the conveyor belt and used to clean conveyor belts to guarantee the production capacity and hygienic integrity of all steps in packaging process. This is to prevent the contamination to mix with food and beverage products. CVT conveyor lubricants are suitable for all packaging materials and environmentally friendly. Lubricants can be divided into 2 groups as follows:

1. Soap base: This group of lubricants is sprayed on conveyor belts to reduce the friction between the belt surface and the bottle or package, prevent rust, fungi and bacteria because this soap-base product can be well dissolved in water; therefore it is not suitable for plastic belts because it will cause stains, resulting in non-slippery belt.

2. Synthetic base: This group of lubricants sprayed onto the conveyor belt is waterproof, suitable for all types of conveyor belts.

5. General Cleaning Products

It is used to clean, remove grease, protein and dirt, easily washed off and does not destroy the environment, such as a multi-purpose utensil cleaning agents and washing enhancement agents.



3) Kitchen Products

PRAPAT is a manufacturer and distributor of kitchen products such as utensil washing agents, drying agents, etc., as well as an importer and distributor of automatic utensil washing machines under the brand "STEWARD" such as dishwashing machines, glasswashing machines and equipment used in conjunction with utensil washing machines for customers in hotel and resort business, PRAPAT also offer automatic utensil washing machines to customers in support of the distribution of PRAPAT's kitchen agents.

For customers in businesses other than hotels and resorts, such as food cahins and restaurants that need an automatic utensil washing machine, the Company will distribute it through a subsidiary, Thai Steward Services Company Limited (TSS), and provide lease service of automatic utensil washing machines to all business groups exclusively through TSS, to be in line with the objective of clear management on the customer groups and expertise in specific products of the subsidiary.

The automatic utensil washing machine is an innovation for modern kitchen that is popular among customers of restaurants, food and beverage shops, restaurants in hotels, food chains and stand alone shop due to its advantages compared to manual utensil washing machine, such as saving time by washing large quantities at a time, using together with disinfectants and dry agemnts, washing in hot water up to 85 degrees Celsius, hygienic according to standards of the Ministry of Public Health, etc., while the price of automatic utensil washing machine is quite high, the Company therefore foresees a tendency in demand in a leasing manner to customers who want the functionality of automatic machine but have limited fund. The lease of automatic utensil washing machines will be operated by TSS only.

Table showing Sales Revenue of Kitchen Products

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
PRAPAT ^{/1}	74.69	63.92%	75.85	55.01%	46.04	42.46%
TSS ^{/2}	42.17	36.08%	62.03	44.99%	62.39	57.54%
Total Sales Revenue of Kitchen Products	116.8	100.00%	137.8	100.00%	108.43	100.00%
	6	%	7	%		%

Remarks: /1 - PRAPAT will be a distributor of kitchen products to customers in hotel and resort business only.

/2 - TSS will be a distributor of kitchen products to all customer groups except customer of hotel and resort business and a lessor of automatic utensil washing machines to all groups of customers (including customer of hotel and resort business)।

Business models related to PRAPAT and TSS's kitchen products can be divided into 3 models as follows:

1. Selling automatic utensil washing machines;
2. Selling agents for automatic utensil washing machines and kitchen agents;
3. Selling cleaning and disinfecting agents in the kitchen.

1. Selling automatic utensil washing machines

In the distribution of automatic utensil washing machines, PRAPAT will import automatic utensil washing machines from brands that are famous and accepted by many countries around the world such as Ozti brand from Turkey, Jemi brand from Spain, etc. by means of OEM (Original Equipment Manufacturer) under the brand "STEWART". PRAPAT And TSS's automatic utensil washing machines are distributed with clear segmentation of customers: PRAPAT will sell to customers in hotel and resort business only, while TSS will sell to all of other customers who are non-hotels and resorts, and TSS will lease automatic utensil washing machines to be clear in terms of customer groups and expertise in the subsidiary's specific products.

2. Selling agents for automatic utensil washing machines and kitchen agents

PRAPAT manufactures and sells agents for automatic utensil washing machines, such as utensil washing agents, drying agents, descaling agents, etc. For agents used in conjunction with automatic utensil washing machines sold or leased by TSS to customers, TSS will order from PRAPAT, provided that customers renting automatic utensil washing machines from TSS must use PEERAPAT agents only. If the after-sales team found that the customer is not using PEERAPAT agents, the contract with customer will be immediately terminated together with privileges in the lease contract and/or annual service and maintenance contract, and the warranty of product will be immediately cancelled if the customer purchases an automatic utensil washing machine but does not use PEERAPAT agents, even if the product is within the warranty period (the warranty period is 1 year covering repair and maintenance of the machine) and privileges in the sales contract and/or annual service and maintenance contract will be immediately terminated as well.

3. Selling cleaning and disinfecting agents in the kitchen

PRAPAT produces and sells cleaning and disinfecting agents in the kitchen, such as manual utensil washing agents, burn and grease removing agents, disinfectants for kitchen surfaces and utensils, etc.

Automatic utensil washing machines of PRAPAT and TSS are divided into 4 types as follows:

1. Small-sized Utensil Washing Machine (Under Counter)

Utensil washing machine with front opening is suitable for installation under the counter, which is efficient in washing utensils from about 400 - 1,440 pieces of utensils per hour, it is suitable for a shop accommodating about 80 clients.



2. Medium-sized Utensil Washing Machine (Hood Type)

This hood type has a vertical opening which is efficient in washing about 600 - 1,380 pieces of utensils per hour, suitable for a shop accommodating about 80 - 200 clients.



3. Large-sized Utensil Washing Machine (Conveyer Type)

Single-tank and multi-tank utensil washing machines are efficient in washing about 1,700–2,660 pieces of utensils per hour, suitable for a shop accommodating about 200 clients or more.



4. Extra Large-sized Utensil Washing Machine (Flight Type)

This automatic washing machine with conveyor belt is large, highly efficient in washing approximately 2,600 - 4,000 pieces of utensils per hour, suitable for a shop accommodating 200 clients or more.

เครื่องล้างสายพานขนาดใหญ่

Flight Type



There are 3 types of agents used with automatic utensil washing machines as follows:

1. Utensil washing agents

It is used to wash all types of utensils, has the property to make dirt and stains loosened, this agents classified as for manual washing and machine washing.



2. Drying agents

Drying agent is a chemical used for automatic utensil washing machines only, it has the property to quickly dry utensils, and helps control dregs inside the washing machine.



3. Descaling agents

Descaling agent is a chemical used with automatic utensil washing machines only, it is used to clean and remove deep stains.



There are 3 types of cleaning and disinfecting agents for the kitchen:

1. Manual utensil washing products

It is a agents for cleaning and removing grease stains on utensils, dishes, plates and other utensils for kitchen works.



2. Disinfectants Products in the kitchen

It is a bactericidal agents for materials and equipment such as knives, chopping boards, grates or general surfaces, walls in the kitchen, dining room or the area to be disinfected.



3. Cleaning products for deep stains in the kitchen

It is a agent for cleaning deep stains such as burnt stains on utensil, burnt stains in the kitchen, tea/coffee stains, dregs for the kitchen.



4) Building Care Products

PRAPAT produces and distributes building care products for all types of floors such as general room floor, kitchen floor, bathroom floor, etc., it is an effective agent that has a standard accepted by customers in many businesses such as hotel business, restaurant business, hospital business, etc., PRAPAT also sells machines and equipment for integrated floor cleaning.

Table showing Sales Revenue of Building Care Products

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
PRAPAT	69.81	100.00 %	75.89	100.00 %	79.73	100.00 %
Total Sales Revenue of Building Care Products	116.86	100.00 %	137.87	100.00 %	79.73	100.00 %

Building care products of PRAPAT are divided into 3 groups as follows:

1. Floor cleaning agents

1.1 **Floor cleaning – disinfecting agents** are classified into many types with cleaning, disinfecting and coating properties: application for all and application by surface type such as multi-purpose floor cleaning agents, floor cleaning and disinfecting agents, etc.



1.2 **Bathroom cleaning – disinfecting agents** are classified into many types with cleaning property for floors, walls, bathrooms, sanitary wares: daily wash and weekly wash, for rust stains, heavy stains such as daily wash cleaning agents that are certified of green label, acid-base toilet cleaning agents, bathroom cleaning and disinfecting agents, etc.



1.3 **Glass cleaning agents:** PEERAPAT has a ready-to-use agents and concentrated-type agents that must be mixed with water according to the ratio before use



1.4 Hand washing gel and disinfecting gel-alcohol spray are divided into

- Hand washing liquid and Disinfectant foam



- Disinfectant gel and alcohol spray



2. Floor cleaning machines or equipment

PRAPAT's floor cleaning machines or equipment are sold for use in conjunction with the Company's floor cleaning agents or meeting the needs of customers to enable them to purchase all equipment in one place, including cleaning vehicles, floor scrubber, vacuum cleaner, and pressure washer, etc.



3. Cleaning Equipment

The cleaning equipment sold by PRAPAT is an equipment for housekeeping works, with more than 200 items for selection such as floor scrubbing pads, scrubbing sponges, glass cleaning equipment, brooms, mops, cart, rubber sheets, trash, including toilet paper.



5) Home Care Products

PRAPAT has expanded its market to household customers (Business-to-Customer: B2C) apart from industrial business customers (Business-to-Business: B2B) because the Company has seen that its chemicals are essential products for every household, in addition, the Company still has production capacity left from production to support sales to industrial customers. Therefore, a research and development department has been established to develop suitable agent's formulations for household customers and has the amount suitable for using in household, this quality agents are not harmful to consumers, certified by relevant agencies while having a reasonable price and competitiveness in the consumer goods industry.

The Company distributes home care products under the brand "Solvable Gang", which has been sold since 2004, such as "Green Wax" and "Oxy Wax" detergents, "Rose" fabric softener, "Shining" dishwashing liquid, "Pinky" surface cleaning agents, etc., and distributes supporting products and accessories for cleaning such as multi-purpose wipes, black garbage bags, toilet paper, liquid alcohol or portable gel alcohol, etc. For the distribution channel of home care products, the Company sells through the digital sales team in various online channels such as Shopee, Lazada, Facebook, Line @, etc., allowing consumers to more conveniently choose to buy the Company's products.



Table showing Sales Revenue of Home Care Products

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
PRAPAT	52.01	100.00%	50.05	100.00%	38.28	100.00%
Total Sales Revenue of Home Care Products	52.01	100.00%	50.05	100.00%	38.28	100.00%

6) Swimming Pool Products

PRAPAT is a distributor of chemicals for swimming pool, imports and distributes prefabricated swimming pools under the brand "Magiline" from France, and provides pool service. PRAPAT is appointed as a distributor in Thailand for Magiline's products which are innovative, easy to care for, and take only 2 weeks for construction to meet customer needs, and is the contractor for real estate development projects.

The installation of swimming pool system, distribution of chemicals and equipment for swimming pool will be operated by a subsidiary, Mr. Pool Company Limited (MP), which is a specialist in swimming pool business. MP has working team with knowledge and expertise in swimming pool that can satisfy clients from giving consultancy, procurement of materials, equipment and chemicals to the installation of swimming pool system. In terms of installation of system, machines and equipment, the Company will outsource external contractors and have MP's supervisory engineers to supervise the installation works. The Company is trusted by customers from various businesses such as hotel business, real estate development business including customers having single detached house with swimming pool, MP has more than 25 years of experience in swimming pool business. At present, MP is a distributor of equipment of swimming pool system for the brand "Pentair" of USA, which is one of famous brands over the world.

Table showing Sales Revenue of Swimming Pool Products

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
PRAPAT	73.96	52.35%	70.06	49.60%	43.47	45.31%
MP	67.32	47.65%	71.19	50.40%	52.47	54.69%
Total Sales Revenue of Swimming Pool Products	141.28	100.00%	141.25	100.00%	95.94	100.00%

Swimming Pool Products of PRAPAT and MP are divided into 3 groups as follows:

1. Equipment used in swimming pools

MP is a distributor of equipment for swimming pool, the products sold by MP include filters, swimming pool pumps, salt systems, pool lights, spring pipes, swimming pool accessories, etc. MP's products are well-known swimming pool products from foreign manufacturers such as Pentair from USA, Davey from Australia, and Gemas from Turkey, MP has been continuously appointed as the distributor in Thailand. This group of products has a warranty period of 1-3 years depending on the type of products and brands, the warranty will cover repair and maintenance of the machine throughout warranty period.



2. Chemicals for swimming pool

Chemicals for swimming pool consist of specialty chemicals and general chemicals which can be divided according to the intended objectives into 2 groups: 1) products used for disinfection such as chlorine, pure salt, etc.; and 2) products used for water quality control such as water conditioning agents, etc.



3. Prefabricated swimming pool

The prefabricated swimming pool is sold by PRAPAT under the brand "Magiline" from France, PRAPAT has been appointed as a distributor in Thailand. Magiline's prefabricated swimming pool is modern and innovative, easy to maintain and spend only 2 weeks for construction. The warranty period for Magiline's products is 2 years, by covering repair and maintenance of the machine throughout the warranty period.



7) Heat Pump

PRAPAT is a distributor of heat pump under the brand "PP ENERGY", which is a hot water heater for use in hospitality industry, such as hotels, resorts, hospitals, restaurants, etc. The Company orders the production in the form of OEM from abroad such as China, to be sold to customers and makes production orders and/or purchases accessories in Thailand. In addition, PRAPAT provides a full range of consulting and installation services for heat pump by a working team with experience and expertise, making the Company well entrusted by customers. The warranty period for PP ENERGY products is 2 years covering the repair and maintenance of machine throughout the warranty period.

Table showing Sales Revenue of Heat Pump

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
PRAPAT	17.47	100.00%	20.77	100.00%	6.96	100.00%
Total Sales Revenue of Heat Pump	17.47	100.00%	20.77	100.00%	6.96	100.00%

Heat pump is a heating device pulling heat from the air, then transferring heat to the water, making water having a higher temperature as desired by the user. Heat pump is a heating device used to replace the boilers requiring energy from biomass fuel or electricity, it helps save costs for users. Heat pump is suitable for hotels, resorts, hospitals, industrial plants because it can quickly produce hot water for use in high volumes in the desired temperature range, can maintain a stable temperature

of hot water in the system over a certain temperature range before accelerating the heat pump to get hot water at desired temperature, resulting in energy saving as another alternative way.



8) Services

PRAPAT provides customers with services to expand its business on main customer base and supports the sale of agents, which are the main products of the Company Group, through the service function of the Company Group under the name "Technician Hub". At present, the service revenues can be classified into 5 types as follows:

1. Being hired to manufacture agents under the customer's brand (OEM)

The Company provides services of manufacturing cleaning agents, disinfectants under the customer's brand such as the multi-purpose cleaning agents, dishwashing products, etc. The Company will inquire customers about their needs, properties and specifications of the agents desired by the customer, then develop the formula or mixture of the agents as customer's needs and calculate the costs of producing such agents, and send quotation to customer. If the customer accepts the quotation, the Company will make an annual contract with customer by specifying quantity and production in the contract terms. The Company will determine terms and conditions for not making a business competitive with customer or use the customer's agents formula for its own marketing. In case of OEM, PRAPAT will set up terms and conditions for production in Bulk so that the customer can repack for sale, or providing service of packing in packaging as desired by customer to be immediately sold, such as in pot, can, bag, gallon, re-fill bag, etc.

2. Service of dishwashing in food courts and cafeterias

The Company provides onsite dishwashing services such as food courts and cafeterias, to support the sale of a variety of agents and products at one time, such as kitchen products, floor cleaning products, laundry products, etc. The Company will enter into an annual contract with a food courts, such as a food court in Samyan Mitrtown Project, food court in MBK Shopping Mall, canteen in the Metropolitan Electricity Authority, canteen in office buildings and educational institutions, etc.

At present, the Company has expanded this service by having a mobile vehicle to provide offsite dishwashing service for party, event, and catering, which are presently becoming popular among customers.

3. Care, repair and maintenance services for machines of the Company Group

Since most of machines and equipment of the Company are main machines and equipment used in business operation and supporting the sales of main products such as laundry agents, disinfecting and cleaning agents, dishwashing liquid, drying agents, etc., it is important to maintain the efficiency of equipment; therefore, the Company has a function providing care, repair and maintenance services for machines of the Company Group under the name of "Technician Hub", consisting of working team of experienced and skilled technicians. This technician team passed the electrician certification standard, together with modern tools to solve the problems for customers through the Company's Hotline covering service areas throughout Thailand. The team will provide service after being notified for repair by customers within 24 hours in Bangkok and its vicinity and within 48 hours for upcountry areas. Also, after the team provided the service, the service function will call to check the quality of works by inquiring about customer satisfaction. The company has received good responses about customers' satisfaction, the maintenance service can be divided into 2 types as follows:

3.1 Preventive Maintenance or scheduled maintenance, is a maintenance as planned to maintain the working conditions of machines and equipment so that they can be continuously and efficiently used without damages that may affect the operations of the customer.

3.2 Corrective Maintenance is the maintenance of damaged equipment which cannot be used, the technician team from the Company's Technical Hub will provide repair or replacement service by charging expenses on a case by case basis

In addition, the Company also provides customers with other special services, for example, to check up the effectiveness of washing formula, to check up the performance of washing machine, to check the hygiene and infection, services related to laboratory and research, to check the quality of the water used and the water in the washing process, including providing personnel of interested customers with training on safety in using agents.

4. Lease of automatic utensil washing machine

The lease of automatic utensil washing machines will be operated by TSS for all groups of customers, the lease of automatic utensil washing machines is divided into 2 types:

4.1 General lease

A general lease is a lease of automatic utensil washing machines with an annual lease term, it is classified into 2 types: agents-included and agents-excluded. Both types will be charged of rental fee in a monthly basis. Any customers selecting the former type of lease can ask for refilling agents unlimitedly throughout the lease term, while any customers selecting the latter type of lease must separately purchase utensil cleaning agents and drying agents. However, the rental fee of agents-included type will be higher than the rental fee of agents-excluded type based on the rates determined by TSS according to the size of automatic utensil washing machines rented by customers.

4.2 Lease with rights transfer

A lease with rights transfer is a lease giving customers rights to purchase utensil washing machine after the expiration of lease contract at the price specified in the contract.

5. Providing maintenance and maintenance services for swimming pool

PRAPAT has a working team consisting of members with knowledge and expertise in swimming pools, that can respond and serve the needs of customers in swimming pool maintenance and cleaning.

Table showing Structure of Sales & Service Revenue by Distribution Channels

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Direct Sales	763.65	83.07%	828.81	84.12%	700.95	84.92%
Sales through Distributors	155.65	16.93%	156.10	15.88%	124.46	15.08%
Total Sales & Service Revenue	919.31	100.00%	984.91	100.00%	825.41	100.00%

Details of each distribution channel can be summarized as follows:

1) Direct distribution channels consist of Business Center, Branches and the Company's Sales Team.



1.1) Business Center: it is a large sales unit required to pass the important condition stipulated by the Company, that is having sales volume for more than 1 Million Baht per month. This Business Center is spacious enough to make a showroom, displaying and presenting PRAPAT's products for customer selection, has technician team stationed to facilitate the service to PRAPAT's customers under the condition in sending technician team to the customer's premise within 48 hours after being notified by the customer. Presently, the Company has totally 7 Business Centers located in Bangkok, Chiang Mai Province, Chonburi Province (Pattaya), Phetchaburi (Cha-am), Surat Thani Province (Koh Samui), Songkhla Province (Hat Yai), Phuket Province, manager and salesperson stationed at the Business Center will be paid of commission based on commission payment policy of the Company.

1.2) Branches: At present, there is 1 branch located in Krabi province, the operation of the branch will be similar to that of a small business center with insufficient qualification to upgrade itself as a business center under the condition aforementioned. Manager and salesperson stationed at the branch will be paid of commission based on commission payment policy of the Company.

1.3) Marketing team of the Company and each subsidiary: In addition to the marketing team to take care of the sales of business centers, branches and distributors, the Company has added a distribution channel of Business-to-Customer (B2C) through online marketing (e-commerce) to help customers select and buy the company's products more conveniently and quickly, via applications including Shopee, Lazada, and everyone can contact the Company's Official Line, another channel for trading. All employees of the Company and its subsidiaries have been embedded of PRAPAT's corporate culture to support the sale of agents products and cleaning &

disinfecting technology products of the Company Group. Every employee can advertise the Company Group's products through their own online channels such as LINE@, Facebook, etc. Most of products to be advertised are Home Care Products, because they are general consumer products that are necessary for household use, and the demonstration on how to use by the sales team is not necessary and the price of these products is not very high. After customers contacted, ordered products and paid to the Company, the Digital Department will directly deliver the products to the customers, any employee who can sell will be paid of commission based on commission payment policy of the Digital Department, but the sales of employees must not impact on routine work of employees. The Company and its subsidiaries will measure the performance of employees through their direct department with given KPIs on a regular basis.

2) Distributors

The Company has a policy in supporting former employees of the Company Group, who want to leave and start their own business in their domicile, have good knowledge and understanding of agents products, cleaning and disinfecting technology products, machiens and equipment, and services of the Company Group, and are interested in growing up with PRAPAT's business to be appointed as an official distributor, they can independently manage their business but under the conditions, practices and structure of compensation clearly set in PRAPAT's official distributor appointment agreement, the Company's distributors will get a discount from ordering the products and pick up the products at the factory or the Company's office, and the discount will be provided for purchase in batch volume. At present, there are 18 distributors covering all regions of Thailand including following provinces: Bangkok, Samut Prakan, Chiang Rai, Khon Kaen, Ubon Ratchathani, Kanchanaburi, Surat Thani, Songkhla, Pathum Thani, Prachuap Khiri Khan, Saraburi, Lampang, Trat, Udon Thani, Phitsanulok, Nakhon Ratchasima, Phra Nakhon Si Ayutthaya, and Krabi, allowing the products and services of the Company Group to more widely and directly reach customers. Customers will find convenience in contacting for services and with the company's representatives that can quickly respond to customer needs.

In terms of international markets, the Company and its subsidiaries have entered into distributor appointment agreements in those countries in which our distributors in each country will make a marketing and distribute products of the Company and its subsidiaries. The Company has sent marketing and technical teams to train, advise and solve problems for foreign distributors to increase their potential in selling the Company's products in each country.

3. Risk Factors

The investors should carefully consider the risk factors and other details as appeared in this document before making decision on investment. The risk factors listed in this document are factors that may affect the Company and its share value. The risk factors listed in this document may not all existing risk factors because there may be other risk factors that the Company may not know and there may be some risk factors deemed as insignificant impacts, by the Company, on the Company at the moment; however, in the future, they may become risk factors that may have significant impacts on the Company's revenue and profits. Therefore, the investors should use their own discretion to carefully consider the information because the risk factors that may affect the Company are not limited to the risk factors as mentioned in this document only.

In addition, statements showing the future projections, estimation, intention or purposes of the Company as appeared in this document, such as "have plan", "wish", "want", "expect", "see", "believe", "estimate" "maybe" or any other similar word or phrase, are words or phrases indicating what might happen in the future which is uncertain and the results may differ from forecasts.

3.1 Business Risks

1) Risks of Impact from Changes in Government Policies, Laws, Rules and Regulations

The operations and products of the Company and its subsidiaries are involved in many governmental policies and regulations, such as cleaning agents for kitchen utensils, which are necessary to obtain a license for production and distribution from government agencies and the production process of the Company has main raw materials such as chemicals, to be procured of raw materials and products from domestic sources and imported from abroad for production process and resale process, such as alcohol, flavoring agents, etc. The import of chemicals from foreign countries and the use of chemicals in production must be performed under the rules and regulations such as the Hazardous Substance Act, B.E. 2535 (1992), etc. The Company and its subsidiaries are required to comply with laws and regulations and have all licenses, changes in government policies directly affect the operations of the Company and its subsidiaries; therefore, the risk is the Company and its subsidiaries could not adjust themselves to keep up with the changing policies, laws, rules or regulations, which may result in revocation of some important licenses.

However, the Company is well aware of such risks, therefore, strictly complies with relevant laws and applies for all licenses. Thanks to the expertise of a management team with a long history of experience in the industry, and the Company has a research and development department that has knowledge and

understanding of rules and regulations of chemicals relevant to the Company. The Company manages risks in line with government policies, laws, rules and regulations that may affect the Company. In addition, the Company can consult with legal advisors as necessary, the Company is therefore confident that its operations will not be significantly impacted by the aforementioned risks.

2) Risks of the leakage of cleaning agents formula

The Company's cleaning agents and disinfectants are its main products, the Research and Development Department is assigned to create and design all agents production formula, and the Company provides after-sales services to allow the customers to consult about their problems that may encounter when using cleaning products such as cleaning agents cannot be used in conjunction with the customer's water source, resulting in poor performance of cleaning agents. The Company will assign the Research and Development Department to improve the formula of cleaning agents and disinfectants in order to achieve utmost efficiency of cleaning to be suitable for the use of that customer. Based on the nature of business operation of the Company, it can be seen that the agents formula is one of key success of business operation, therefore, the Company is at risk from the leakage of the production formula, that is, if the production formula of cleaning agents is leaked to third parties or competitors, it may affect the Company's business operation and performance. This may cause the Company to have more competitors or increase the competitiveness of competitors.

The Company's management is aware of such risks, measures to prevent the leakage of production formula are placed, the production of cleaning agents are separated by using the "2-step formula", the Company will produce the leavening agent or known as pre-mix, and then the pre-mix will be input into the production process for further production of finished products. Moreover, the Company has limited the rights of production personnel in accessing the production formula. The Company expects to be able to manage such risks and the Company's operations will not be significantly affected by such risks.

3) Risk of Impact from COVID-19 Outbreak

Since 2020, the COVID-19 outbreak has widely affected the overall economy and the well-being of people, resulting in the issuance of policies and measures to prevent the spread of COVID-19 such as Physical Distancing, temporary closure of hotels and resorts, temporarily closure of restaurants, encouraging people to stay at home, restrict entry into the country of foreigners, etc., foreigners are not allowed to enter Thailand, affecting the hospitality industry, such as hotel business, restaurant business, which are the Company's direct customers.

The Company Group's total sales & service revenue for the year of 2020 was decreased by 17.22% compared to the year of 2019, considering the Company's revenue structure in 2020, the Company's revenue from hotel / resort customers was decreased by 49.83% compared to 2019. Additionally in 2020, the Company's revenue from distributors was decreased by 20.38% compared to 2019, indicating that the Company Group was affected by the COVID-19 situation. However, the Company has a customer portfolio other than tourism-related businesses affected by COVID-19, for example, industrial and food factories that are operating as usual, and their production volume is increased to meet the needs of consumers during the COVID-19 situation, food service restaurants are operating their business in making ready-made food to directly deliver to customers, etc., supporting the Company Group's performance and reducing the risk of the impact from COVID-19 outbreak. In 2020, the ratio of the Company's revenue from selling disinfectants was increased by 10.28% compared to 2019, due to the changing trend of customer behaviors, making industrial factories to put more emphasis on cleaning and disinfection.

Nevertheless, the government sector's measures to prevent the COVID-19 outbreak have been started, such as stimulating domestic tourism, the Company's customers began to purchase more products and services because some customers have started to reactivate their businesses, especially in the areas mainly focusing on domestic tourism, such as Hua Hin, Cha-am and Pattaya, etc. This can be seen from the revenue of the business centers in the said tourism areas to be increased since June 2020. Additionally, the food and beverage restaurants have been reopened, reflecting from the increase in the revenue of leasing automatic utensil washing machines that customers pay regular rental fee as usual since June 2020 onwards, and many new customers have contacted to purchase and rent automatic utensil washing machines, especially educational institutions. Also, the measure to import the COVID-19 vaccine and the vaccination of COVID-19 has started in 2021, thus allowing foreigners to travel to Thailand and stimulating tourism, resulting in a positive direction in the hospitality industry, such as hotel business, a direct customer group of the Company

3.2 Risks of Advanced Technology and Cyber Threats

1) Risk of Advanced Technology

At present, digital technology has played an important role in the competitiveness and differentiation of businesses to become the market leader of leading companies, the rapid transformation of digital technologies such as Data Analytic, Artificial Intelligence (AI), technological advances, in response to the expectations of stakeholders, may affect the competitiveness, products and business model of the Company.

However, the Company has set a goal to take advantage of technology in the pursuit of opportunities to meet the needs of its stakeholders for utmost benefit through following operations:

The Company's information function will support the digital technology transformation to enable the Company to maintain its sustainable competitiveness in the future, with a focus on operations, application of digital technology to enhance its competitiveness and meet stakeholder needs, promote IT/Data Architecture, and optimize cyber threat management and cognition enhancement to allow employees to be in tune with the advancement of new technology, as well as digital technology changes.

2) Risk of Cyber Threat

The increasing dependence on digital technology may become a risk of cyber threat affecting production systems and operating networks to be connected to the internet network. This affects important information technology system of the Company and its business operations, customers or business partners, possibly leading to the business disruption and hacking that may cause the Company's sensitive information to be leaked, and affect the reputation, image and confidence of stakeholders towards the Company. Cyber Threats include:

- Malware –Threats of being attacked by malwares (unwanted programs);
- Web Application Attack – Threats attacking web application attacks;
- Phishing –Threats of phishing (a technique of retrieving confidential data such as credit card numbers, password, username, by impersonating a legitimate organization);
- DDoS (Distributed denial of service) – DDoS - Threats attacking to interrupt the running of DDoS system – attacking by inputting data to cause server overloaded, and then failed or slow down until it is unusable;
- Spam –Threats from receiving spam mails
- Botnets –Threats from Email bombing and spamming: attacking by big volume of emails, causing resources of network system overloaded, any unmeaningful texts will be sent to make email system, account name or mail server failed. Botnets = private internet-connected computers whose security has been compromised by malware and under the attacker's control as a DDoS attack. Spam (Violate) (AUP = the Acceptable Use Policy))
- Ransomware –Threats from ransom malwares
- Data Breaches –Threats from the leakage of corporate information

The Company continuously raise awareness of cyber security related to threats to employees, such as providing knowledge on defense practices and information technology laws relevant to employees. The Company also installs external attack prevention system and backup systems, automatic backup system on a daily basis, and embeds employees to be more careful on the use of information system.

3.3 Management Risk

1) Risk of Reliance on the Company's Executives







Over the past 30 years, the performance growth of the Company and its subsidiaries has been driven by a wide range of expertise and specific experience in cleaning chemicals of the Company's key executives, including Mr. Suebpong Ketnute, Mr. Veerapong Luesakul, and Mr. Annop Julaphan, as well as the good commercial relationship between key executives and customers and business partners of the Company and its subsidiaries all the time. At present, the said executives are playing an important role in formulating the Company's policies and operational plans, possibly causing risk of reliance on executive's management capabilities as mentioned above.








However, the Company has realized the said risk; therefore, a Succession Plan has been formulated and a guideline of successor nomination is established by defining key positions within the Company that will enable the Company to sustainably operate and expand its business, and also defining the required characteristics and capabilities of key positions such as Chief Marketing Officer, Factory Manager, Accounting Manager, Finance Manager, Sales Manager, Quality Manager, etc. In addition, the Company's management structure is in the form of Executive Committee consisting of executives with direct experience in the industry, to take part in the management and express their opinions on important matters of the Company, to make professional executives with industry expertise to have more participation in the management of the Company. Besides, the Board of Directors has also decentralized to executive committee and senior executives such as the Chief Officers in various departments and various department managers based on the organizational structure, the Company also emphasizes the development of employees in all departments to provide them with opportunities to express their opinions and propose plans that are beneficial to the Company and its subsidiaries, to decentralize to the middle management to be more involved in management and making decisions, the Company is confident that such risk will less affect.


4.4 Trademarks

The Company and its subsidiaries have main trademarks and brand logos for the distribution of the Company's products, registered with the Department of Intellectual Property, Ministry of Commerce as follows:

No.	Trademark Image	Ownership	Type of Products & Services	Registration No.	Expiry Date
1.		Company	Detergent	Kor191606	16 March 2023
2.		Company	Detergent	Kor212045	15 August 2024
3.		Company	Detergent	Kor197775	5 October 2023
4.		Company	Maintenance Service for Automatic Agents Dispenser	Bor44897	17 November 2028
5.		Company	Detergent dishwashing liquid	Kor 307144	17 November 2028
6.		Company	Bed	Kor 398617	2 June 2566
7.		Company	Floor cleaning agents, Sanitary ware agents, Glass cleaning agents, Carpet cleaning agents	191103764	17 October 2570
8.		Company	Floor cleaning agents, Sanitary ware agents, Glass cleaning agents, Carpet cleaning agents	Kor347813	28 July 2020
9.		Company	Tissue paper	Kor418627	1 July 2024

No.	Trademark Image	Ownership	Type of Products & Services	Registration No.	Expiry Date
10.		Company	Detergent, Dishwashing liquid, Bleach powder, Agents preparing for bleaching, Bleach agents for white fabric, Agents preparing for laundry, Fabric softeners, Fabric softening agents, ironing starch, fabric starch, Wax for laundry, Stain removing agents, Stain removing powder	161109025	26 May 2025
11.		Company	Providing maintenance services for automatic agetns dispenser	161108873	26 May 2025
12.		Company	Management of commercial affairs, Trade management, Business service management, Marketing management, Wholesale trade management, Business management	171104843	26 August 2025
13.		Company	Fixed heat pumps, Solar heat pumps, Electrical heat pumps, Continuous flow heat pumps, Solar panels	171112355	13 October 2025
14.		Company	Utensil washing liquid	171115167	8 October 2025
15.		Company	Detergent, Dishwashing liquid, Fabric softener, Laundry agents, Bleaching powder for white and colored fabrics, Ironing starch, Degreasing agents for household Glass cleaning agents, Bathroom	181102396	14 June 2026

No.	Trademark Image	Ownership	Type of Products & Services	Registration No.	Expiry Date
			cleaning agents, Floor cleaning agents		
16.		Company	Dishwashing liquid, Fabric softener, Laundry agetns, Laundry agetns for white fabric, Detergent, Ironing starch, Fabric starch, Glass cleaning agetns, Bathroom cleaner, Bathroom cleaning agents, Floor cleaning agents, Cleaning agents, Cleaning powder	181125867	4 June 2027
17.		Company	Leavening agents for dishwashing liquid, Leavening agents for laundry agents, Leavening agents for floor cleaning agents, Leavening agents for fabric softener	191108056	29 November 2027
18.		Company	The application is under the process of consideration. Applciation No. 180133171.		
19.		Company	The application is under the process of consideration. Applciation No. 368541		
20.		TSS	Electric utensil washing machines	Kor411506	21 April 2024
21.		MP	Water conditioning agents	Kor 212039	5 July 2024
22.		MP	Non-metal drain gutters	Kor 212040	5 July 2024

No.	Trademark Image	Ownership	Type of Products & Services	Registration No.	Expiry Date
23		MP	Service of construction, repair for swimming pools, care and maintenance for swimming pool	Bor25797	5 July 2024

In addition, the Company has registered its trademarks in other countries including Cambodia, China, Lao PDR, Malaysia, Philippines, Singapore, Vietnam and Myanmar, for the distribution of the Company's cleaning products such as detergent, dishwashing liquid, bleach powder, agents preparing for bleaching, bleach agents for white fabric, agents preparing for laundry, fabric softener, fabric softening agents, ironing starch, fabric starch, wax for laundry, stain removing agetns, stain removing powder, etc.

4.5 Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in subsidiaries and associated companies by investing in businesses that are related or similar to the businesses in which the Company is operating. The Company has a policy not to hold shares of subsidiaries and associated companies as a cross-shareholding, and will not invest with persons who may have a conflict, unless its is necessary, such investments must not cause the conflict with relevant regulations or laws and then cause the Company to disqualify as a listed company. In addition, the Company also sets a procedure for investment by evaluate the feasibility of investment. If necessary, an independent consultant or expert may also be proposed to assess the worthiness of investment before proposing to the Board of Directors or the shareholders for approval of investment based on the extent of the Company's approval authority. After the investment was made, the Company will send a representative to act as the director of that company in accordance with the shareholding proportion in order to allow the Company to involve in the management to be in line with the Company's direction and policy as well as to supervise subsidiaries and related companies to comply with relevant rules or laws.

As of 30 June 2020, the Company's investment amount in subsidiaries and other long-term investments under the net cost method from allowance for investment devaluation was 33.98 Million Baht or 3.42% of total assets according to the separate financial statements of the Company as following details:

Subsidiaries & Related Companies	Registered Capital	Paid-up Capital	Investment Proportion (%)	Book Value of Cost Price (Million Baht)
1. Thai Steward Services Company Limited	15.00 MB	15.00 MB	92.40%	14.69
2. Mr. Pool Company Limited	5.00 MB	5.00 MB	96.00%	5.67
3. Calvatis-Asia Pacific Company Limited	10.00 MB	10.00 MB	70.00%	7.48
4. Allies Intertrade Company Limited	2.00 MB	2.00 MB	90.00%	8.12
5. PCK Textile Chemical Company Limited	8.00 MB	8.00 MB	9.99%	0.79
Ttotal Investment Amount				36.76
<u>Less</u> Allowance for Investment Devaluation ^{/1}				(2.78)
Total Investment Amount-Net				33.98

Remarks: /1 - Such allowance for investment devaluation is an allowance for devaluation of investment in Mr. Pool Company Limited which was occurred in 2011.

5. Legal Disputes

The Company has no legal disputes that

1. may significantly and negatively affect the business operations and no legal dispute may have a negative impact on the assets of the Company or its subsidiaries that are higher than 5% of the shareholders' equity as of 31 December 2020.
2. the cases significantly affecting the business operations of the Company or its subsidiaries, but the impact can not evaluated in numbers.
3. the cases will not be arisen by normal business operations of the Company or its subsidiaries.

6. Other Key Information

6.1 General information of Securities Issuance Company

Thai Name	: บริษัท พีรพัฒน์ เทคโนโลยี จำกัด (มหาชน)
English name	: Peerapat Technology Public Company Limited
Company Registration Number	: 0107551000231
Symbol	: PRAPAT
Nature of Business	: The Company and its subsidiaries are manufacturers and distributors of cleaning and disinfecting agents under the main brand “PEERAPAT” and importers and distributors of machinees and equipment related to hospitality industry. The products manufactured or imported by the Company are classified into 7 product groups: 1) Laundry Products; 2) Disinfectants Products; 3) Kitchen Products; 4) Building Care Products; 5) Home Care Products; 6) Swimming Pool Products; 7) Heat Pump. The Company also leases and provides services related to the products of the Company, such as Lease and Service for Kitchen Products, Service for Swimming Pool Products, Service for Heat Pump, and Other Services.
Head Office Location	: 406 Ratchadaphisek Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok 10310
Factory Location	: No. 118 Village No. 4 Wat Suan Santi Alley, Thap Khang Sub-district, Khao Yoi District, Phetchaburi Province 76140
Telephone	: (66) 2-290-1234
Facsimile	: (66) 2-290-1249
Homepage (URL)	: https://www.peerapat.com
Registered Capital	: 170,000,000 Baht (One Hundred and Seventy Million Baht)
Issued and Paid-up Capital	: 170,000,000 Baht (One Hundred and Seventy Million Baht)
Par Value	: 0.50 Baht (Fifty Satang)

6.2 Juristic person in which the Company holds 10% or more of the total sold shares.

Details can be further studied in Section 2.1 Policy and Business Overview, Topic 1.4. Structure of the Company Group

6.3 Other References

6.3.1	Securities Registrar	Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building, 1 st Floor, Building B 9 3 Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok Metropolis 10400 Telephone: (66) 02 – 009 9000 Facsimile: (66) 02 – 009 9991 TSD Call Center: (66) 02 – 009 9999
6.3.2	Auditor	EY Company Limited 33 rd Floor, Lake Ratchada Complex, No. 193/136-137 Rachadaphisek Road, Khlong Toei, Bangkok Metropolis 10110 Telephone: (66) 02 – 264 9090 Facsimile: (66) 02 – 264 0789
6.3.3	Internal Auditor	Audit House Company Limited No. 19, Lat Phrao 120 Alley, Wang Thonglang Sub-district, Wang Thonglang District, Bangkok Metropolis 10310 Telephone: (66) 02 – 530 6886 Facsimile: (66) 02 – 934 0607
6.3.4	Financial Advisor	Asset Pro Management Company Limited No. 999/9 The Offices at CentralWorld, 10 th Floor Unit 1011-1012 Rama I Road, Pathum Wan Sub-district, Pathum Wan District, Bangkok Metropolis 10330 Telephone: (66) 02 – 264 5678 Facsimile: (66) 02 – 264 5679

6.3.5	Legal Consultant	MSC International Law Office Company Limited 90, CW Tower, Tower B, 29 th Floor, Unit 2901, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok Metropolis 10310 Telephone: (66) 02-168-3270-3 Facsimile: –
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6.4 Other Operational Contracts

Loan Agreements

As of 31 December 2020, the Company and its subsidiaries have entered into loan agreements with 8 local financial institutions for short-term loans, long-term loans, credit limit for foreign transactions such as foreign exchange limit, Letter of credit (L/C) and/or Trust Receipt (T/R), etc., with the condition in maintaining important ratio that the company must maintain a debt-to-equity ratio at a rate of not more than 2.0 times and must maintain the Debt Service Coverage Ratio (DSCR) at a rate of not less than 1.2 times.

Corporate Governance Manual

Peerapat Technology Public Company Limited

The Board of Directors of Peerapat Technology Public Company Limited, realizes and gives precedence to corporate governance, and establishes the corporate governance guideline of the Company for adopting by all of the Company's directors, executives, and staffs as practice in accordance with the Corporate Governance Code pursuant to the corporate governance guideline prescribed by the Stock Exchange of Thailand.

1. Charter of the Board and Sub-Committees

The Company determines the roles and duties of the Board of Directors and the Sub-Committees in accordance with the Charter of each set of the Board/Sub-Committees, including Charter of the Chief Executive Officer, and the Company Secretary, consisting of the following.

1. Charter of the Board of Directors
2. Charter of the Audit Committee
3. Charter of the Executive Committee
4. Charter of the Nomination and Remuneration Committee
5. Charter of the Chief Executive Officer
6. Charter of the Company Secretary

(1) The Board and Sub-Committees

1. The Board

1.1 The Board of Directors plays the key role in corporate governance and is responsible for the duty performance result with the shareholders. The Board of Directors consists of the directors who have knowledge, competence, and experience in business operation as required by the Company, and shall have qualification without prohibited characteristics in accordance with the public limited companies law, and other laws, perform in establishing the policy, vision, strategy, goal, mission, business plan, and budget of the governance on insider trading.

The Company and its subsidiaries emphasize on supervising the insider trading in accordance with the Corporate Governance Code by adhering good governance, integrity in business operation to ensure that the investors of the Company's securities will equally and timely acquire the reliable information. The Company establishes the Company's insider trading prevention policy particularly the data relating to the Company's financial position and performance prior to publicity to the public, under a limited number of the persons who are informed of data in limit, and provision of knowledge to the directors and executives to acknowledge the

obligation that the directors and executives shall report their securities holding, and the related persons in definition of the related compliance agencies (it is to say that they shall report the securities holding of their spouse, underage children, and juristic person under their controlling power in the specified definition), as well as acknowledge the penalty pursuant to the Securities and Exchange Act B.E. 2535 (1992) (including amendment). The Company prescribes the rules and regulations, insider trading, and rules of securities trading of the directors, executives, and staffs to be consistent with the securities-related laws, and focuses the business operation transparency. The following essence is summarized.

1. The Company's directors, executives, staffs, and employees shall keep the Company's secret and/or insider information.
2. The Company's directors, executives, staffs, and employees shall not disclose or use the Company's secret and/or insider information to seek for self-benefit or for any other person's benefit either directly or indirectly, and whether they will gain any return.
3. The Company's directors, executives, staffs, and employees shall not trade, transfer, or accept the transfer of the Company's securities using the Company's secret and/or insider information and/or enter into any other juristic act using the Company's secret and/or insider information which may cause damage to the Company either directly or indirectly. This requirement also includes spouse and underage children of the Company's directors, executives, staffs, and employees. It shall be deemed as serious offence if any person violates the said rules and regulations.
4. The Company establishes a guideline for storing and preventing the insider trading to prohibit the directors, executives, and Company Secretary, Secretary of the Board of Directors, Secretary of the Sub-Committees, staff level from senior managers and higher, and persons relating to insider information, to purchase or sell the Company's securities within 1 (one) month prior to disclosure of quarterly financial statements and yearly financial statements or from the acknowledged date of the said insider information prior to the disclosure of the important data and information and for 1 (one) working day after the important data and information are disclosed.
5. The directors, executives, and the executive level office holders in accounting or financial line at higher than or equivalent to the division manager level, shall report every purchasing or selling transaction of the Company's securities to the SEC. (pursuant to the Report Form 59) upon the change in securities holding whether being purchase/sale/transfer/transfer acceptance within 3 (three) working days as prescribed by the Securities and Exchange Act, and notify the Company Secretary about every change in securities holding. In this regard, the said responsible

person may give a notice to the Chairman of the Board of Directors or the Chief Executive Officer, or the Company Secretary 1 (one) working day in advance prior to the said change in securities holding.

In the case of an act which is a violation of the aforesaid practice other than being an individual offence pursuant to the related rules and laws, the Company shall take disciplinary action to properly consider punishing for the case, for instance, verbal warning, written warning, wage reduction, suspension from job or dismissal without severance pay, or legal proceedings.

However, the Company has duty to disclose the information relating to the important operations of the Company to the public for immediate and thorough acknowledgement via media and procedure of the Stock Exchange of Thailand, and the Company's data disclosure policy, and via the Company's other media to ensure that the shareholders and/or investors of all groups can immediately and equally access to news information.

1.1 Communication with the Board of Directors

The Company arranges the channels for the stakeholders consisting of the staffs, shareholders, investors, customers, business partners, creditors, government sector, agencies or related parties, to allow them to inquire details, notify the complaints or clues of the legal offence, accuracy of the financial report, faulty internal control system or breach of the Company's business code of conduct via the audit committee member of the Company. In communication with the Company, the communication letter can be sent, the useful data or suggestion can be informed to the Company for considering the execution in accordance with the established process. However, the complaint and whistleblowing data shall be protected and kept as confidential. The audit committee member shall order to audit the information and find a corrective guideline, and then report to the Board of Directors.

1.2 Remuneration of the Directors and Executives

The Company's policy is to determine the nomination for the directors in the rate comparable to the same industry, and high enough to motivate and retain the quality directors for paying the remuneration of the executive directors and executives to be consistent with the Company's overall operation and each executive's performance, whereas the Nomination and Remuneration Committee shall consider determining the necessary and appropriate monetary remuneration and non-monetary remuneration, any other welfare, to the directors, sub-committee members, and Chief Executive Officer.

However, for the remuneration of the directors, sub-committee members, and Chief Executive Officer, the Nomination and Remuneration Committee shall yearly propose to the Board of Directors' Meeting to request for an approval resolution, and propose to the Annual General Meeting of Shareholders to request for approval (as the case may be).

Part 2 The Company's Good Corporate Governance Policy

The Board of Directors gives precedence and commits to comply with the Corporate Governance Code, and manage by adhering to the Company's Corporate Governance Code, and in case where the Company enters to be a listed company in the Stock Exchange of Thailand, the Board of Directors shall comply with the best code of conduct for the directors, registers the related regulations, rules, and practices of the Stock Exchange of Thailand, the Securities and Exchange Commission. The Board of Directors also commits to develop for improving the Company's corporate governance toward the excellent practice in international level. This will create confidence to the shareholders, investors, and related parties of all parties, and aims for supervising the management to be efficient. The essence of good corporate governance is classified into eight principles as follows.

2 . 1 Realize and establish clear leadership role and responsibilities of the Board in creating the sustainable business value

- 1)The Board of Directors understands the roles and realizes on the responsibilities as the organizational leader who shall govern the organization to have good management by establishing a practical guideline covering the following matters.
 - 1.1) Yearly review and define the objective and goal of the Company to be rapid and catch up with the economy in each year, and create sustainability in the future.
 - 1.2) Yearly review the adopted strategies, and operating policies which are appropriate for the current situations to be used in allocation of the Company's resources to attain the objective and goal.
 - 1.3) Monitor, assess, and supervise the performance reporting.
- 2)The Board of Directors is aware of the sustainable value creation to the business by establishing a practical guideline covering the following matters.
 - 2.1) Develop the organization to be competitive in the market and have good turnover by taking long-term impact into account.
 - 2 . 2) Operate the ethical business, respect the rights, and take responsibilities for the shareholders and stakeholders.
 - 2 . 3) In each year, the organization shall always create benefit to the society, and develop or reduce negative environmental impact.

- 2.4) The organization can adapt to catch up with the changing economic situations.
- 3) The Board of Directors has duty to govern all directors and executives to perform their duties of care and duty of loyalty toward the organization, and supervise the operations in accordance with laws, Articles of Association, and resolution of the Shareholders' Meeting.
- 4) The Board of Directors shall review and endeavor to grasp the scope of the Board of Directors' duties and responsibilities and clearly entrust duties and responsibilities to the Chief Executive Officer and the management, and monitor the Chief Executive Officer and the management to perform the entrusted duties.

2.2 Define the main objective and goal of the business that promote sustainable value creation

- 1) The Board of Directors shall yearly review the main business goal by focusing on sustainability and value creation to the business, customers, stakeholders, and society on the whole.
- 2) The Board of Directors shall be assured that the business objective, goal and strategy are consistent with the achievement of the main business objective and goal, and the innovation and technology are appropriately and safely applied.

2.3 Strengthen the Board's effectiveness

- 1) The Board of Directors is responsible for yearly defining and reviewing the structure of the Board of Directors both in the matters of size and proportion of independent directors which are suitable and essential for leading the organization toward the setting objective and goal.
- 2) The Board of Directors shall select the qualified person to be the Chairman of the Board of Directors, and supervise to ensure that the composition and operations of the Board of Directors support the exercise of its discretion on freely making the decision.
- 3) In every year, the Board of Directors arranges the channel for nominating the candidates to be selected as the directors. There is a transparent and clear selection process to acquire the Board of Directors that is qualified to be conforming to the defined composition.
- 4) The Company's policy for determining the directors' monetary remuneration is clear and transparent focusing on long-term sustainability. The said remuneration shall be yearly proposed to the request for approval from the General Meeting of Shareholders under the rules for determining the directors' remuneration as follows.
 - 1) The remuneration is suitable and consistent with the scope of obligations and responsibilities of each director.

- 2) The remuneration is in the level which can motivate, retain the directors who have knowledge, competence, and quality in performing their duties for the Company.
- 3) Element of the remuneration is clear, transparent, and easily understood.
- 4) It is the rate comparable to the directors' remuneration in the same or similar industry.
- 5) The Board of Directors shall govern all directors to be responsible for performing their duties and sufficiently allocating their time.
- 6) The Board of Directors shall govern to determine the framework and mechanism for governing the policies and operations of the subsidiaries and other businesses significantly invested by the Company in the suitable level for each business, and the subsidiaries and other businesses invested by the Company to have the proper and identical understanding.
- 7) The Board of Directors shall yearly evaluate the performance of the duties of the Board of Directors, the Sub-Committees, and the directors/sub-committee members in individual basis. The assessment result shall be used for further developing the duty performance. The performance evaluation format may be both of group and individual evaluation which shall at least be the self-evaluation method or the Board of Directors may mutually consider using cross evaluation method. The rules, procedures, and evaluation result in overview shall be disclosed in Annual Report.
- 8) The Board of Directors shall supervise the Board of Directors and each director have knowledge and understanding on the roles, duties, nature of business operation, and laws relating to the business operation, and support all directors to be regularly strengthened with skills and knowledge for performing the director duties.
- 9) The Board of Directors shall orderly operate, enable to access the essential data, and have a Company Secretary who has essential and appropriate knowledge and experiences to support the Board of Directors' operations.

2.4 Recruit and develop the top executives and personnel management (ensure effective CEO and people management)

- 1) The Board of Directors determines that the Chief Executive Officer and top executives shall be recruited and promoted them to have the essential knowledge, skills, experiences, and characteristics for driving the organization toward the goal. In addition, it also determines that a succession plan shall be prepared to be ready for succession of the Chief Executive Office and top executive position, and the Chief Executive Officer shall report his/her performance

based on the succession plan to the Board of Directors for periodic acknowledgement at least once a year.

- 2) The Board of Directors shall define the appropriate remuneration structure and evaluation to motivate the Chief Executive Officer, top executives, and other personnel at all operating levels to be consistent with the main organizational objective and goal, and business benefit in long run.
- 3) The Board of Directors realizes on the issue of conflict of interest from the shareholders' structure and relationship that may affect the business management and operations. The Board of Directors shall regulate and supervise to avoid an internal agreement of the family business, shareholder agreement or policy of the group of parent companies (if any) (as the case may be) to be the obstacle for the Board of Directors' duty performance, and disclose the data based on the agreements that may affect the business control.
- 4) The Board of Directors shall always monitor and supervise the management for personnel development in the matters of knowledge, skills, and experiences.

2.5 Nurture innovation and responsible business

- 1) The Board of Directors emphasizes and supports the creation of new innovations to create business value and simultaneously create usefulness to the customers or related parties, and have social and environmental responsibilities.
- 2) The Board of Directors governs the management to operate the business with social and environmental responsibilities which are reflected in operational plan to ensure that all of the organizational parties operate to be consistent with the main objective and goal, and strategic plans of the Company, and supervises to adopt the information technology in enhancement of the business opportunities and development of the operations and risk management to enable to achieve the Company's main objective and goal.

2.6 Strengthen effective risk management and internal control system

- 1) The Board of Directors shall govern the Company to have the risk management and internal control system that makes the Company enable to effectively achieve the objective, and operate the business in accordance with the related laws and standards. However, in the case where the Company significantly invests in the subsidiary or other business, the Board of Directors shall govern the subsidiary and other business as aforesaid to have risk management and internal control in the same direction as the Company.

- 2) The Board of Directors has appointed the Audit Committee consisting of at least three independent directors, and the office term is 3 years per term. The operating scope and power of the said Committee shall be clearly defined in the Charter of the Audit Committee to contribute to governing for more efficient risk management and internal control.
- 3) The Board of Directors clearly monitors and manages the matter of the contingent conflict of interest between the Company and the management or the shareholder, and prevents the undue utilization in the Company's properties, data, and opportunities, and the entry into the transactions with the person who has a connected relationship with the Company in the inappropriate manners.
- 4) The Board of Directors has prepared an anti-corruption policy, and communicated to all organizational levels and the third parties for acknowledgement and actual implementation.
- 5) The Board of Directors shall govern to have the customer criticism and complaint channels, and take action in case of the crucial whistleblowing, and systematically and quickly respond the said matter.

2.7 Ensure disclosure and financial integrity

- 1) The Board of Directors establishes the accounting policy, and schedules the systematic financial report preparation, and shall properly, completely, adequately and timely disclose the important data in accordance with the related criteria, standards and practical guidelines.
- 2) The Board of Directors shall monitor the adequacy of financial liquidity and solvency of the business by assigning the management to regularly monitor and assess the financial position of the business, and report to the Board of Directors.
- 3) The Board of Directors shall establish backup plan in case where the Company encounters with the financial problem. However, the said plan shall mainly take into consideration the stakeholder rights.
- 4) The Board of Directors may consider preparing the sustainability report as appropriate. The said report contains the disclosure of data of law compliance, code of conduct compliance, anti-corruption policy, staff and stakeholder treatment including fair treatment, and human right respect, and social and environmental responsibilities. However, the said data may be disclosed in Annual Report based on the guideline prescribed by the SEC.
- 5) The Board of Directors shall supervise the management to have a work unit or take responsibility on investor relations that perform the duty in appropriate, equitable, and timely communication with the shareholders and other stakeholders, such as investors, and analysts.

- 6) The Board of Directors shall promote the adoption of technology and data for the rapid, appropriate and accurate data dissemination, such as the Company's website channel, and other channels in the future.

2.8 Ensure engagement and communication with shareholders)

- 1) The Board of Directors shall define a channel to allow the shareholders to mutually make decision in case where the Company carries out the important matters that affect all shareholders.
- 2) The Board of Directors shall supervise the execution in the Shareholders' Meeting date to be orderly, transparently, and efficiently taken place, and support the shareholder's ability to fully exercise his/her right.
- 3) The Board of Directors shall supervise and screen the disclosure of the meeting resolution and preparation of the minutes of the Shareholders' Meeting to be proper and complete.

Part 3 Other Important Policies of the Company

3.1 Conflict of Interest Policy

The Board of Directors adheres to be the important policy not to allow the directors, executives, and staffs to take the opportunity from being the directors, executives, or staffs of the Company to seek for self-benefit. Therefore, the directors are prohibited to operate the business which is competitive with the Company, and they shall avoid to enter into the transactions which are related to them and may cause conflict of interest with the Company or its subsidiaries, or in case where it is necessary for entering into such transactions, the Board of Directors shall supervise to ensure that the said transactions are always transparently and fairly entered as if the transactions are entered with the third party. However, the directors, executives, or staffs who have gain and loss in the said transactions shall not be involved in approval consideration.

In the case where it is within the scope of the related party transaction under the Notification of the Securities and Exchange Commission, the Board of Directors shall supervise to ensure the strict compliance with the rules and procedures, and the disclosure of the related party transaction data of the listed companies.

3.2 Data Disclosure and Transparency Policy

The Board of Directors commits to supervise to ensure the strict compliance with laws, regulations, and rules relating to the disclosure of data and transparency, set up the investor relations center to perform the duty to equitably communicate the shareholders, facilitate the investors and analysts of general securities by suitable means, and disseminate the data in website both in Thai language and English language. In meantime, the Board of Directors sets up a responsible section to provide the news information and publicize, and perform the duty to disseminate the operating news and turnover of the Company via media so that the shareholders, investors, stakeholders, and other related parties are informed of the Company's data all over to be in time and up-to-date.

The Board of Directors shall regularly and timely disclose the financial data and information, and non-financial data on schedule, containing the adequate details and turnover of the Company which are corresponding to fact, complete, and adequate to indicate the true financial condition and turnover of the Company as well as the future of the Company's business as follows.

(1) Management Discussion and Analysis (MD&A)

The Board of Directors gives precedence to preparation of Management Discussion and Analysis (MD&A) both yearly and quarterly in details.

2. Financial data

The auditor appointed by the Company certifies the financial data and freely expresses the opinions, and the Board of Directors explains the responsibility on presentation of financial report. The Board of Directors has considered and certified that the disclosed financial statements are accurate, complete, and adequate, and comply with the Generally Accepted Accounting Standards.

2.1 Non-financial data

The Company shall provide complete and clear data both in Annual Report and Annual Registration Statement.

3.3 Risk Management Policy

The Board of Directors regularly entrusts the Audit Committee, and may carry out to set up a working group to be responsible for establishing the risk management policy and framework of the Company and its subsidiaries in enterprise-wide for the risks occurred from external factors and internal factors. The risk factors, likelihood, and severity level of impact are analyzed, and mutually define a risk management measure, and person in charge. The entrusted working group shall supervise and monitor the risks as planned by the collaboration and coordination from work units of various parties, and report the result to the Audit Committee. The Audit Committee shall perform its duty to assess the risk management efficiency, and then report the Board of Directors for acknowledgement at least four times a year to help recognizing weaknesses and improve the policies to be more efficient.

However, the Company may hire an auditor of the internal control system, and an independent external expert to enter for continuous and regular auditing the system.

3.4 Internal Control and Internal Audit Policy

The Company emphasizes on the appropriateness and adequacy of the internal control and internal audit systems. Due to the Company's business operation in manufacture and distribution of cleaning and hygiene products, and investment in several subsidiaries, therefore, the internal control and audit systems are focused to ensure that the Company and its subsidiaries shall have the internal control system inclusive of all areas both of finance and operations. The operating roles, duties, and power are defined in accordance with the laws, and rules and regulations of the Company and its subsidiaries for efficient and independent working of the internal audit without intervention of duty performance both from the directors and executives. However, the Company has appointed the Internal Audit Division inside the Company to perform the duty in auditing the operations of all work units both in the Company and its subsidiaries. In addition, the Internal Audit Division shall directly report the audit result to the Audit Committee and the Chief Executive Officer of

the Company so that the Management of the Company and its subsidiaries can urgently and timely solve the problems, and the performance shall be also evaluated by the Audit Committee. However, the Secretary of the Audit Committee is entrusted to supervise and coordinate between the internal auditor and the Audit Committee.

3.5 Performance Monitoring and Evaluation Policy

The Board of Directors determines that the Executive shall regularly report the actual occurred overall operation in comparison with goal to the Board of Directors for acknowledgement for continuous and efficient works both of financial report and operating progress in various areas. In the case where the operations do not meet the setting plan, the Board of Directors shall participate in correction and improvement, or supervise the Executive to propose work plan for solving the situations. The Board of Directors evaluates the performance of the Chief Executive Officer and the performance of the top executives in inferior hierarchy, using goal and rules of evaluation which is linked with strategic plan and annual work plan for considering the determination of the appropriate remuneration and incentive measure, and arranges the self-evaluation of the Board of Directors.

3.6 Energy Policy

The Board of Directors shall determine to consider the staff appointment and removal, and reward and punishment with uprightness and legitimacy, relying on the standard rules and indicators, and give the opportunity to the staffs to participate in formulating the staff policy.

3.7 Environmental and Social Policy

The Company is aware of, concerns about, and care of the society, community, environment, and people's quality of life, and emphasizes on conserving natural resources, promoting efficient energy consumption, returning a part of profit for activities which will take part in social creativity, supporting education to the youth, and supporting the public interest activities to the underprivileged community to be the strong and self-help community. The Company shall perform and cooperate or control to ensure the strict practice in accordance with the intention of laws, and rules issued by the compliance unit.

3.8 Corporate Culture and Good Model of the Top Executives of the Organization

The Board of Directors shall regard as its duty to manage the Company to have an appropriate corporate culture by entrusting the Executive to propose the desirable corporate culture, and efficiently supervising the communication to reinforce the mutual understanding. The Board of Directors and the Executive have duty to behave and conduct themselves to be a good model.

Part 4 Code of Conduct of the Company

The business is always operated to maximize benefits of the shareholders, enable to fully fulfill the shareholders' requirements, have competitive potentials, and readiness to develop itself for progress. Therefore, the directors play their roles and duties, and are very important in formulating policies, goals, and procedures to acquire success and lead to the Company to be successful in all areas. Thus, the Board of Directors establishes the Code of Conduct of the Board of Directors and Executives to be an appropriate operating guideline of the directors as follows.

4.1 Code of Conduct of the Board of Directors and Executives

- (1) The directors and executives shall comply with laws, Articles of Association, rules, requirements, and resolutions of the Shareholders' Meeting, with integrity and precaution.
- (2) The directors and executives shall be the good representatives of the shareholders in building the Company's sustainable growth and yielding the appropriate return on continual basis.
- (3) The directors and executives shall mainly manage for the Company's maximum benefits and operate to the best of their ability, and be independent of making decision, not significantly perform any acts as conflicts of interest of the Company and its subsidiaries, and not have gains and losses in the related businesses.
- (4) The directors and executives shall not have gains and losses in the business which is performed with the companies that they are the directors or regulators in the said companies.
- (5) The directors and executives should manage by avoiding the conflict of personal interest with the Company's interest, including the following.
 1. Not exploit their self-interest or their related parties' interest.
 2. Not misuse the Company's secret data.
 3. Not have conflict of interest in entering the Company's contracts.
- (6) The directors and executives shall carefully manage, and not create any commitment which may be later in conflict with their duties.
- (7) The directors and executives shall not seek for wrongful benefit from working.
- (8) The directors and executives shall perform their duties to the best of their ability.
- (9) The directors and executives shall neither be the entrepreneurs nor key shareholders or their family members are the directors or shareholders in the business or any commercial business which has the same condition as the Company and is competitive, or do the business with the companies that they are the directors whether performing for self- or other person's benefit.

- (10) The directors and executives shall not perform any act in the manners that results in the Company's interest reduction.
- (11) The directors and executives shall enter into the transaction which is the trade agreement suchlike a person of ordinary prudence should perform with the general contractual party in the same situation without influence under their status.

4.2 Code of Conduct of the Staffs

(1) Company Treatment

1. Perform their duties with honesty, and make decision on any operations with fairness, not operate in the manners which may cause conflict of interest with the Company.
2. Perform their duties with responsibility, and fully devote themselves for the Company's works, and improve, correct, and develop works to be always efficient.
3. Not use their authority either directly or indirectly to seek for self- or other person's benefit.
4. Avoid both by the staffs and their families to give or receive articles and monies or any other benefits from other persons who have business duties relating to the Company, other than in the occasion or festival which is tradition, but the price of the said articles and monies shall not be unreasonably or excessively high.
5. Manage and supervise the Company's properties for maximum benefit not to be wrongfully deteriorated or lost, and not to be used for their self- or related party's benefit.
6. Not disclose the Company's data or secret which has not yet been publicly disclosed to any person, and not seek for their self- and other person's benefit.
7. Take precaution in expressing their opinions to any persons in the matter which may affect the Company's reputation, image, and operations.
8. Pay attention and help taking any action to maintain the working environment to be always clean, safe and pleasant.
9. Prevent and maintain the Company's reputation, image, and any interests.

(2) Self-Treatment

1. The staffs should perform their duties with effort and patience, and seek for knowledge and experiences to reinforce themselves to be moral and competent in operating to be more effective.
2. Adhere to virtue, and not seek for position, feat, or any other benefits by wrongful means from their superiors or from any other persons.
3. Not allow to receive gift with value more than 5,000 Baht (Five Thousand Baht Only).

4.Refrain from all temptations, and not behave oneself in the way that may discredit their and the Company's reputation and prestige, for instance:

- ◆ Not conduct oneself to be the person who is heavily in debt.
- ◆ Not being occupied in all types of gambles.
- ◆ Not carry out an occupation or profession or perform any undertakings which affect their duty performance or their and the Company's reputation, etc.

5.Not demand, not receive, or give any dishonest interests from the visitors both on behalf of the service users and in term of any businesses and transactions with the Company.

(3) Subordinate Treatment

- 1.Provide fair return, and appoint, remove, reward, and punish the subordinates with good faith and justice based on their knowledge, competence, and appropriateness.
- 2.Emphasize on continuous and regular developing the subordinates' knowledge and competence and giving the opportunity to them.
- 3.Hear the comments and suggestions based on the professional knowledge.
- 4.Strictly comply with the related laws, regulations, and rules, and oversee and maintain the working environment to be safe for the lives and properties of the staffs.
- 5.Manage by avoiding any unfair facts which may affect the job security, or may threaten and create pressure on the subordinate's condition of the mind.
- 6.Treat the subordinate politely and respect the individualism and humanity's dignity.
- 7.Be assured of working welfare and fringe benefit, and give the opportunity to allow the subordinate to notify the Company's illegality.
- 8.Restate for understanding on code of conduct, and ideology to encourage to thoroughly bring about the behaviors within the framework of the Company's code of conduct and ideology.
- 9.Avoid receiving gifts from their subordinates.

(4) Superior and Colleague Treatment

- 1.Overhear the suggestions of the superior, and not perform work in the disrespectful way across their superior, unless it is an order of the higher superior, and be respectful and polite to the staffs whose positions are superior.
- 2.Respect the right of other staffs in same organization, not defame the superior or other staff without fact, and not claim other person's achievement to be their achievement.
- 3.Maintain and mutually create for harmony among the staffs, seriously and strictly pay attention on all activities that strengthen the quality and efficiency, and develop the organization toward excellence.

4.The staff should treat his/her colleague with politeness, generosity, and good human relationship, and not conceal the fact which is essential for the colleague's operation, and adapt himself/herself to enable to work with other person.

5.Avoid giving gift to the superior.

4.3 Code of Conduct on Shareholder Responsibility

The Company commits to take responsibility and create maximum shareholder satisfaction by taking into account the Company's sustainable growth, and continuously yield the appropriate return, as well as transparently operate, and have reliable accounting system. To be in line with the said principle, the Board of Directors strictly observes the following practical guideline.

(1) Creation of the Company's sustainable growth

- 1.Perform the duty with integrity and fairness to all shareholders for maximum benefits on the whole.
- 2.Manage the Company applying managerial knowledge and skills to the best of the Company's ability in all events, and make decisions on any executions with precaution and prudence.
- 3.Not carry out in the manners that may cause conflict of interest to the Company.

(2) Disclosure of data

- 1.Regularly and completely report the Company's status and future trend to the shareholders tendency on fact basis.
- 2.Not seek for self- and other person's benefit by using any of the Company's insider information which has not yet been publicly disclosed.
- 3.Not disclose data or secret which will bring about the Company's bad effect to any person.

4.4 Code of Conduct on Customer Relationship

The Company commits to create customer satisfaction and confidence to acquire good and quality services, and satisfaction, and maintain good and sustainable relationship. Therefore, the Board of Directors establishes the following practical guideline.

- (1) Commit to create the customer satisfaction and confidence to acquire good and quality services and satisfaction by continuously and seriously upgrading standards to be higher.
- (2) Disclose the complete, accurate, and up-to-date news information relating to the good and quality services, and not distort fact and maintain the good and sustainable relationship.
- (3) Systemize to allow the customers to complain about the facility service and satisfaction, and best action for rapid response to the customers.

- (4) Strictly comply with the conditions entered with the customers. In the case of failure to comply, the Company shall hurriedly notify the customer in advance to mutually consider finding a corrective guideline.
- (5) Seriously and regularly keep the customer secrets, and not use the data for self- and other person's benefit.

4.5 Code of Conduct on Business Partner, Competitor, and Creditor/Debtor Relationship

The Company takes into account the equality and integrity in business operations and benefits in collaboration with the business partners, creditors, and debtors, whereas the Company's business partners, creditors, and debtors should strictly comply with laws and rules and have good business code of conduct. In part of competitive business, the Company observes the rule of best competition, fairness in borrowing from the creditors and repayment, and best code of conduct with the creditors in debt collection. Thus, to be in line with such principle, the Board of Directors establishes the following practical guideline.

(1) Business partner relationship

1. Comply with the contracts, agreements, or conditions entered with the business partners. In the case of failure to comply, the Company shall hurriedly negotiate with business partners in advance to mutually find the corrective and preventive guideline for non-occurrence of damage.
2. Not demand, not receive or give any benefits which are not honest to the business partners.
3. Comply with the conditions entered with the Company's business partners based on the receipt of equal and fair return for mutual maximum benefits of both parties. In the case of failure to comply with the conditions, the Company shall hurriedly notify the business partners in advance to mutually find the problem-solving guideline using the principle of reasonability.

(2) Competitor relationship

1. Behave to comply with the framework of the best competition rule.
2. Not attempt to discredit the business competitors with accusation and malevolence without fact.
3. The Company shall fully and freely compete, and not to be influenced, with justice, using the competition proposal based on price, trade conditions, quality of goods and services.

(3) Creditor relationship

1. Strictly comply with the conditions entered with the creditors both of repayment and supervision of the collateral, and other conditions, and not use the capital acquired from borrowing in the way which is in conflict with the objective in the agreement entered with the lender.
2. Regularly report the accurate and complete financial data to the creditors.

3. Report the creditors in advance in case of failure to comply with the engagement in the contracts, and mutually find a guideline for solving such problem.

(4) Debtor relationship

1. Comply with the contracts, agreements, or conditions entered with the debtors without discrimination in debt collection. In the case of failure to comply, the Company shall hurriedly negotiate with debtors in advance to mutually find the problem-solving and preventive guideline for the occurrence of damage using the code of good governance.

2. Regularly report the accurate, complete, and duly outstanding debtor data to the debtors.

3. Comply with laws, regulations and conditions relating to debtor treatment pursuant to the engagement in the contract, written notice, agreement on compromise and relaxation of debt settlement.

4.6 Code of Conduct on Staff Responsibility

The Company regards the staff as one of the success factors and therefore, commits to develop and reinforce good working culture and atmosphere, promote teamwork to build confidence to the staffs. Therefore, the Board of Directors establishes a practical guideline as follows.

- (1) Give fair return to the staffs in form of salary and/or bonus, and fringe benefit.
- (2) Always supervise and maintain working environment for safety of the staff's life and property.
- (3) The staff appointment and removal, and reward and punishment shall be performed with equality, honesty, and fairness, and based on the foundation of knowledge, competence, and suitability, and act or practice of the said staff.
- (4) Emphasize the development, knowledge transfer and competence of the staff, and thoroughly and regularly give the opportunity to the staffs.
- (5) Equitably and equally hear comments and suggestions from the staffs at all levels.
- (6) Strictly comply with laws, regulations, and rules relating to the staffs.
- (7) Manage by avoiding any unfair acts which may affect the security in the staff's job.
- (8) Treat the staffs with politeness, and respect the individualism and dignity of humanity.
- (9) Have a channel for the staffs to enable to inform the matter showing the breach of law, regulation or rule.
- (10) Promote and promote the staffs to understand the code of conduct, and roles which can be performed by the staffs to bring about behavior within the framework of code of conduct all over the Company.

4.7 Code of Conduct on Social, Community, and Environmental Responsibility

The Company is aware of, concerned about and care of society, community, environment, and people's quality of life, and emphasizes on natural resource conservation, and promotes the efficient energy consumption. Therefore, the Board of Directors establishes the following practice.

- (1) The Company deems as the main duty and policy to emphasize on the social and community activities by focusing on the social, community, and environmental development, aiming at creativity and conservation of natural resources, educational support to the youth, and public interest activity support to the underprivileged community to be the strong and self-help community.
- (2) Regularly return a part of profit for activities that will take part in the social, community, and environmental creativity.
- (3) Continuously nurture conscience on the social, community, and environmental responsibilities to be occurred among the staffs at all levels.
- (4) Promote the efficient energy consumption and conservation.
- (5) Perform, and cooperate, or control for strict compliance based on the intention of laws and rules issued by the compliance agency.

Part 5 Best Practices Relating to the Corporate Governance Code

5.1 Best practice of the Board of Directors

To declare the intention of the Company's transparent and moral business operations with stakeholder responsibility, the Company, therefore, establishes best practice of the Board of Directors, which is deemed as a code of conduct in duty performance as follows.

- (1) Perform the duty in accordance with laws, objectives, Articles of Association, rules relating to the resolutions of the Board' of Directors, and the resolutions of the Shareholders' Meeting.
- (2) Manage with integrity, and not concentrate on politics that will affect governance, manage the Company's business, and strictly neutralize, and be independent both of decision-making and act.
- (3) Fully authorize the executives to perform daily operation of the Company and not to guide the said operations without reasonable ground.
- (4) Not have gains and losses in the business which is a business relating to the Company and its subsidiaries, whereas the stakeholders should not be involved in making decision, or transactions that may have conflict of interest, and the careful consideration shall be carried out under a clear guideline, and taken place for the main benefits of the Company and its shareholders on the whole.
- (5) Avoid conflict of self-interest with the Company's benefit for full and efficient management.
- (6) Manage with responsibility and carefulness, and not create commitment which may be later in conflict with its duties.
- (7) Not seek for wrongful benefit from working either directly or indirectly.
- (8) Perform duty to the best of its ability for the Company's maximum benefit.
- (9) Not perform any acts which may cause reduction of the Company's benefit or subserve other person or juristic person.
- (10) Commit to prevent and eliminate the acts showing corruption which is deemed as the matter requiring the rapid and decisive action for creating the Company's value and good image.
- (11) Four Fiduciary Duties in performing the director duty consist of Duty of Care, Duty of Loyalty for benefits of the Company, shareholders, related parties, and security of the monetary system of the country, Duty of Obedience with laws, objectives, regulations, resolutions of the Board of Directors, and resolutions of the Shareholders' Meeting, and Duty of Disclosure of the accurate, complete, transparent and timely data.

5.2 Best practice of the executives and staffs

The Company commits to continuously create stability for benefit, and generate the appropriate return to the shareholders and for benefit of the country economy on the whole. Thus, the following best practice of the executives and staffs is prescribed and regarded as the code of conduct for duty performance to ensure the Company's availability of the secure continuous characteristics.

- (1) Perform the duties with responsibility and caution, integrity, will, and devotion, and comply with the rules and policies of the Company and corporate culture by mainly adhering to the Company's benefits.
- (2) Strictly keep the secrets of customers, business partners, and the Company by supervising and taking precaution to avoid the leakage or fall of the documents or news which are the Company's secrets to the unrelated parties.
- (3) Respect the staff's private right and avoid the disclosure or criticism of the staff's data or story in his/her operation-related matter, his/her personal or related party's matter in the manners that will cause damage to the staff or image on the whole of the Company.
- (4) Not defame or perform any acts leading to disharmony or damage inside the Company or to the related parties of the Company.
- (5) Maintain and jointly create for harmony and unity among the staffs, assist and support each other in the rightful way for the Company's benefit on the whole.
- (6) The executives and the staffs should treat their colleagues with politeness, generosity, and good human relationship, and without concealment of data being essential for their colleagues' operation, and adapt themselves to enable to work together with other persons, and honor other persons without claiming other persons' achievement to be their own achievement.
- (7) Always commit to be a good and intellectual person through self-development in the way that is useful for him/her and the Company.
- (8) Study and seek for knowledge and experiences to reinforce the operating capability.
- (9) Adhere to virtue and ethics, and abstain from all temptations by not behaving themselves in the way that may discredit themselves or the Company.
- (10) Notify the hierarchical superior or the Audit Committee if any acts showing corruption or misconduct inside the Company are detected.
- (11) Help carrying out to maintain working environment and atmosphere, and develop the organization toward excellence.
- (12) Avoid giving or receiving articles, entertainment or any benefits from the business partners or the related parties of the Company's business unless for the benefit in ordinary course of business or in festival or

tradition in the appropriate value. If the received gift is in form of money or high valued article, the hierarchical superior shall be immediately informed and/or the said gift shall be immediately returned.

5.3 Best practice for the human resource management

The Company deems that the staff is the key and high valued factor of the Company's sustainable success, advancement, and growth. Therefore, the Company focuses on human resource management to lead the organization toward development, growth, and creation of the sustainable competitive advantages by determining the following practice.

- (1) The human resource management shall conform to and support the Company's business strategy and goal.
- (2) The human resource management system and process shall be set to be comparable to the leading business and have clearness, transparency, and justice in the same direction in enterprise-wide.
- (3) Select and create the good person and the intellectual person with the professional working behavior.
- (4) All superiors have duty to manage human resources inside their work units in accordance with the human resource management system and guideline of the Company.
- (5) All staffs have duty to perform work with their competence, responsibility, will and devotion for the work success by adhering to corporate morals and culture.
- (6) The human resource development is the matter of the organization, superiors and all staffs whereas:
 1. The Company shall continuously develop the staffs to possess knowledge and competence, and working efficiency in their duties and responsibilities.
 2. The superior has duty to plan, monitor, evaluate, and give counsel to his/her subordinate for work development and succession accordingly.
 3. The staffs shall long for knowledge by committing on self-development on regular basis.
- (7) Career progress, return, and incentives depend on the work quality and success, and the staff attitude and potential.
- (8) The Company shall manage the staff's remuneration to be comparable to the business in the industry with the similar nature.
- (9) The Company promotes the staffs to have quality of work life, safety and good occupational health.

5.4 Best practice for accounting and financial reporting

(1) Accuracy of the transaction recording

1. All types of the Company's business transactions shall be accurately and completely recorded, and verifiable without any nature of limitation or exception.
2. Accounting entries and business recording shall be carried out based on fact without distortion or falsification of transactions whether for any purposes.
3. The personnel at all levels shall perform business transactions to be consistent and in line with the Company's rules, requirements, and orders, and have documentary evidence supporting the correct and complete business transaction recording, and adequately and timely provide the useful data to ensure that the person who has the related duty in recording, preparing, and assessing the accounting and financial report can record and prepare all types of the Company's accounting and financial reports and record in the Company's accounting system with the accurate and complete details.

(2) Accounting and financial report

1. All staffs shall not distort data or falsify the transactions whether being the business transaction data relating to accounting and finance or operational transaction data.
2. All staffs should realize that the accuracy of the accounting and financial report shall be mutually responsible by the Board of Directors, executives, and staffs who have direct duty and responsibility.
3. All staffs have duty and responsibility in execution, preparation, and/or provision of the business transaction data.

(3) Law compliance

1. The personnel at all levels shall comply with the related laws, rules, requirements, and orders for accounting preparation and financial recording of the Company to be accurate and complete.
2. The personnel at all levels shall adhere to the principle of integrity without bias and integrity in data storage and recording. The said integrity includes non-involvement with the illegal or unethical activities.

5.5 Best practice for internal control

(1) The Board of Directors

It establishes the policy and govern to have the good internal control system, manage risks in the suitable level, and regularly monitor and assess.

(2) Audit Committee

1. Verify the internal control system, and report audit result to the Board of Directors and shareholders for acknowledgement.

2. The five important compositions of the internal control system are as follows.

- ◆ Have good control environment to ensure that the staffs have good attitude toward internal control.
- ◆ Have an appropriate risk assessment process to assess the key operating risks of the organization, that may affect objective, target or success of works.
- ◆ Have the appropriate good control activities in all duties and all levels based on the acceptable risk level.
- ◆ Have the adequate, reliable, and timely good information and data communications system, and the proper internal and external communication.
- ◆ Have the good monitoring and evaluation system to ensure that the internal control system is appropriate, practical and improved and corrected to be timely and consistent with the changing situations.

(3) Risk Management Working Group

It shall establish the Company's risk management policy and framework, govern, support, and suggest the preventive method for success of the risk management in an enterprise level.

(4) Executives

They shall successfully implement the policy prescribed by the Board of Directors as follows.

1. The top executive shall organize the Company's internal control system, and nurture the staffs to have discipline and good attitude on internal control.
2. The middle executive shall organize the internal control system in the responsible works and assess and improve the said system, and verify and practice in accordance with the setting system.
3. The staffs at all levels shall comply with the internal control codes, rules, regulations, orders, measures, and systems.

Internal Audit Division

- ◆ Being directly responsible for assessing the internal control and auditing the system compliance.
- ◆ Improve control measure from the result to be appropriate for the changing environmental situations and risk factors.

5.6 Best practice for the conflict of interest transactions

The Company shall deem as an important policy not to allow the directors, executives, and staffs to take the opportunity in the position as the Company's director, executive or staff to exploit. Therefore, the following is prescribed to be the practice for the Company's directors, executives, and staffs.

- (1) The entry into their related party transactions which may cause conflict of interest with the Company and its subsidiaries shall be avoided.
- (2) In the case of necessity to enter into such transactions for the Company's benefit, the said transactions shall be entered as if they are entered with third party. However, the directors, executives, or staffs who have gain and loss in such transactions shall not be involved in approval consideration.
- (3) In the case within the related party transaction or the transaction that may have conflict of interest pursuant to the Notification of the Securities and Exchange Commission or any other related agencies, the rules, procedures, and disclosure of the related party transaction data of the listed companies shall be strictly complied after the Company is listed in the Stock Exchange of Thailand.
- (4) In the case where the directors, executives, staffs or the family members are involved in or are the shareholders in any businesses that may cause conflict of interest with the Company, they shall give a written notice to the topmost executive.
- (5) In the case where the directors, executives or staffs are the directors or consultants in the Company in the companies or organizations in other businesses, the said office holding shall not have direct conflict with the Company's benefit and duty performance in the Company.

5.7 Best practice for receiving and giving gifts, properties or any other benefits

The Company's personnel can receive properties or any other benefits from any persons as follows.

- (1) Properties or benefits which should be acquired in accordance with laws or regulations issued by virtue of the legislation.
- (2) Any other properties or benefits by morality are:
 1. Receive from the relative who gives by gratuitous act.
 2. Receive from other person and their value is not more than 5,000 Baht (Five Thousand Baht Only).
 3. Receive from giving in the nature of giving to the ordinary people.
- (3) The Company establishes the additional practical guideline in the matter of gifts, properties or any other benefits as follows.
 1. The personnel at all levels and/or families are prohibited to demand or receive gifts, properties or any other benefits from the contractor, customers, dealers/vendors, joint venture parties or related parties of the Company's business under no circumstance that may affect the decision making in working with bias or embarrassment or they are the conflicts of interest.
 2. The Company shall exercise its discretion to give gifts, properties, or any other benefits to other persons in the manners which are reasonable or not extravagant or breach of good custom.

5.8 Best practice for confidentiality

- (1) The Company's confidentiality

In supervising the execution with the secret news information, the Company has appointed the secret news information's registrar to supervise and be in charge of the execution with the secret news information.

- (2) Provision of news information to the third party
 1. The Chief Executive Officer or the entrusted executives shall approve the data released to the public.
 2. A work unit defined to be the data provider to the public is a responsible section for provision of news information and publicity, and the data owner work unit shall prepare the details to it.
- (3) Opinion expression to the third party
 1. The opinions shall not be disclosed or expressed to any other third parties of the Company.
 2. Each executive or staff shall firstly ask himself/herself whether he/she has duty in replying those queries or not. If not, he/she shall politely refuse to express opinions and advise to directly inquire from the related work unit accordingly.

5.9 Best practice for securities trading

- (1) The Board of Directors, the Chief Executive Officer, and executives (pursuant to definition of the SEC) have duty to report their securities holding in accordance with the rules of the Stock Exchange of Thailand, and the Securities and Exchange Commission.
- (2) The Board of Directors, executives, and staffs shall comply with the laws relating to the insider trading, and equally carry out to have equality and justice for all shareholders and prevent the legal offence of all personnel in all levels of the Company who are informed or may be informed of the insider information which has not yet been publicly disclosed. Therefore, the Company disallows the said persons to trade shares or persuade other person to purchase or sell or offer to purchase, or offer to sell the Company's shares either by themselves or via broker, while they have still possessed the data which has not yet been publicly disclosed and it has been 1 (one) working day after the said important data and information has already been publicly disclosed. The Company shall deem to be securities trading for speculation or creation of advantage for any group.
- (3) The Company organizes the work security system to prevent the disclosure of insider information relating to financial report data that may affect the change in the Company's share price, and restrict the access to the insider information which is not publicly disclosed. The said information shall be recognized particularly the related and essential parties. Therefore, it shall be deemed as the duty of the owner or possessor of the data which has not yet been publicly disclosed to reiterate the related parties to strictly comply with the security procedure and the Securities and Exchange Act B.E. 2535 (1992).

5.10 Best practice for safety, occupational health, and working environment

- (1) All executives and staffs shall operate with the safety, occupational health, working environment management system as part of their works to help strengthening the maximum work efficiency, effectiveness, and value.
- (2) The executives and staffs shall strictly observe the operation in accordance with the related work safety laws, policies, requirements, and standards for safety, occupational health, and working safety.
- (3) The Company shall carry out all ways to control and prevent loss in various forms as the result of the arisen occupational accident, fire, injury or illness, loss of property, or damage, wrong operation and errors, and maintain the working environment to be safe for the staffs. However, it shall be deemed as the duties and responsibilities of the executives and staffs to report accidents and incidents by following the determined procedure.

- (4) The Company shall establish the emergency control and preventive plan in all operational areas, and the organizational emergency and crisis management plan to be ready for managing the contingent emergencies, such as fire, etc., and ready for other critical events that may cause business interruption, and discredit of the Company's reputation and image.
- (5) The Company shall properly organize trainings, campaigns, publicity to create knowledge, understanding, and disseminate data to the staffs for acknowledging and understanding the policies, rules, procedures for safety, occupational health, and working environment without cause of harm to health and properties.
- (6) The Company shall seriously and continuously aim at promotion and cultivation of conscience in safety, occupational health, and working environment to be a daily lifestyle of the staffs.

5.11 Best practice for usage of information and communication technology

- (1) The Company determines that information and communication technology is a key factor and enhances the working efficiency. Therefore, it is collective responsibility of all of the Company's staffs that they shall use information and communication technology under the regulations of laws, the Company's orders, and in accordance with standards prescribed by the Company.
- (2) The Company establishes the safety management of the information system which is referred to computer system and computer data pursuant to the international standards and the Computer-Related Crime Act B.E. 2550 (2007).
- (3) All of the Company's staffs have duties and practices as follows.
 1. Have duties and responsibilities in protection and supervision of the Company's information system under their possession or their own duties and responsibilities not to allow the unauthorized persons to wrongfully access and not disclose the important business data to the unrelated parties.
 2. Have a discipline in using information system and communication devices of the Company not to negatively affect the Company and other persons, for instance, using them as tools to wrongfully access information system, creating damage to reputation and property, disturbing or annoying the information system operation, sniffing data, smuggling to decrypt, falsifying computer data, disseminating the improper images, statements or sounds, and not using in the way of personal business or their related parties or legal offence.
- (4) The staff shall not infringe other person's software copyright or intellectual property.
- (5) The staff shall encrypt the data in case where the important business data is required to be transmitted via internet network, and the important business data is not exchanged with Website of which the data safety is not protected.

- (6) In the case where the staff requests for permitting a cooperative operator who is a staff of the Company's contractor to enter into the Company's information system, the requesting staff shall control the usage of the cooperative operator who is the staff of the Company's contractor, and shall be responsible for damage arisen with the Company.
- (7) The Company shall enter to verify, search for, monitor, investigate, and control the information system usage of the staff if a doubt of the staff's improper or unreasonable usage is detected to prevent the safety of the Company's information system.
- (8) If the Company detects the staff's violation and the fair investigation result is apparent that the said violation is true, the said staff will be appropriately considered for disciplinary punishment and/or legal punishment as the case may be.

5.12 Practice for offence and penalty

- (1) In the case of a petty offence, the offence shall be investigated by the superior and the opportunity shall be given to the respondent to enable to make a clarification letter on the said offence. The practical and punishment guideline shall be pursuant to the work regulation of the Company.
- (1) In the case of a legal offence, such as stealth, fraudulence, embezzlement, removal, and transfer, etc., the Investigation Committee is set for such offence by taking the offence into consideration within 7 (seven) days from the acknowledged date of such offence and giving an opportunity to the respondent to enable to clarify by word or in writing on the said offence within the same day. The Company shall further take action in accordance with the law procedure and dismiss.

Part 3 Financial Position and Performance

13. Key Financial Data

Summary of the Audit Report

Audited Financial Statements : Consolidated financial statements and separate financial statements for accounting period of 2018 ended 31 December 2018.

Auditor : Miss Chonlaros Suntiasvaraporn, Certified Public Accountant No. 4523 from EY Office Limited (the auditor who has been approved by the SEC).

Opinion expression by the auditor : The Audit Report expressed unqualified opinion that consolidated financial statements of the Company and its subsidiaries (Group of Entities) and separate financial statements of the Company properly and fairly present consolidated financial position of the Group of Entities, and separate financial position of the Company as at 31 December 2018, and consolidated performance and separate performance, and consolidated cash flows and separate cash flows for the year then ended, in materiality in accordance with the Thai Financial Reporting Standards.

Audited Financial Statements : Consolidated financial statements and separate financial statements for accounting period of 2019 ended 31 December 2019.

Auditor : Miss Chonlaros Suntiasvaraporn, Certified Public Accountant No. 4523 from EY Office Limited (the auditor who has been approved by the SEC).

Opinion expression by the auditor : The Audit Report expressed unqualified opinion that consolidated financial statements of the Company and its subsidiaries (Group of Entities) and separate financial statements of the Company properly and fairly present consolidated financial position of the Group of Entities, and separate financial position of the Company as at 31 December 2019, and consolidated performance and separate performance, and consolidated cash flows and separate cash flows for the year then ended, in materiality in accordance with the Thai Financial Reporting Standards.

Audited Financial Statements : Consolidated financial statements and separate financial statements for accounting period of 2020 ended 31 December 2020.

Auditor : Miss Chonlaros Suntiasvaraporn, Certified Public Accountant No. 4523 from EY Office Limited (the auditor who has been approved by the SEC).

Opinion expression by the auditor : The Audit Report expressed unqualified opinion that consolidated financial statements of the Company and its subsidiaries (Group of Entities) and separate financial statements of the Company properly and fairly present consolidated financial position of the Group of Entities, and separate financial position of the Company as at 31 December 2020, and

consolidated performance and separate performance, and consolidated cash flows and separate cash flows for the year then ended, in materiality in accordance with the Thai Financial Reporting Standards.

13.2 Financial Statements

(1) Statement of Financial Position

Statement of Financial Position	Consolidated Financial Statements (Audited Issue)					
	31-December-2018		31-December-2019		31-December-2020	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
Cash and cash equivalents	20.12	2.23%	26.00	2.76%	197.44	17.91%
Temporary investments	-	0.00%	-	0.00%	-	0.00%
Account and other receivables	179.64	19.90%	185.39	19.66%	173.06	15.70%
Inventories	202.68	22.45%	203.21	21.55%	176.03	15.97%
Other current-assets	26.21	2.90%	13.98	1.48%	11.88	1.08%
Total current assets	428.65	47.49%	428.59	45.45%	558.41	50.66%
Restricted bank deposits	47.55	5.27%	47.88	5.08%	55.77	5.06%
Other non-current financial assets	-	0.00%	-	0.00%	5.00	0.45%
Other long-term investments	0.80	0.09%	0.80	0.08%	-	0.00%
Investment properties	1.80	0.20%	1.77	0.19%	3.44	0.31%
Property, plant, and equipment	399.21	44.23%	437.97	46.45%	421.79	38.27%
Right of use assets	-	0.00%	-	0.00%	23.51	2.13%
Intangible assets	2.06	0.23%	1.61	0.17%	1.18	0.11%
Deferred income tax assets	10.08	1.12%	17.30	1.84%	25.81	2.34%
Other non-current assets	12.52	1.39%	7.00	0.74%	7.36	0.67%
Total non-current assets	474.01	52.51%	514.33	54.55%	543.86	49.34%
Total assets	902.66	100.00%	942.92	100.00%	1,102.27	100.00%
Overdraft and short-term loans from the financial institutions	258.39	28.63%	265.23	28.13%	275.57	25.00%
Account and other payables	142.40	15.78%	140.76	14.93%	98.51	8.94%
Payable of factoring	3.29	0.36%	9.84	1.04%	-	0.00%

Statement of Financial Position	Consolidated Financial Statements (Audited Issue)					
	31-December-2018		31-December-2019		31-December-2020	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
Unearned revenue and advance payment of product value	24.28	2.69%	15.42	1.64%	18.94	1.72%
Portion of long-term loans due within 1 year	30.95	3.43%	19.78	2.10%	42.55	3.86%
Portion of other long-term loans from the financial institutions due within 1 year	-	0.00%	5.42	0.57%	-	0.00%
Portion of financial lease contract liabilities due within 1 year	2.70	0.30%	7.11	0.75%	7.86	0.71%
Income tax payable	4.58	0.51%	3.03	0.32%	4.20	0.38%
Other current financial liabilities	-	0.00%	-	0.00%	7.18	0.65%
Other current liabilities	6.16	0.68%	5.90	0.63%	8.27	0.75%
Total current liabilities	472.75	52.37%	472.49	50.11%	463.07	42.01%
Long-term loans from the financial institutions - net	42.73	4.73%	27.03	2.87%	44.17	4.01%
Other long-term loans from the financial institutions - net	-	0.00%	3.81	0.40%	-	0.00%
Financial lease liabilities - net	6.26	0.69%	13.56	1.44%	13.23	1.20%
Security money	37.52	4.16%	42.46	4.50%	45.12	4.09%
Deferred income tax liabilities	0.35	0.04%	-	0.00%	-	0.00%
Long-term employee benefit reserve	26.28	2.91%	34.72	3.68%	34.88	3.16%
Other non-current financial liabilities	-	0.00%	-	0.00%	7.40	0.67%
Total non-current liabilities	113.14	12.53%	121.59	12.89%	144.8	13.14%
Total liabilities	585.89	64.91%	594.08	63.00%	607.87	55.15%
Registered capital	140.00	15.51%	140.00	14.85%	170.00	15.42%
Issued and paid-up capital	100.00	11.08%	100.00	10.61%	170.00	15.42%
Premium on share	20.15	2.23%	20.15	2.14%	112.65	10.22%
Capital surplus from share-based payment	16.35	1.81%	16.35	1.73%	16.35	1.48%
Retained earnings						
Appropriated – legal reserve	14.00	1.55%	14.00	1.48%	14.00	1.27%
Unappropriated	152.34	16.88%	187.57	19.89%	163.88	14.87%
Other components of shareholders' equity	-1.96	-0.22%	-7.78	-0.82%	-4.42	-0.40%

Statement of Financial Position	Consolidated Financial Statements (Audited Issue)					
	31-December-2018		31-December-2019		31-December-2020	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
Shareholders' equity of the Company	300.89	33.33%	330.29	35.03%	472.47	42.86%
Non-controlling interests of the subsidiaries	15.88	1.76%	18.54	1.97%	21.94	1.99%
Total shareholders' equity	316.77	35.09%	348.84	37.00%	494.40	44.85%
Total liabilities and shareholders' equity	902.66	100.00%	942.92	100.00%	1,102.27	100.00%

(2) Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated Financial Statements (Audited Issue)					
	2018		2019		2020	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
Revenues						
Revenues from sales	760.57	82.73%	815.48	82.80%	667.74	80.90%
Revenues from lease and service fee	158.74	17.27%	169.43	17.20%	157.67	19.10%
Total revenues from sales and services	919.31	100.00%	984.91	100.00%	825.41	100.00%
Cost of sales	-444.52	-48.35%	-462.32	-46.94%	-359.40	-43.54%
Cost of leasing and services	-77.59	-8.44%	-82.55	-8.38%	-100.29	-12.15%
Total cost	-522.11	-56.79%	-544.87	-55.32%	-459.69	-55.55%
Gross profit	397.19	43.21%	440.04	44.68%	365.72	44.31%
Other incomes ^{/1}	15.09	1.64%	18.92	1.92%	5.52	0.67%
Distribution expenses	-138.75	-15.09%	-147.9	-15.02%	-119.50	-14.48%
Administrative expenses	-206.99	-22.52%	-229.72	-23.32%	-203.20	-24.62%
Other expenses – severance pay for dismissal	-0.60	-0.07%	-1.70	-0.17%	-11.60	-1.40%
Profit before financial expense and income tax	65.95	7.17%	79.64	8.09%	36.94	4.47%
Financial expense	-18.92	-2.06%	-20.76	-2.11%	-19.55	-2.37%
Profit before income tax	47.03	5.12%	58.89	5.98%	17.38	2.11%
Corporate income tax expense	-10.39	-1.13%	-7.29	-0.74%	-3.50	-0.42%
Net profit for the period	36.64	3.99%	51.6	5.24%	13.88	1.68%
Net profit sharing						
Shareholders' equity of the Company	31.21	3.40%	45.23	4.59%	5.86	0.71%

Non-controlling interests of the subsidiaries	5.43	0.59%	6.37	0.65%	8.03	0.97%
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Statement of Cash Flows Statement of Cash Flows	Consolidated Financial Statements (Audited Issue)		
	2018	2019	2020
	Million Baht	Million Baht	Million Baht
Cash flows from operating activities			
Profit before income tax	47.03	58.89	17.38
Adjustment entries			
Depreciation and amortization	63.48	72.23	85.64
Loss from impairment of financial assets			0.23
Increase (decrease) in allowance for doubtful accounts	-0.72	-1.05	-
Bad debt amortization	1.03	1.51	2.19
Devaluation of inventories to be net realizable value (transferring back)	5.61	-0.63	0.82
(Gain) loss from disposal of property and equipment	0.48	0.64	0.28
Loss from asset amortization	0.49	1.79	1.37
Increase (decrease) in provision of product quality assurance	-0.51	0.96	-0.13
Employee long-term benefit expense	2.32	11.28	15.01
Unrealized (gain) loss on exchange rate	0.20	0.07	0.73
Interest received	-0.27	-0.38	-0.32
Interest expense	15.37	18.72	19.55
Change in operating assets and liabilities			
Account and other receivables	-14.6	-6.26	3.72
Inventories	-27.35	0.10	26.37
Other current assets	-2.71	3.77	3.00
Other non-current assets	-4.30	5.52	-0.36
Account and other payables	37.69	-1.37	-41.73
Unearned revenue and advance payment of product value	6.08	-8.85	3.52
Other current liabilities	1.04	-1.22	2.50
Long-term employee benefit reserve	-2.16	-2.84	-18.09
Other non-current liabilities	6.15	4.94	2.66
Cash provided from operation	134.36	157.83	124.33

Statement of Cash Flows Statement of Cash Flows	Consolidated Financial Statements (Audited Issue)		
	2018	2019	2020
	Million Baht	Million Baht	Million Baht
Less Interest paid	-15.28	-19.03	-19.31
Less Income tax payment	-10.7	-7.96	-13.02
Net cash provided from (used in) operating activities	108.37	130.84	92.01
Cash flows from investing activities			
Increase (decrease) in temporary investments	0.37	-	-
(Increase) decrease in restricted bank deposits	1.41	-0.34	-7.89
Purchase of property, plant, and equipment	-90.75	-99.55	-75.21
Purchase of intangible assets	-0.35	-0.53	-0.37
Purchase of assets from the business under common control	-	-5.82	-
Cash received from disposal of equipment	2.67	2.77	2.17
Purchase of investment properties	-	-	-1.74
Interest received	0.40	0.38	0.40
Net cash provided from (used in) investing activities	-86.26	-103.09	-82.64
Cash flows from financing activities			
Increase (decrease) in overdraft and short-term bank loans	-24.36	6.84	10.33
Increase (decrease) in payable of factoring	-0.67	6.55	-9.84
Cash received from long-term bank loans	56.38	3.97	-
Repayment of long-term bank loans	-31.94	-30.82	-29.61
Cash received from other long-term loans	-	11.00	60.29
Repayment of other long-term loans	-	-1.78	-
Cash received from entering into the sale and leaseback contract	-	-	9.07
Repayment of liability from entering into the sale and leaseback contract	-	-	-6.10
Repayment of liability under financial lease contract	-4.11	-3.91	-8.40
Cash received from capital increase	-	-	162.49
Dividend paid to the Company's shareholders	-11.00	-10.00	-22.00
Dividend paid to the non-controlling stakeholders of the subsidiaries	-3.26	-3.71	-4.17
Net cash provided from (used in) financing activities	-18.95	-21.87	162.06
Net increase (decrease) in cash and cash equivalents	3.16	5.88	171.43

Statement of Cash Flows Statement of Cash Flows	Consolidated Financial Statements (Audited Issue)		
	2018	2019	2020
	Million Baht	Million Baht	Million Baht
Cash and cash equivalents at the beginning date of the period	16.97	20.12	26.00
Cash and cash equivalents at the ending date of the period	20.12	26.00	197.44

13.3 Key Financial Ratios

Financial Ratio	2018	2019	2020
Current Ratio (Times)	0.91	0.91	1.21
Quick-acid Ratio (Times)	0.42	0.45	0.80
Cash Ratio (Times)	0.23	0.28	0.20
Account Receivable Turnover (Times)	5.48	5.59	4.71
Collection Period (Days)	66	65	77
Inventory Turnover (Times)	3.03	2.83	2.25
Holding Period (Days)	120	128	162
Payable Turnover (Times)	6.01	5.42	5.49
Repayment Period (Days)	60	67	66
Cash Cycle (Days)	126	126	173
Gross Profit Margin (%)	43.21%	44.68%	44.31%
Operating Profit Margin (%)	7.17%	8.09%	4.47%
Other Profit Margin (%)	0.00%	0.00%	0.00%
Cash Profitability (%)	347.23%	289.28%	1571.47%
Net Profit Margin (%)	3.34%	4.51%	0.70%
Return on Equity (%)	10.21%	13.59%	1.39%
Return on Assets (%)	3.61%	4.90%	0.57%
Return on Fixed Assets (%)	24.53%	27.94%	20.65%
Asset Turnover (Times)	1.08	1.09	0.81
Debt to Equity Ratio (Times)	1.85	1.7	1.23
Interest Coverage Ratio (Times)	7.28	7.65	5.88
Cash Basis (Times)	0.77	0.86	0.62
Dividend Payout Ratio (%) ^{/1}	58.70%	79.37%	N.A. ^{/2}

Remark: /1 – Dividend payout ratio is calculated from annual dividend paid divided with annual net profit (separate financial statements) deducted with annual legal reserve for benefit in comparison with the dividend payment policy. The 2018 Annual General Meeting of

Shareholders held on 23 April 2018 resolved to approve the dividend payment for 2017 in total amount of 11.00 million Baht. The 2019 Annual General Meeting of Shareholders held on 30 April 2019 resolved to approve the dividend payment for 2018 in total amount of 10.00 million Baht, and the 2020 Annual General Meeting of Shareholders held on 26 March 2020 resolved to approve the dividend payment for 2018 in total amount of 22.00 million Baht.

2.In 2020, the dividend payout ratio was unable to be calculated due to net loss of the Company's separate financial statements.

14. Management Discussion and Analysis

The discussion and analysis on the performance of the Group of Companies for the accounting period of 2018 to 2020 were referred from the financial statements audited and verified by EY Office Company Limited. Some revenues and expenses may be re-classified from what are presented in the audited and verified financial statements for specific objective of preparing the management discussion and analysis in this part only.

The Company and its subsidiaries operate the business as the manufacturer and distributor of cleaners and disinfectants under the major product brand of "PEERAPAT", and as the importer and distributor of machines and equipment relating to the businesses in hospitality industry, such as automatic container washer, floor cleaning machine and equipment, and fabricated swimming pool and related equipment, energy-saving water heater, etc. The products manufactured and distributed by the Company are classified into seven product groups consisting of: 1) Laundry Product Group, 2) Disinfecting Product Group, 3) Kitchen Product Group, 4) Housekeeper and Floor Cleaning Product Group, 5) Household Product Group, 6) Swimming Pool Product Group, and 7) Energy-Saving Water Heater Product Group, including leasing and services in part relating to the Company's product groups, consisting of kitchen leasing and services, swimming pool services, energy-saving water heater, and other services.

The Company focuses on marketing with the business and entrepreneurial customers in the nature of Business-to-Business (B2B), and is regarded as an importer of cleaning products in the market of hospitality industry sector, such as hotel, resort, hospital, and restaurant business groups, etc. At present, the Company has added the product groups and distribution channels to the household customer group in the nature of Business-to-Customer (B2C) via e-commerce market to contribute to the customer's more convenient and rapid selection of the Company's products for purchasing.

14.1 Performance analysis

Revenues

The details of the revenue structure of the Company and its subsidiaries in 2018-2020 are as follows.

Revenue Structure	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales						
Laundry Product Group	188.41	20.16%	192.29	19.16%	120.78	14.54%
Disinfecting Product Group	174.73	18.70%	197.36	19.66%	217.64	26.19%
Kitchen Product Group	116.86	12.51%	137.87	13.73%	108.43	13.05%
Housekeeper and Floor Cleaning Product Group	69.81	7.47%	75.89	7.56%	79.73	9.59%
Household Product Group	52.01	5.57%	50.05	4.99%	38.28	4.61%
Swimming Pool Product Group	141.28	15.12%	141.25	14.07%	95.94	11.55%
Energy-Saving Water Heater Product	17.47	1.87%	20.77	2.07%	6.96	0.84%
Total revenues from sales	760.57	81.40%	815.48	81.24%	667.74	80.36%
Revenues from lease and service fee						
Kitchen Product Group	111.27	11.91%	121.93	12.15%	114.86	13.82%
Swimming Pool Product Group	40.35	4.32%	44.15	4.40%	40.04	4.82%
Energy-Saving Water Heater Product	6.85	0.73%	2.53	0.25%	1.55	0.19%
Revenue from other services ^{/1}	0.27	0.03%	0.82	0.08%	1.21	0.15%
Total revenues from lease and service fee	158.74	16.99%	169.43	16.88%	157.67	18.98%
Total revenues from sales, lease fee, and service fee	919.31	98.38%	984.91	98.12%	825.41	99.34%
Other incomes ^{/2}	15.09 ^{/2}	1.62%	18.92 ^{/2}	1.88%	5.52	0.66%
Total revenues	934.40	100.00%	1,003.83	100.00%	830.93	100.00%

Remark : /1 – Revenues from other services, such as installation and repair service of solution dispenser for large washing machine, etc.

/2 – Other incomes consist of gain (loss) on exchange rate, gain (loss) on sale of asset, interest received, lease fee of machines and equipment, and services to dealers, and revenue from service of the technician center, etc. However, in 2019 and 2020, the Company reclassified other revenue accounts in type of lease of machines and equipment, and services to dealers, and revenue from service of the technician center, which is the nature of normal business, to be revenues from sales, and/or revenues from lease and service fee based on the nature of the said revenues. However, in the case where re-classification of other revenue accounts in 2019 for benefit of comparative analysis with 2020, other sale-related income will be classified to be included for recording as revenues from sales, and other service-related income will be classified to be included for recording as revenue from lease and service fee.

Revenues from sales

The Company's and its subsidiaries' revenues from distribution of solutions and machines that help support the distribution of cleaning and disinfecting solutions for business and entrepreneurial customers in hospitality industry. The revenues from sales can be classified into seven major product groups as per the following Table.

Revenue Structure Classified by Product Group	2018		2018		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales	760.57	100.00%	815.48	100.00%	667.74	100.00%
1) Laundry Product Group	188.41	24.77%	192.29	23.58%	120.78	18.09%
2) Disinfecting Product Group	174.73	22.97%	197.36	24.20%	217.64	32.59%
3) Kitchen Product Group	116.86	15.37%	137.87	16.91%	108.43	16.24%
4) Housekeeper and Floor Cleaning Product Group	69.81	9.18%	75.89	9.31%	79.73	11.94%
5) Household Product Group	52.01	6.84%	50.05	6.14%	38.28	5.73%
6) Swimming Pool Product Group	141.28	18.58%	141.25	17.32%	95.94	14.37%
7) Energy-Saving Water Heater Product	17.47	2.30%	20.77	2.55%	6.96	1.04%

In 2018, 2019, and 2020, the Group of Companies' revenues from sales of products in all of seven groups were 760.57 million Baht, 815.48 million Baht, and 667.74 million Baht. The product groups with the proportion as major revenues in 2020 consisting of Disinfecting Product Group with the revenue proportion in the last three years period at 22.97 - 32.59% of revenues from sales, and the secondary groups consisting of Laundry Product Group with the revenue proportion in the last three years period at 18.09 – 24.77% of revenues from sales, and the third groups consisting of Kitchen Product Group with the revenue structure in the last three years period at 15.37 - 16.91% of revenues from sales. However, the decreasing revenues from sales in 2020 was due to the COVID-19 situation, resulting in temporary business closing of the hotel business group pursuant to the lock down measure.

In 2019, the Company's and its subsidiaries' revenues from sales increased from the same period of previous year by 54.91 million Baht or 7.22% mainly due to the growth of hospitality industry business sector in Thailand which was reflected from an increase of the tourist numbers to be 39.79 million people, and more new contracts in the disinfecting product-related work from the investment of the customer in type of food and beverage manufacturing factory in expansion of its factory, other than an increase of manufacturing volume of the Company's existing contracts of the existing customers, resulting in an increase of the Company's and its subsidiaries' revenues particularly of an increase in revenues from Laundry Product Group by 3.88 million Baht, from Disinfecting Product by 22.63 million Baht, and Housekeeper and Floor Cleaning Product Group by 6.08 million Baht. In addition, the subsidiaries have distributed larger number of automatic container washers based on an opening of the additional branch stores of Food Chain customers, and acquired the increasing order

quantity of container washers from restaurants, and good feedback of marketing for new models of automatic container washers with compact size and usability function that satisfy the customers in accompany with the commencement of Sales Department's team to carry out marketing via the subsidiaries' website, resulting in the ability to distribute a larger number of dishwashers. Therefore, revenue from Kitchen Product Group remarkably increased in 2019 by 21.01 million Baht.

In 2020, the Company's and its subsidiaries' revenues from sales decreased from previous year by 147.74 million Baht or decreasing by 18.12%, mainly due to the COVID-19 pandemic situation, resulting in a decrease of the foreign tourists to travel for Thailand tourism, resulting in business closing of several hotels; and a decrease of orders of laundry cleaning products, resulting in the Company's decrease in revenue from Laundry Product Group by 71.51 million Baht; in accompany with government measure for city lock down and inability of the hotel business and food store business to open for business operation, resulting in a decrease in sales of container washers and revenue from Kitchen Product Group by 29.44 million Baht; and the real estate development group customers' delay of their investment from the COVID-19 impact, resulting in a decrease in revenue from Swimming Pool Product Group by 45.31 million Baht. However, in 2020, the Company's and its subsidiaries' revenue from Disinfecting Product Group increased due to the anxiety of consumers on the COVID-19 pandemic, resulting in hoarding of goods in type of food and beverage, and affecting the requirement of the food and beverage industrial factories to add more production cycles, and use more disinfecting products of the Group of Companies for cleaning their machines accordingly. Therefore, revenue in this group increased by 20.28 million Baht. Meanwhile, the customers have needed more disinfecting alcohol gels or house cleaning products as the result of campaign on asking people to stay at home to stop pathogen for the nation, resulting in the Company's ability to distribute more products of the Housekeeper and Floor Cleaning Group by 3.84 million Baht whereas most customers have ordered via Digital Platform channel.

Revenues from lease and service fee

Revenue Structure for Product Group	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from lease and service fee	158.74	100.00%	169.43	100.00%	157.67	100.00%
1) Kitchen Product Group	111.27	70.10%	121.93	71.96%	114.86	72.85%
2) Swimming Pool Product Group	40.35	25.42%	44.15	26.06%	40.04	25.39%
3) Energy-Saving Water Heater Product	6.85	4.32%	2.53	1.49%	1.55	0.99%
4) Revenue from other services	0.27	0.17%	0.82	0.48%	1.21	0.77%

In 2018, 2019, and 2020 the Company's and its subsidiaries' revenues from lease and service fee were 158.74 million Baht, 169.43 million Baht, and 157.67 million Baht, respectively. Most of revenues from lease and service fee were from Kitchen Product Group particularly of leasing automatic container washers.

In 2019, the Company's and its subsidiaries' revenues from lease and service fee increased by 10.69 million Baht or 6.73%, consisting of an increase of revenue from lease fee of automatic container washers by 10.66 million Baht as the result of marketing of new models of automatic container washers with compact size and usability function that satisfy the customers in the food and beverage store group, which have increasingly opened the stores, and acquisition of additional leasing customers via sale channel on the subsidiary's website in more accesses to the customers particularly of the stand alone food store group; an increase of revenue from Swimming Pool Product Group by 3.80 million Baht as the result of acquisition of service contract for new customers who are the customers in the group of real estate development project and house owner in the project. However, revenue from Heat Pump maintenance services decreased by 4.32 million Baht, significantly decreasing due to resignation of sales team and Technician Department's team of Phuket Business Center that generates revenue from services in this group, resulting in no team for monitoring the customer services.

In 2020, the Company's and its subsidiaries' revenues from lease and service fee decreased by 11.76 million Baht or 6.94%, consisting of a decrease of revenue from services of Kitchen Product Group by 7.07 million Baht, revenue from services of Swimming Pool Product Group by 4.11 million Baht, and revenue from Heat Pump maintenance services by 0.98 million Baht as the result of the COVID-19 pandemic situation, resulting temporary business operating closing of the customers in the hotel, foods store, and hotel group, resulting in a decrease of using container washers, swimming pool maintenance, and Heat Pump maintenance services. In Q2/2020 period, the subsidiary has issued the assistance measure for the customers in the food store group, which have been affected from closing their stores pursuant to the order of the government sector agencies by exempting lease fee of container washers for the food store customers for around 2 months. The revenue from lease fee pursuant to the contract in part exempted by the Company for its customer shall be recorded to recognize accounting revenue in the decreasing proportion in accordance with the accounting standards, and double entry shall be recorded in the transaction of accrued revenue which will be paid after the customers start returning to open for business operation, and pay lease fee in the rate pursuant to the contract.

Table of Revenue Structure of the Company and its Subsidiaries Classified by Type of Customer

Revenue Structure Classified by Type of Customer	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from the group of customers in business and entrepreneurial sector	874.77	95.15%	946.86	96.14%	789.02	95.59%
<i>Industrial factory</i>	196.85	21.41%	215.64	21.89%	230.18	27.89%
<i>Hotel / resort</i>	193.51	21.05%	199.14	20.22%	99.91	12.10%
<i>Dealer</i>	155.65	16.93%	156.10	15.85%	124.29	15.06%
<i>Food store and restaurant</i>	97.90	10.65%	131.04	13.30%	119.37	14.46%
<i>Condominium / housing development</i>	42.71	4.65%	48.26	4.90%	40.83	4.95%
<i>Hospital</i>	33.70	3.67%	30.98	3.15%	31.75	3.85%
<i>Others</i>	154.45	16.80%	165.69	16.82%	142.7	17.29%
Revenue from the group of household customers	44.54	4.85%	38.05	3.86%	36.39	4.41%
Total revenues from sales and services	919.31	100.00%	984.91	100.00%	825.41	100.00%

Remark : Other customers consist of department store, administrative agency, office building, educational institution, golf course, movie theatre, washing house, slaughterhouse, shieling, and other entities.

According to the analysis on average revenues classified by type of customer in the period of 2018, 2019, and 2020 in accordance with information in the above table, the finding indicated that in 2020, the Group of Companies had the approximate proportion of revenue from the group of business and entrepreneurial sector or B2B customers higher up to 95.59%. The revenues from three main business groups consisting of industrial factory business group, and food store and restaurant business group (the marketing for the customers in all business groups in the selling zone responsible by them can be carried out from the information for the dealer group, therefore, the analysis was unable to be conducted that they are the customers in which business group). Meanwhile, revenue from the group of household customers or B2C had the approximate proportion of revenue for 4.41%, whereas most of them is distribution of goods in Household Product Group in type of laundry liquid, cleaner, and disinfecting alcohol gel which are small package and suitable for household usage as they are general consumer goods which are necessary for household usage, unnecessary for demonstrating the instruction by Sales Department's team, must not be used together with machine and equipment, and their prices are low.

The COVID-19 situational impact was arisen with the tourism industry in hotel/resort business group and food store business group which are regarded as the group of customers that generate main revenues to the Company for 2/3 of the group of major customers. Therefore, the Group of Companies has issued the assistance measure for customers and dealers of the Company to build good relationship with customers and help mitigating impact from decreasing revenue of the customers to enable to overcome the critical period together with the Company. The said measure is as follows.

1. Exempting lease fee of container washer for 2 months (April-May 2020) to the specific customers in hotel and food store group, which have been ordered for temporarily closing pursuant to the order of the government sector agencies.
2. Offering a special discount for solution goods at 2-10% for Bangkok Business Center, Phuket Business Center, Cha-am Business Center, Hat Yai Business Center, and Chiang Mai Business Center.
3. Offering a special discount in case of cash purchase at 3% and exempting interest of overdue payment fine for the domestic dealer group.
4. Reducing a monthly lease fee of solution dispenser for 50%, and rebating upon placement of more orders by 10% in the second-half period of the year for the domestic dealer group.
5. Extension of product payment credit for another 30 days for Phuket Business Center, Pattaya Business Center, and Hat Yai Business Center.

Revenues from sales, lease and service fee for the customers in other groups, have not been much affected from the COVID-19 situation, for instance, the customers in the industrial factory and food groups which have still been normally opened for operation and increased their manufacturing quantity to support the consumer requirements in the period of the COVID-19 situation; the food store group in type of Food Service which has still operated the business in producing ready-made foods for direct delivery to the customers; and the customers in the food and beverage store group in type of eat in the store who have commenced to return to open for business operation, and pay lease fee of automatic container washers as usual from July 2020 onwards. In addition, the Company also earned revenues from sales of automatic container washers and acquisition of additional lease contracts for container washers from new customers, such as the group of educational institutions, etc.

Other incomes

Other incomes of the Company and its subsidiaries consist of gain (loss) on exchange rate, gain (loss) on disposal of assets whereas the Company continuously sells machines and accessories on yearly basis, such as solution dispenser, due to expiry useful life of the automatic container washer of which the lease contract is expired, and the Company regularly invests in purchase of new machine and equipment in replacement on yearly basis; transportation expense, interest received, and other incomes. The Company's and its subsidiaries' other incomes in 2018, 2019, and 2020 were 15.09 million Baht, 18.92 million Baht, and 5.52 million Baht, or 1.62%, 1.88%, and 0.66% of total revenues, respectively.

Cost of sales and gross profit margin

Cost of sales and gross profit margin from sales

Transaction	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales	760.57	100.00%	815.48	100.00%	667.74	100.00%
Cost of sales	444.52	58.45%	462.32	56.69%	359.40	53.82%
Gross profit and gross profit margin	316.05	41.55%	353.16	43.31%	308.34	46.18%

Cost of sales manufactured for distribution consists of cost of main chemical raw materials, solvents, containers, labor cost, manufacturing expense. Cost of products ordered for manufacturing or imported or purchased for distribution, such as automatic container washers and accessories, includes transportation expense and direct expense for import, machine and equipment for swimming pool system, and depreciation of laundry liquid dispensers, dishwashing liquid and dry aid feeder, depreciation of disinfecting systems in industrial factories of which the subsidiary install for its customers to support sale of PRAPAT solutions, etc. In 2018, 2019, and 2020, the Company's and its subsidiaries' cost of sales was 444.52 million Baht, 462.32 million Baht, and 359.40 million Baht, resulting in gross profit from sales for 316.05 million Baht, 353.16 million Baht, and 308.34 million Baht or in gross profit margin from sales at 41.55%, 43.31%, and 46.18%, respectively. The main factor resulting in a constant increase of gross profit margin from 2018 was due to an increase of the proportion of

revenues from sales of product groups manufactured by PRAPAT in type of laundry liquid, cleaner, disinfectant, in higher gross profit margin than the products purchased by the Group of Companies for distribution, as well as other causes in each year. The following can be separately summarized on yearly basis.

In 2019, gross profit margin from sales was 43.31%, increasing from 2018 due to main cause consisting of an increase of sales of product groups manufactured by PRAPAT, such as Laundry Liquid Product Group, Disinfectant Product Group, Kitchen Product Group in part of cleaner, Housekeeper and Floor Cleaning Product Group in part of cleaner, and Household Product Group in part of cleaner, etc., which generated a higher gross profit margin than the goods purchased for distribution (the reference details pursuant to Table of Revenue Structure Classified by Product Group). In addition, another cause is an increase of profit margin of group of products imported for distribution, cost-saving of transportation expense in part of a huge increase in import of floor scrubbers and floor cleaning equipment, and import of container washers for supporting the distribution and leasing of container washers in 2019. The Company took advantage of average Baht value's appreciation by 3.91% in 2019 when compared with USD currency in accompany with investment in purchase of round tank and gallon blower for making containers, resulting in a decrease in cost of container expense.

In 2020, the Company's and its subsidiaries' gross profit margin from sales was 46.18%, increasing from previous year of which its gross profit margin from sales was 43.31%, mainly due to an increase of the proportion of revenues of Disinfecting Product Group that generated highest gross profit margin; an increase of disinfecting alcohol gel products and house cleaning products from the effect of COVID-19 (reference details pursuant to Table of Revenue Structure Classified by Product Group), whereas the aforesaid product groups are manufactured by PRAPAT and therefore, gross profit margin was higher than goods purchased for distribution; a decrease of transportation cost and expense for import of container washer per unit from large order quantity to support sales and leasing; and a decrease of container cost and expense due to investment in purchase of round tank and gallon blower which has been started using from May 2019 as aforementioned.

Cost and gross profit margin from lease and service fee

Transaction	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from lease and service fee	158.74	100.00%	169.43	100.00%	157.67	100.00%
Cost from lease and service fee	77.59	48.88%	82.55	48.72%	100.29	63.61%
Gross profit and gross profit margin	81.15	51.12%	86.88	51.28%	57.37	36.39%

Cost of lease fee consists of depreciation of automatic container washers and accessories, including transportation expense, customs duty, and direct expense for import, which are estimated particularly for container washers of which the subsidiary leases them to the customers, and overhead expenses relating to leasing section. Cost of service fee consists of salary and employee expense in the department relating to services, such as Service Department, Engineering and Maintenance Department, etc., machine spare part expense, related material and equipment expense, and overhead expense relating to service section. In 2018, 2019, and 2020, cost from lease and service fee was 77.59 million Baht, 82.55 million Baht, and 100.29 million

Baht, resulting in gross profit from lease and service fee for 81.15 million Baht, 86.88 million Baht, and 57.37 million Baht or gross profit margin at 51.12%, 51.28%, and 36.39%, respectively.

In 2020, the Company's and its subsidiaries' gross profit margin from lease and service fee was 36.39%, decreasing from previous year of which its rate was 51.28%, due to the Company's exemption of container washer lease fee for its customers in accordance with the assistance measure for the specific customers in hotel and restaurant group, which have been ordered for temporary closing pursuant to the order of the government sector agencies in Q2/2020. Therefore, the Company had to recognize revenues from lease fee in average based on the reducing figure in accordance with the principle of accounting standards, while recording the same cost of depreciation of automatic container washers. An impact from a decrease of revenues affected from the COVID-19 situation resulted in failure to access for providing services of swimming pool and heat pump maintenance work groups because of the hotel and resort's operating closing. Therefore, the Company's gross profit and gross profit margin were decreased.

Selling and distribution expenses

The Company's and its subsidiaries' selling and distribution expenses in 2018, 2019, and 2020, were 138.75 million Baht, 147.90 million Baht, and 119.50 million Baht or in the proportion of 15.09%, 15.02%, and 14.48% of revenues from sales and services, respectively. The significant main selling and distribution expenses include (1) employee-related expense for 69.90 million Baht, 76.59 million Baht, and 54.81 million Baht or in the proportion of 50.38%, 51.79%, and 45.87% of total selling and distribution expenses, respectively, (2) transportation expense for 38.52 million Baht, 43.30 million Baht, and 39.44 million Baht or in the proportion of 27.76%, 29.28%, and 33.01% of total selling and distribution expenses, respectively, and (3) advertising and public relations expense for 30.32 million Baht, 28.01 million Baht, and 25.24 million Baht or in the proportion of 21.86%, 18.94%, and 21.12% of total selling and distribution expenses, respectively.

In 2019, the Company's and its subsidiaries' selling and distribution expenses increased from previous year by 9.15 million Baht, consisting of an approximate increase of employee-related expense by 6.69 million Baht due to an increase of the number of Sales Department-related personnel, incurrence of employee benefit expense from adjusting a compensation rate of the employee pursuant to the new Labour Protection Act, incurrence of commission of Sales Department pursuant to an increase of revenues, etc., and an approximate increase of transportation expense based on an increase of revenues from sales and services for 4.78 million Baht based on the said increase of revenues from sales and services.

In 2020, the Company's and its subsidiaries' selling and distribution expenses were 119.50 million Baht, approximately decreasing from the same period of previous year by 28.40 million Baht, due to an approximate decrease of commission of Sales Department by 17.53 million Baht based on a decrease of revenues, an approximate decrease of transportation expense by 3.86 million Baht, an approximate decrease of sales promotion expense by 7.01 million Baht, such as exhibition and marketing activity organizing fee, travelling expense of the salespersons, etc., as the result of cancellation of event organizing and travelling in this year due to the COVID-19 situation.

Administrative expenses

The Company's and its subsidiaries' administrative expenses in 2018, 2019, and 2020, were 192.79 million Baht, 206.99 million Baht, 229.72 million Baht, and 203.20 million Baht, or in the proportion of 22.52%, 23.32%, and 24.62% of revenues from sales and services, respectively. The main administrative expenses include (1) employee-related expense for 125.64 million Baht, 136.05 million Baht, and 106.02 million Baht in the proportion of 36.34%, 36.03%, and 32.85% of total selling and distribution expenses, respectively, (2) depreciation and amortization for 20.71 million Baht, 20.74 million Baht, and 25.58 million Baht in the proportion of 5.99%, 5.49%, and 7.93% of total selling and distribution expenses, respectively, and (3) lease fee and utility expense for 14.36 million Baht, 14.40 million Baht, and 9.97 million Baht in the proportion of 4.15%, 3.81%, and 3.09% of total selling and distribution expenses, respectively.

In 2019, the Company's and its subsidiaries' administrative expenses increased from previous year by 22.73 million Baht or in the increasing rate of 10.98%, mainly due to an increase of employee benefit expense from adjusting a compensation rate of the employee pursuant to the new Labour Protection Act, recording of loss from advance payment of preparation expense for installing Heat Pump at Cambodia, an increase of salary and fringe benefit as the result of an increase of a large number of personnel in 2019 to support business expansion, such as Service Department, Distribution Channel Department, Logistics Department, etc., and an increase of the consultancy fees, such as audit fee, financial consultancy fee, internal control system audit fee, legal consultancy fee, IT system consultancy fee, machine engineering consultancy fee, etc., which are part of professional fees and expenses for preparing in listing in the Stock Exchange of Thailand, and are one-time expenses.

In 2020, the Company's and its subsidiaries' administrative expenses decreased from the same period of previous year by 26.52 million Baht or decreasing rate of 11.55%. The Company decreased salary and fringe benefit as the result of a decrease in the number of staffs by 30.03 million Baht. In addition, the Company established a measure for early retirement of the staffs to maintain the business liquidity in the COVID-19 situation, and depreciation and amortization expenses increased by 4.85 million Baht due to the commencement for applying TFRS 16 Right of Use Asset on 1 January 2020, and bad debt expense increased by 2.42 due to an increase of the customers' business shutdown from the COVID-19 situation.

Financial expense

Financial expense consists of interest paid incurred from loans from the financial institutions, and interest paid for financial lease contract, and bank fees. In 2018, 2019, and 2020, the Company's and its subsidiaries' financial expense was 18.92 million Baht, 20.76 million Baht, and 19.55 million Baht, or in the proportion of 2.06%, 2.11%, and 2.37% of revenues from sales and services, respectively, due to an increase of long-term loan transaction for investment in construction of Wang Manao Showroom, loan for investment in factory improvement, and additional revolving loan for cash reserve in supporting the COVID-19 situation.

Net profit and net profit margin

In 2020, the Company's and its subsidiaries' net profit of shareholders' equity of the Company amounted 5.86 million Baht or in net profit margin of shareholders' equity of the Company at 0.71%, decreasing from previous year of which net profit of shareholders' equity of the Company was 45.23 million Baht or in net profit margin at 4.54% as the result of the COVID-19 situation, resulting in a decrease of gross profit margin from a decrease of lease fee and service fee, particularly gross profit margin from leasing automatic container washers in accordance with the customer assistance measure for the specific customers in the hotel and restaurant group, which have been ordered for temporary closing pursuant to the order of the government sector agencies, and the tourism-related business group which has been directly affected from the COVID-19.

14.2 Financial position of the Company and its subsidiaries

Assets

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' total assets were 902.66 million Baht, 942.92 million Baht, and 1,102.07 million Baht, respectively. The main increasing asset transactions include (1) cash and cash equivalents, whereas an increase was due to fund-raising in Market for Alternative Investment (mai), (2) investment in property, plant, and equipment consisting of construction of raw material warehouse building, investment in purchase of automatic container washers to support leasing to the customers, and investment in disinfectant dispensers installed in food and beverage industrial factories from an increase of the disinfectant distribution contracts.

However, the Company's details of significant assets are as follows.

Current assets

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' current assets were 428.65 million Baht, 428.59 million Baht, and 558.41 million Baht or in the proportion of 47.49%, 45.45%, and 50.66% of total assets, respectively, as per the following significant details.

- Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, and bank deposits. As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' cash and cash equivalents were 20.12 million Baht, 26.00 million Baht, and 197.44 million Baht, respectively. An increase of cash as at 31 December 2020 was due to a request for the additional working capital limit support to support the COVID-19 situation to enhance financial liquidity, and due to fund-raising in Market for Alternative Investment (mai) on last October 2020.

- Account and other receivables

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' account and other receivables were 179.64 million Baht, 185.39 million Baht, and 173.06 million Baht, respectively, as per the following details.

	(Unit : million Baht)		
	31	31	31
	December	December	December
	2018	2019	2020
Account receivables – other entities	174.25	177.49	172.87
Account receivables – the related entities	0.32	0.25	0.17
<u>Less</u> Allowance for doubtful accounts	(4.62)	(3.57)	(9.22)
Account receivables – other entities and the related entities – net	169.95	174.17	163.82
Other receivables	4.56	0.49	0.32
Other receivables – the related entities	0.01	0.00	0.00
Accrued revenue	2.20	7.72	7.69
Advance payment	2.92	3.01	1.23
Total account and other receivables - net	179.64	185.39	173.06

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' account receivables – other entities before deduction with allowance for doubtful accounts was 174.25 million Baht, 177.49 million Baht, and 172.87 million Baht. As at the end of 2018, the value of account receivables – other entities increased by 13.74 million Baht. As at the end of 2020, the Company's and its subsidiaries' value of account receivables – other entities decreased from as at the end of 2019 by 12.33 million Baht due to the COVID-19 pandemic and a government measure for lock down, resulting in the failure of the customers to open for business operations, resulting in a decrease in the customers' orders of products of the Company and its subsidiaries in accompany with a policy for closely collecting debts in order to prepare cash flows to support the business operations.

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' account receivables – related businesses, was 0.32 million Baht, 0.25 million Baht, and 0.17 million Baht, due to the related company's purchase of solution from PRAPAT to be used or distributed to the customers.

The Company and its subsidiaries set allowance for doubtful accounts as at 31 December 2018, 2019, and 2020, for 4.62 million Baht, 3.57 million Baht, and 9.22 million Baht, respectively. However, the Company and its subsidiaries establishes a policy for considering setting allowance

for doubtful accounts. Allowance for doubtful accounts shall be set at 100% for more than 1-year overdue account receivables, and overdue receivables shall be considered in case by case basis.

As at 1 January 2020, the Company has firstly applied TFRS 9 Financial Instruments in measuring impairment of receivables. The Company has changed the procedure for considering setting allowance for doubtful accounts from a primary way to be recognition of expected credit loss by considering from the past events, current situations, and future situations. The Company has classified the receiving group from the past histories by classifying into a group with default of payment risk, and a group without default of payment risk, and considered setting allowance for doubtful accounts based on the degree of risk of each group. Allowance for doubtful accounts is started setting from the first day of which the said customer is the Company's debtor. The result from the first application of TFRS 9 Financial Instrument in measuring impairment of receivables, resulting in the Company's allowance for doubtful accounts as at 1 January 2020 of 8.98 million Baht, increasing by 5.41 million Baht from allowance for doubtful accounts as at 31 December 2019 of 3.57 million Baht. The said increase of allowance for doubtful accounts as at 1 January 2020 was an increase due to the first application of TFRS 9 as one-time expense. However, after 1 January 2020, the Company shall consider set allowance for doubtful accounts based on the degree of risk of each group of receivables, reflecting the risks from the past trade statistics and each group of customers pursuant to the said TAS together with consideration on the outstanding account receivable aging.

- Inventories

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' inventories – net were 202.68 million Baht, 203.21 million Baht, and 176.03 million Baht, respectively.

(Unit : Million Baht)

	31		31		31	
	December	%	December	%	December	%
	2018		2019		2020	
Finished goods	142.59	70.35%	155.04	76.30%	132.29	75.15%
Work in process	10.10	4.98%	3.72	1.83%	1.63	0.93%
Raw materials	27.13	13.39%	23.20	11.42%	26.52	15.07%
Containers and packages	5.11	2.52%	6.35	3.12%	5.76	3.27%
Consumable materials	5.52	2.72%	5.19	2.55%	6.08	3.45%
Goods in transit	12.23	6.03%	9.71	4.78%	3.75	2.13%
Inventories-net	202.68	100.00%	203.21	100.00%	176.03	100.00%

Inventories consist of finished goods, work in process, raw materials, containers and packages, consumable materials, and goods in transit. The Company's and its subsidiaries' finished goods and raw materials are the core components of inventories. However, the Company establishes a policy for setting allowance for inventory deterioration by taking into consideration based on the long stocking age for all types of inventories. Allowance for finished goods in type of solution shall be set at 100% if the long stocking age is more than 1.5 years. Allowance for finished goods in type of automatic container washer, and solution dispenser and spare parts, shall be set at 10% if the stocking age is more than 1.5 years. Allowance shall be gradually set in the increasing rate until completing 100% if the stocking age is more than 5 years. However, allowance for raw materials, and containers and packages shall be set at 25% and gradually set in the increasing rate until completing 100% if the stocking age is more than 4 years.

As at 31 December 2019 the Company's and its subsidiaries' finished goods increased by 12.45 million Baht due to the order of the imported finished goods to support the expansion of the group of products which are purchased for distribution based on the sale target in the following year, particularly the automatic container washer product.

As at 31 December 2020 the Company's and its subsidiaries' inventories were 176.03 million Baht, decreasing from as at 31 December 2019 by 27.18 million Baht or 13.40% due to the main cause from a decrease in finished goods as the result of a decrease in sales volume from the COVID-19 impact, and another cause from an increase of raw materials ordered by the Company as reserve to support the future production under expectation that a large number of products of the disinfectant group will be ordered from the customers who will more emphasize on cleaning and hygiene.

Non-current assets

The Company's and its subsidiaries' non-current assets as at 31 December 2018, 2019, and 2020, were 440.16 million Baht, 474.01 million Baht, 514.33 million Baht, and 543.86 million Baht, or in the proportion of 52.51%, 54.55%, and 49.34% of total assets, respectively, as per the following significant details.

- Restricted bank deposits

As at 31 December 2019 and 2020, the Company's and its subsidiaries' restricted bank deposits were 47.55 million Baht, 47.88 million Baht, and 55.77 million Baht. The said transactions are the guarantees of credit limit to be used in the Company's normal business.

- Other non-current financial assets

As at 1 January 2020, the Company has firstly applied TFRSs in the group of the financial instruments in classifying transactions and value measurement, and financial asset value pursuant to TFRS 9, whereas other long-term investment account of 0.80 million Baht as at 31 December 2019 was transferred to be recorded as other non-current financial asset transaction of 0.80 million Baht as at 1 January 2020, and used fair value measurement method via other comprehensive profit and loss at value as at 31 December 2020 for 5.00 million Baht.

- Investment properties

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' investment properties were 1.80 million Baht, 1.77 million Baht, and 3.44 million Baht, respectively. The said investment properties consist of vacant lands and condominiums which have not been used in business operations. An increase in investment properties as at 31 December 2020 was due to the entry of the subsidiaries into the sales contract for swimming pool system to a business partner in total approximate contractual value of 17 million Baht. The customer has requested for term of product payment for 10% of the contractual work value as a suite of the customer's project at approximate market price of 1.70 million Baht.

However, the said receipt of product payment by other asset instead of cash was approved by the Board of Directors' Meeting of the subsidiaries, and the Board of Directors of the subsidiaries deemed that as the said customer is new one with high potential, and purchase volume value per contract is high, therefore, to ensure closing of sale to this new customer, and for benefit of the subsidiaries, the approval was resolved to accept such form of the term of product payment. It has not been a policy for normal business doing which has ever been performed. However, in the future, the subsidiaries will have no policy to receive the product payment in such form anymore.

- Other long-term investments

As at 31 December 2018 and 2019, the Company's and its subsidiaries' other long-term investments of 0.80 million Baht were unchanged as investments in PCA Textile Chemical Co., Ltd., which operates the business for distribution of chemicals for textile products, and whose shares are held by the Company in the proportion of 9.99% of registered capital since 2001. From 1 January 2020, the Company transferred other long-term investment transaction to be recorded as other non-current financial asset transaction pursuant to TFRS 9.

- Property, plant, and equipment

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' property, plant, and equipment were 399.21 million Baht, 437.97 million Baht, and 421.79 million Baht, respectively. In 2020, the Company and its subsidiaries invested to purchase automatic container washer and

equipment for supporting the leasing to the customers. The raw material godown, construction of warehouse and point of product receipt of Digital Selling Division were not significantly invested. Thus, value of net property, plant, and equipment decreased from amortization of asset depreciation.

- Right of use asset

As at 1 January 2020, the Company has firstly applied TFRS 16 Leases. The Company has recognized the value of right of use asset with the amount of liabilities under lease contracts which have ever been classified to be operating lease contracts with present value of payment pursuant to the remaining lease contracts, and discounted with an interest rate of the incremental loan of the Group of Companies. Thus, as at 1 January 2020, the Company recorded the right of use asset for 31.15 million Baht, and as at 31 December 2020, the Company's net right of use asset balance was 23.51 million Baht. The decreasing value was due to recognition to be amortization expense in accordance with Straight-Line Method throughout the term of lease contract.

- Intangible assets

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' intangible assets consisting of computer system for 2.06 million Baht, 1.61 million Baht, and 1.18 million Baht.

- Other non-current assets

Other non-current assets consist of asset of tax which is withheld or waiting for refund, deposit, and other assets. As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' other non-current assets were 12.52 million Baht, 7.00 million Baht, and 7.36 million Baht, respectively.

Liabilities

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' total liabilities were 585.89 million Baht, 594.08 million Baht, and 607.87 million Baht, or in the proportion of 64.91%, 63.00%, and 55.15% of total liabilities and shareholders' equity, respectively. The main increased liability transactions include: (1) lease security money, increasing from leasing the automatic container washers, (2) short-term loans, long-term loans, and lease contract liabilities, increasing from investment in plant and equipment and being working capital in the business.

However, the Company's significant liability details are as follows.

Current liabilities

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' current liabilities were 472.75 million Baht, 472.49 million Baht, and 463.07 million Baht, respectively, as per the following significant details.

- Overdraft and short-term loans from the financial institutions

The Company's and its subsidiaries' overdraft and short-term loans from the domestic financial institutions to be used as working capital in business operation as at 31 December 2018, 2019, and 2020 were 258.39 million Baht, 265.23 million Baht, and 275.57 million Baht, respectively. Short-term loans from the financial institutions are promissory notes, and trustee receipt liability, to be used for circulating in order of raw materials and finished goods of the Company and its subsidiaries. However, an increase of overdraft and short-term loans from the financial institutions in 2020 was due to the Company's request for additional credit line support to be used in supporting the COVID-19 situation.

- Account and other payables

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' account and other payables were 142.40 million Baht, 140.76 million Baht, and 98.51 million Baht, respectively, as per the details in the following Table.

	(Unit : million Baht)		
	31 December 2018	31 December 2019	31 December 2020
Account payable – other entities	97.40	91.62	62.26
Account payable – the related entities	7.50	7.00	6.69
Other payable – other entities	9.21	7.66	7.38
Other payable – related businesses	-	-	-
Accrued expense	28.29	34.48	22.18
Total account and other payables	142.40	140.76	98.51

As at 31 December 2018 the Company's and its subsidiaries' account payables increased due to the order of finished goods in the ending period of the said year to support distribution and leasing to the customers in the following year based on sales volume target of each product group, while a decrease of account payables as at 31 December 2020 due to main cause from delay in order of raw materials and products for distribution due to the COVID-19 pandemic situation.

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' account payable – related businesses, was 7.50 million Baht, 7.00 million Baht, and 6.69 million Baht, respectively, due to the purchase of raw materials and finished goods by the Company and its subsidiaries from the related businesses, such as Daika Co., Ltd., to be used as partial raw materials in manufacture of products.

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' other payable – other entities, was 9.21 million Baht, 7.66 million Baht, and 7.38 million Baht, respectively due to accrued expenses, such as payable - Revenue Department, and accrued withholding tax, etc.

- Other current liabilities

Other current liabilities consist of accrued expense, provision of product quality assurance, performance security money, and any other liabilities. As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' other current liabilities were 6.16 million Baht, 5.90 million Baht, and 8.27 million Baht, respectively.

Non-current liabilities

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' non-current liabilities were 113.14 million Baht, 121.59 million Baht, and 144.80 million Baht, respectively, as per the following significant details.

- Long-term loans from the financial institutions

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' total outstanding limit of long-term loans from the financial institutions was 73.68 million Baht, 46.81 million Baht, and 86.72 million Baht, respectively. However, for the end of 2019, long-term loans decreased due to loan repayment by installments from operating cash flows. While in 2020, long-term loans increased due to the investment of the Company in construction of warehouse on the area at the back of the manufacturing factory, construction of raw material godown, and construction of warehouse, and point of product receipt from Product Sales Division via Digital Platform.

- Lease contract liabilities

The Company's and its subsidiaries' total outstanding lease contract liabilities as at 31 December 2018, 2019, and 2020 was 8.96 million Baht, 20.67 million Baht, and 21.09 million Baht, respectively. An increase of lease contract liabilities in 2020 was due to the first observance of TFRS 16 Leases from 1 January 2020. The Company has recognized liabilities under lease contracts which have ever been classified to be operating lease contracts with present value of payment amount pursuant to the remaining lease contracts, and discounted with an interest rate of the incremental loan of the Group of Companies. Therefore, as at 31 January 2020, the Company increasingly recorded lease contract liabilities by 7.87 million Baht.

Shareholders' equity

As at 31 December 2018, 2019, and 2020, shareholders' equity of the Company and its subsidiaries was 316.77 million Baht, 348.84 million Baht, and 494.40 million Baht, or in the proportion of 35.09%, 37.00%, and 44.85% of total liabilities and shareholders' equity, respectively. In the past, shareholders' equity of the Company continuously increased due to an increase of retained earnings in each period of time as per the significant details of shareholders' equity as follows.

- Issued and called-up registered capital

As at 31 December 2018 and 2019, the Company's issued and called-up registered capital was 100.00 million Baht, classifying in to 200,000,000 ordinary shares at par value of 0.50 Baht per share.

The 2020 Annual General Meeting of Shareholders held on 26 March 2020 resolved to approve an increase in registered capital from 100.00 million Baht to be 170.00 million Baht by issuing 140,000,000 ordinary shares for capital increase at par value of 0.50 Baht per share for (1) private placement to the existing shareholders for 40,000,000 shares at par value of 0.50 Baht on April 2020, and (2) Initial Public Offering to the patronizer of the Company and its subsidiaries, directors, executives, and staffs of the Company and its subsidiaries for 100,000,000 shares at offer of 1.50 Baht per share and par value of 0.50 Baht per share. The Stock Exchange of Thailand accepted the Company's ordinary shares to be listed securities and started trading in Market for Alternative Investment (mai) on October 2020, resulting in the Company's paid-up capital of 170.00 million Baht consisting of 340,000,000 ordinary shares at par value of 0.50 Baht per share as at 31 December 2020.

- Premium on share and capital surplus from share-based payment

As at 31 December 2018, 2019, and 2020, the Company's premium on ordinary shares is valued for 20.15 million Baht, 20.15 million Baht, and 112.65 million Baht, respectively, due to the Company's issuance and private placement of 10,000,000 ordinary shares to the existing shareholders and investors in the higher price than par value. In 2020, the Company carried out IPO of 100,000,000 ordinary shares for capital increase in the higher price than par value.

As at 31 December 2018, 2019, and 2020, the Company's and its subsidiaries' capital surplus from share-based Payment is equally valued in every year for 16.35 million Baht due to the Company's issuance and allocation of 7,497,260 ESOP shares for capital increase to the directors, executives, and staffs of the Company and its subsidiaries in the price equaling to par value at 1 Baht per share in 2011. However, the accounting standard prescribes that the difference between the offer and fair price as at the offering date of the said ESOP shares must be recorded as a transaction of capital surplus from share-based payment.

- Unappropriated retained earnings

As at 31 December 2018, 2019, and 2020, the Company's unappropriated retained earnings amounted 152.34 million Baht, 187.57 million Baht, and 163.88 million Baht, respectively. The changing figure in each period was due to net profit in each year. The dividend payment for 2018 and 2019 amounted 10 million Baht and 22 million Baht, respectively.

Financial structure ratio

The Company's and its subsidiaries' Debt to Equity Ratio was 1.85 times, 1.70 times, and 1.23 times as at 31 December 2018, 2019, and 2020, respectively. As at 31 December 2019, the Company's and its subsidiaries' Debt to Equity Ratio slightly increased due to an increase in net profit and gradual repayment of long-term loans from the financial institutions in 2019, while as at 31 December 2020, the Company's and its subsidiaries' Debt to Equity Ratio decreased due to an increase of the shareholders' equity due to the fund raising of the Company via Initial Public Offering (IPO) of the ordinary shares for capital increase. However, the Company is subject to the conditions pursuant to the loan contract entered with the financial institutions that Debt to Equity Ratio must be maintained to be not more than 2.00 times.

Interest Coverage and Cash Basis Ratio

In 2018, 2019, and 2020, the Company's and its subsidiaries' interest coverage was 7.28 times, 7.65 times, and 5.88 times, respectively. In 2019, the Company's and its subsidiaries' interest coverage increased due to an increase of operating cash flows from loans from financial lease contract. In 2020, the Company's and its subsidiaries' interest coverage decreased due to an increase of burden of interest paid from requesting credit support both for investment and using as working capital, while net cash flows from operating activities decreased. The Executive has closely focused on monitoring financial liquidity.

In 2018, 2019, and 2020, the Company's and its subsidiaries' Cash Basis was 0.58 times, 0.77 times, 0.86 times, and 0.63 times, respectively. In 2019, the Company's and its subsidiaries' Cash Basis increased, and purchased asset from the business under the common control due to the investment in property, plant, and equipment, liability repayment of promissory notes, and repayment of loans from financial lease contract by the Company and its subsidiaries, while the Company's dividend payment on 30 May 2019 for 10 million Baht as aforesaid. For 2020, the Company's and its subsidiaries' Cash Basis decreased due to the Company's and its subsidiaries' decrease in operating cash flows from previous year in accompany with dividend payment for 22 million Baht in the said year.

Liquidity

The Company's and its subsidiaries' current assets as at 31 December 2018, 2019, and 2020, were 428.62 million Baht, 428.59 million Baht, and 558.41 million Baht, and their current liabilities were 472.75 million Baht, 472.49 million Baht, and 607.87 million Baht, respectively, resulting in Current Ratio at 0.91 times, 0.91 times, and 1.21 times, respectively, Quick-acid Ratio at 0.42 times, 0.45 times, and 0.80 times, respectively. As at 31 December 2018, the Company's and its subsidiaries' current assets increased due to an increase in the transactions of cash and cash equivalents, account and other receivables, and inventories, in the proportion more than the increase in current liabilities due to account and other payables, and portion of long-term loans from financial institutions due within 1 year, resulting in an increase in Current Ratio and Quick-acid Ratio. In addition, if considering Cash Cycle of the Company and its subsidiaries, it was seen that Cash Cycle as at 31 December 2018, 2019, and 2020 was 126 days, 126 days, and 173 days, respectively. The reason for an increase of the Company's Cash Cycle as at 31 December 2020 was mainly due to an increase of Average Holding Period as the

result of the arisen COVID-19 situation, resulting in the deflation of the Company's business in 2020, and causing longer period of storage and reservation of raw materials and finished goods by the Company and its subsidiaries. Such raw materials and finished goods can also be used in manufacture and distribution. However, the Executive has closely monitored the financial liquidity, particularly the debt collection from account receivables, and the inventory management in an appropriate level for the current situation. The Executive has estimated cash flows for business operation and requested for an additional working capital support from the financial institution to be used for supporting the said situation.

Cash flows

In 2018, 2019, and 2020, the Company's and its subsidiaries' net cash provided from (used in) operating activities was 108.37 million Baht, 130.84 million Baht, and 92.01 million Baht, respectively. In 2019, the Company's and its subsidiaries' net cash provided from operating activities increased from 2018 by 22.47 million Baht due to account receivables, inventories, and provision of long-term employee benefit.

In 2018, 2019, and 2020, the Company's and its subsidiaries' net cash provided from (used in) investing activities was (86.26) million Baht, (103.09) million Baht, and (82.64) million Baht, respectively. In 2019, the Company invested in purchase of assets from the business under the common control, integrated for business expansion and preparation for listing the Stock Exchange of Thailand.

In 2018, 2019, and 2020, the Company's and its subsidiaries' net cash provided from (used in) financing activities was (18.95) million Baht, (21.87) million Baht, and 162.06 million Baht, respectively. In each year, the Company and its subsidiaries repaid long-term loans from the financial institutions pursuant to the conditions, and paid dividend for 11.00 million Baht, 10.00 million Baht, and 22.00 million Baht, respectively. In 2020, the Company's and its subsidiaries' cash received from capital increase was 162.49 million Baht.

Part 4

Certification of Accuracy of Information

The Company has already verified the information in these Annual Registration Statement / Annual Report with caution. The Company hereby certify that the said information is accurate and complete, true, not misunderstanding, or not lack of information of which the materiality should be notified. Moreover, the Company certify that:

- (1) The financial statements and financial information summarized in Annual Registration Statement / Annual Report present the accurate and complete information in the materiality relating to financial position, performance, and cash flows of the Company and its subsidiaries.
- (2) The Company systemizes the good information disclosure system to ensure the Company's disclosure of the accurate and complete material information both of the Company and its subsidiaries, and control and supervise the compliance with the said system.
- (3) The Company systemizes the good internal control system and control and supervise the compliance with the said system. The Company notified the information of the internal control system assessment as at 31 December 2020 to the auditor and the audit committee member of the Company, including the significant faults and changes of the internal control system, and malfeasance that may affect the preparation of financial statements of the Company and its subsidiaries.
- (4) In this regard, as evidence that all documents are the same set of documents as the ones of which their accuracy have already been certified by the Company.

The Company has assigned Miss Prapatsorn Jumpartong to countersign these documents on all pages. If any documents are not affixed with Miss Prapatsorn Jumpartong's signature, the Company shall deem not to be the information of which its accuracy is certified by the Company as aforesaid.

Name-Surname		Position	Signature
Mr. Suebpong	Ketnute	Authorized Signatory Director	_____
Mr. Annop	Julaphan	Authorized Signatory Director	_____

Authorized Person

Name-Surname		Position	Signature
Miss Prapatsorn	Jumpartong	Chief Financial Officer	_____

Profiles of the Directors, Executives, Regulators, Entrusted Person with Highest Responsibility in Accounting and Financial Line

Entrusted Person with direct responsibility in controlling and supervising bookkeeping, and Company Secretary of Peerapat Technology Public Company Limited

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
1.	Mr. Santi Thanyawong - Chairman of the Board of Directors - Director - Authorized Signatory Director (Former Name-Surname) -None- Appointment Date: 18 January 2002	77	<u>Bachelor's Degree</u> - Bachelor of Laws, Chulalongkorn University - Doctor of Pharmacy, Chulalongkorn University <u>Training</u> - DAP 73/2008 - RCP 29/2012	-None-	2.55%	2002 - Present	Chairman of the Board of Directors, Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
2.	Mr. Somkiat Jitvutthichod - Director - Chairman of the Audit Committee - Independent Director (Former Name-Surname) -None- Appointment Date: 4 December 2007	64	<u>Bachelor's Degree</u> - Bachelor of Business Administration Program in Accounting, Ramkhamhaeng University - Bachelor of Laws Program, Thammasat University - Bachelor of Thai Traditional Medicine Program, Sukhothai Thammathirat Open University <u>Training</u> - DAP 11/2004 - ACP 2/2004 - DCP 53/2005 - CDC 6/2012	-None-	0.25%	2007 – Present	Chairman of the Audit Committee Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2004 – 2015	Chairman of the Audit Committee / Chairman of the Risk Management Committee, Pacific Pipe Pcl.	Manufacture and distribution of steel pipes

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
3.	Mr. Pramoth Singhanue - Director - Audit Committee Member - Independent Director (Former Name-Surname) -None- Appointment Date: 4 December 2007	63	<u>Master's Degree</u> - Accountancy, Faculty of Commerce and Accountancy, Thammasat University <u>Bachelor's Degree</u> - Accountancy, Faculty of Commerce and Accountancy, Thammasat University <u>Training</u> - DAP 76/2008 - ACP 41/2012	-None-	0.35%	2007 – Present	Audit Committee Member, Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
4.	Mrs. Jitwatana Jaruwatanachai - Director - Audit Committee Member - Independent Director - Chairman of the Nomination and Remuneration Committee (Former Name-Surname) Jitwatana Thiengwatana Appointment Date: 30 April 2012	69	<u>Master's Degree</u> - Bachelor of Arts in Business Law, Chulalongkorn University <u>Bachelor's Degree</u> - Bachelor of Economics, Chulalongkorn University <u>Training</u> - DAP 99/2012 - BNCP 4/2018	-None-	-None-	2015 - Present	Joint Venture Approving Director for VCM Fund and 2 Sub- Funds under SME Bank	Joint venture with SME business of the bank
						2014 - Present	Audit Committee Member Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2014 – 2018	Audit Committee Member, Loxley Wireless Pcl.	Distribution of telecommunication products and data transmission

								service via computer system
						2013 – 2017	Chairman of the Audit Committee, Premier Enterprise Co., Ltd.	Investment in financial service business

No.	Name List/Position/Appointm ent Date	Age (Ye ars)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
5.	Mr. Satit Anantasomboon - Director - Independent Director - Nomination and Remuneration Committee Member (Former Name- Surname) -None- Appointment Date: 9 August 2008	66	<u>Bachelor's Degree</u> - Bachelor of Laws, Ramkhamhaeng University <u>Training</u> - DAP 77/2009 - BNCP 4/2018	-None-	0.04%	2017 - Present	Law and Rule Sub-Committee, National Anti-Corruption Commission	Government Agency
						2008 – Present	Independent Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
6.	Mr. Suebpong Ketnute - Director - Vice Chairman of the Board of Directors - Chairman of the Executive Committee - Authorized Signatory Director (Former Name-Surname) -None- Appointment Date: 9 September 2531	67	<u>Master's Degree</u> - Faculty of Business Administration (X-MBA), Thammasat University - Applied International Management (AIM) from Sweden	-None-	18.28%	2531 - Present	Director / Chairman of the Executive Committee, Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
			<u>Bachelor's Degree</u> - Chemical Engineering, Chulalongkorn University			2012 - Present	Director, Phunamron Industrial Co., Ltd.	Development of real estates and public utilities
			<u>Training</u> - DAP 17/2008			2546 – 2020	Expert Committee, Phetchaburi Rajabhat University	Academy
						2546 – 2007 / 2017 – 2020	The Board Member,	Government Agency

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
							The Federation of Phetchaburi Industries	
						2010 – 2011 / 2013 – 2020	Director, The Federation of Thai Industries	Government Agency
						2010 – 2019	Director of Strengthening Human Capacity Section, The Federation of Thai Industries	Government Agency
						2010 – 2016	Vice President of Research Section, The Federation of Central Industries	Government Agency
						2010 -2011 / 2013 - 2020	Director, The Institute of Research Development and Innovation for Industries,	Government Agency

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
							The Federation of Thai Industries	

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
7.	Mr. Annop Julaphan - Director - Nomination and Remuneration Committee Member - Chief Operating Officer in Factory - Authorized Signatory Director (Former Name-Surname) -None- Appointment Date: 9 September 2531	66	<u>Master's Degree</u> - Faculty of Business Administration (X-MBA), Thammasat University <u>Bachelor's Degree</u> - Faculty of Sciences, Chulalongkorn University <u>Training</u> - DAP 73/2008	Being one of the executives	9.11%	2538 - Present	Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2531 - Present	Chief Operating Officer in Factory (Current Position), Peerapat Technology Pcl.	

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
8.	Dr. Suebpong Atichartakarn - Director - Authorized Signatory Director (Former Name-Surname) -None- Appointment Date: 27 March 2014	50	<u>Doctor's Degree</u> - Industrial Engineering, Texas University, USA <u>Master's Degree</u> - Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University - Industrial Engineering, University of Texas, USA <u>Bachelor's Degree</u> - Engineering, King Mongkut's Institute of Technology Ladkrabang <u>Training</u> - DAP 122/2015	-None-	0.56%	2014 - Present	Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2017 - Present	Director, Nipphon Boonmanee Co., Ltd.	Trading of real estates
						2017 - Present	Director, Samarnchan Co., Ltd.	Trading of real estates
						2013 - Present	Executive Director, Feed Ingredients Supply Co., Ltd.	Sale of animal feeds
						2007 - Present	Director Racuto (Thai) Co., Ltd.	Sale of chemicals
						2549 - Present	Director Daika (Thai) Co., Ltd.	Sale of chemicals, sale of animal feeds and agricultural crops

						2004 - Present	Director Daika Estate (The Garden) Co., Ltd.	Sale of real estates
						2004 – Present	Director Daika Estate (The Crest) Co., Ltd.	Sale of real estates

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
9.	Mr. Sopon Sikkakosol - Director - Authorized Signatory Director (Former Name-Surname) -None- Appointment Date: 2 August 2549	67	<u>Master's Degree</u> - Business Administration, Thammasat University	-None-	5.40%	2549 - Present	Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
			<u>Bachelor's Degree</u> - Engineering (Electrical), Chulalongkorn University <u>Training</u> - DAP 73/2008			2531 - Present	Consultant, Peerapat Technology Pcl.	

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
10.	Mr. Varong Vongsinudom - Director (Former Name-Surname) -None- Appointment Date: 7 May 2013	37	<u>Master's Degree</u> - MSc Financial Merit, Imperial College Business School <u>Bachelor's Degree</u> - Faculty of Economics, Chulalongkorn University <u>Training</u> - DAP 122/2015	-None-	0.83%	2018 - Present	Director, Wallflowers F&B Co., Ltd.	Food services in restaurants / food stores
						2018 - Present	Director, Oneday Wallflowers Co., Ltd.	Manufacture of artificial flowers and trees, and retail trade
						2017 - Present	Director 22Nana Co., Ltd.	Food services in restaurants and food stores
						2015 - Present	FVP Markets Innovation, Krungthai Bank Pcl.	Financial services
						2013 - Present	Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

						2011 - Present	Director Suffixlab Co., Ltd.	Online distribution of products
						2008 - Present	Director Varin Property Co., Ltd.	Real estate for rent services

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
11.	Miss Chonathree Twiltermsup - Director (Former Name-Surname) -None- Appointment Date: 10 May 2019	40	<u>Master's Degree</u> - MIS, University of Bath, United Kingdom <u>Bachelor's Degree</u> - Law Program, Thammasat University - Economics Program, Chulalongkorn University <u>Training</u> - DAP 163/2019	-None-	6.99%	2019 - Present	Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2010 - Present	Director, U. Suparach Co., Ltd.	Investment in other companies
						2009 - Present	Director, N.Y. Development Co., Ltd.	Manufacture and distribution of fertilizers, and plant supplements
						2008 - Present	Director, Rubber Innovation Co., Ltd.	Trading business, manufacture, and distribution of rubber products
						2007 - Present	Director, Nutri Sweet Co., Ltd.	Leasing of agricultural lands
						2548 – Present	Director, N.Y. Rubber Co., Ltd.	Manufacture and distribution of concentrated latex and processing latex
						2548 - Present	Director, N.Y. Plantation Co., Ltd.	Plantation of rubber trees and distribution of field latex

						2548 - Present	Director, Talaysup Co., Ltd.	Leasing of the premises in the building together with equipment
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No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
12.	Mr. Veerapong Luesakul - Director - Executive Director - Chief Executive Officer - Chief Marketing Officer (Acting) (Former Name-Surname) -None- Appointment Date: 1 August 2534	57	<u>Bachelor's Degree</u> - International Business Management, Sripatum University <u>Training</u> - DAP 162/2019	Being one of the executives	17.05%	2020 - Present	Director Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2534 – Present	Chief Executive Officer / Chief Marketing Officer (Acting) (Current Position) Peerapat Technology Pcl.	

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
13.	Miss Prapatsorn Jumpartong - Chief Financial Officer - Person with highest responsibility in the accounting and financial line (Former Name-Surname) -None- Appointment Date: 19 August 2019	41	<u>Bachelor's Degree</u> - Bachelor of Accountancy Program, College of Innovative Business and Accountancy, Dhurakit Pundit University <u>Training</u> - CFO's Orientation Course for New IPOs by Thailand Securities Institute, Stock Exchange of Thailand - Internal Control Course for the Company Preparing for Listing into the Stock Exchange (6 Hours) by Dharmniti Seminar and Training Co., Ltd.	Being one of the executives	-None-	2019 - Present	Chief Financial Officer (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2016 – 2018	Accounting and Finance Director, Hybrid Energy Co., Ltd.	Wholesale of fuels to the industrial factories
						2013 – 2015	Financial Department Manager, ISS Facility Service Co., Ltd.	Cleaning service business

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
14.	Mr. Jeerapun Saengchaem - Senior Factory Manager (Production) (Former Name-Surname) -None- Appointment Date: 2 November 2015	39	<u>Bachelor's Degree</u> - Engineering, Thonburi University	Being one of the executives	-None-	2015 - Present	Senior Factory Manager (Production) (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2012 – 2015	Factory Manager, Aoskomak Pillter Co., Ltd.	Manufacture and distribution of spare parts and components of vehicle equipment

No.	Name List/Position/Appoint ment Date	Age (Ye ars)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
15.	Miss Potchana Tannirat - Senior Factory Manager (Technique) (Former Name- Surname) -None- Appointment Date: 15 October 2002	42	<u>Master's Degree</u> - Business Administration in Innovation Management, Ramkhamhaeng University <u>Bachelor's Degree</u> - Engineering in Chemical Engineering, King Mongkut's University of Technology Thonburi	Being one of the executives	0.04%	2002 - Present	Senior Factory Manager (Technique) (Current Position) Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
16.	Mr. Saoake Vasikchart - Executive Director - Senior Manager (Product) (Former Name-Surname) -None- Appointment Date: 1 March 2013	52	<u>Master's Degree</u> - MBA Finance & Marketing Regis University, Denver, Colorado, USA <u>Bachelor's Degree</u> - Economics Department, Kasetsart Business School,	Being one of the executives	-None-	2013 - Present	Senior Manager (Product) (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
17.	Mr. Sukarn Intarasut - Executive Director - Senior Manager (Distribution Channel) (Former Name-Surname) -None- Appointment Date: 2 April 2018	52	<u>Master's Degree</u> - Economics, Murry State University, Kentucky, USA <u>Bachelor's Degree</u> - Economics, Ramkhamhaeng University	Being one of the executives	-None-	2018 - Present	Senior Manager (Distribution Channel) (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment
						2016 – 2018	Chief Operating Officer, Chanintr Systems & Solutions Co., Ltd.	Electronic equipment systemization service
						2013 – 2016	Chief Operating Officer Electro Acoustic Design Group Co., Ltd.	Stereo system installation service

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
18.	Miss Veena Chaisrisophonkij - Executive Director - Senior Manager (Office) (Former Name-Surname) -None- Appointment Date: 3 May 2011	52	<u>Bachelor's Degree</u> - Industrial Psychology, Kasetsart University	Being one of the executives	-None-	2011 - Present	Senior Manager (Office) (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
19.	Miss Premyapa Chutipornangkoon - Accounting Division Manager - Person with direct responsibility in controlling and supervising bookkeeping (Former Name-Surname) Miss Sukanthiya Panchan Appointment Date: 2 May 2013	40	<u>Master's Degree</u> - MBA in Accounting Program, Ramkhamhaeng University <u>Bachelor's Degree</u> - Accountancy, Ramkhamhaeng University <u>Training</u> - Course of TFRS 6 that affects financial statements in the issues requiring for recognizing by the accountants (6 hours)	Being one of the executives	-None-	2013 - Present	Accounting Division Manager (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

			<ul style="list-style-type: none"> - Insight Course of TFRS 16 New Principle of Accounting regarding Leases (6 hours) - By Dharmniti Seminar and Training Co., Ltd. 					
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No.	Name List/Position/Appointment Date	Age (Years)	Educational Qualification	Family Relationship between the Executives	Shareholding Proportion in the Company (%)	Work Experience in the Period of 5 Retroactive Years		
						Period	Position and Name List of the Work Unit/Company	Type of Business
20.	Miss Nujarin Samudwech - Company Secretary (Former Name-Surname) -None- Appointment Date: 5 June 1997	48	<u>Bachelor's Degree</u> - Humanities, Ramkhamhaeng University <u>Training</u> - CSP Year 40/2011 - CRP Year 3/2012	-None-	0.06%	1997 - Present	Company Secretary (Current Position), Peerapat Technology Pcl.	Manufacture, import, and distribution of cleaners for industrial sector, kitchen utensils, and swimming pool equipment

Office Information of the Directors, Executives, and Regulators of the Company

Name List of the Directors / Executives / Regulators		Company	Subsidiaries			
			1.	2.	3.	4.
1. Mr. Santi	Thanyawong	x xx @ /(1.80%)				
2. Mr. Somkiat	Jitvutthichod	xx xxx xxxx /(0.25%)				
3. Mr. Pramoth	Singhanue	xx xxx xxxx /(0.35%)				
4. Mrs. Jitwatana	Jaruwatanachai	xx xxx xxxx(0.03%)				
5. Mr. Satit	Anantasomboon	xx xxx /(0.04%)				
6. Mr. Suebpong	Ketnute	xx @ / /(12.90%)	xx @	xx @ /(< 0.01%)	xx @ /(< 0.01%)	xx @
7. Mr. Annop	Julaphan	xx @ / /(6.43%)	xx @	xx @ /(< 0.01%)	xx @ /(< 0.01%)	
8. Dr. Suebpong	Atichartakarn	xx @ /(0.40%)				
9. Mr. Sopon	Sikkakosol	xx @ /(3.81%)				
10. Mr. Varong	Vongsinudom	xx /(0.58%)				
11. Miss Chonathee	Twiltermsup	xx /(4.94%)				
12. Mr. Veerapong	Luesakul	xx / / /(11.94%)		xx @ /(5.06%)	xx @	xx @
13. Miss Prapatsorn	Jumpartong	//				
14. Mr. Jeerapun	Saengchaem	/ //				
15. Miss Potchana	Tannirat	// /(0.04%)				
16. Mr. Saoake	Vasikchart	/ //				
17. Mr. Sukarn	Intarasut	/ //				
18. Miss Veena	Chaisrisophonkij	/ //				
19. Miss Premyapa	Chutipornangkoon					
20. Miss Nujarin	Samudwech	/(0.00%)				

Remark : 1) x = Chairman of the Board of Directors, xx = Director, xxx = Independent Director, xxxx = Audit Committee Member, @ = Authorized Signatory Director, / = Executive Director, // = Executive, /// = Shareholder, //// = A related party pursuant to Section 258 as a shareholder, # = A related party pursuant to Section 258 as a director

2) The subsidiary pursuant to the rules under the common controlling power in consolidated financial statements of the Company and its subsidiaries, audited / verified by the auditor

3) Figure in parentheses shows the shareholding proportion in that company.

Name List of the Directors / Executives / Regulators		Company	Subsidiaries								
			5.	6.	7.	8.	9.	10.	11.	12.	13.
1. Mr. Santi	Thanyawong	x xx @ /(1.80%)									
2. Mr. Somkiat	Jitvutthichod	xx xxx xxxx /(0.25%)									
3. Mr. Pramoth	Singhanue	xx xxx xxxx /(0.35%)									
4. Mrs. Jitwatana	Jaruwatanachai	xx xxx xxxx(0.03%)									
5. Mr. Satit	Anantasomboon	xx xxx /(0.04%)									
6. Mr. Suebpong	Ketnute	xx @ / /(12.90%)								xx /(10%)	
7. Mr. Annop	Julaphan	xx @ // /(6.43%)									
8. Dr. Suebpong	Atichartakarn	xx @ /(0.40%)	xx @ /(25%)	xx @ /(22%)	xx @ /(15%)	xx @ /(20%)	xx @ /(20%)	xx @ /(0.26%)	xx @ /(20.23%)		
9. Mr. Sopon	Sikkakosol	xx @ /(3.81%)									
10. Mr. Varong	Vongsinudom	xx /(0.58%)									xx @ /(66.6%)
11. Miss Chonathae	Twiltermsup	xx /(4.94%)									
12. Mr. Veerapong	Luesakul	xx / // /(11.94%)									
13. Miss Prapatsorn	Jumpartong	//									
14. Mr. Jeerapun	Saengchaem	/ //									
15. Miss Potchana	Tannirat	// /(0.04%)									
16. Mr. Saoake	Vasikchart	/ //									
17. Mr. Sukarn	Intarasut	/ //									
18. Miss Veena	Chaisrisophonkij	/ //									
19. Miss Premyapa	Chutipornangkoon										
20. Miss Nujarin	Samudwech	/(0.00%)									

Remark : 1) x = Chairman of the Board of Directors, xx = Director, xxx = Independent Director, xxxx = Audit Committee Member, @ = Authorized Signatory Director, / = Executive Director, // = Executive, /// =

Shareholder, //// = A related party pursuant to Section 258 as a shareholder, # = A related Party pursuant to Section 258 as a director

2) The subsidiary pursuant to the rules under the common controlling power in consolidated financial statements of the Company and its subsidiaries, audited / verified by the auditor

3) Figure in parentheses shows the shareholding proportion in that company.

Name List of the Directors / Executives / Regulators		Company	Subsidiaries								
			14.	15.	16.	17.	18.	19.	20.	21.	22.
1. Mr. Santi	Thanyawong	x xx @ /(1.80%)									
2. Mr. Somkiat	Jitvutthichod	xx xxx xxxx /(0.25%)									
3. Mr. Pramoth	Singhanue	xx xxx xxxx /(0.35%)									
4. Mrs. Jitwatana	Jaruwatanachai	xx xxx xxxx(0.03%)									
5. Mr. Satit	Anantasomboon	xx xxx /(0.04%)									
6. Mr. Suebpong	Ketnute	xx @ / /(12.90%)									
7. Mr. Annop	Julaphan	xx @ / /(6.43%)									
8. Dr. Suebpong	Atichartakarn	xx @ /(0.40%)									
9. Mr. Sopon	Sikkakosol	xx @ /(3.81%)									
10. Mr. Varong	Vongsinudom	xx /(0.58%)	xx @ /(50%)	xx @ /(76.78%)	xx @	xx @					
11. Miss Chonathee	Twiltermsup	xx /(4.94%)					xx @ /(16.43%)	xx @ /(20%)	xx @ /(20%)	xx @ /(25%)	xx @ /(20%)
12. Mr. Veerapong	Luesakul	xx / / /(11.94%)									
13. Miss Prapatsorn	Jumpartong	//									
14. Mr. Jeerapun	Saengchaem	/ //									
15. Miss Potchana	Tannirat	// /(0.04%)									
16. Mr. Saoake	Vasikchart	/ //									
17. Mr. Sukarn	Intarasut	/ //									
18. Miss Veena	Chaisrisophonkij	/ //									
19. Miss Premyapa	Chutipornangkoon										
20. Miss Nujarin	Samudwech	/(0.00%)									

Remark : 1) x = Chairman of the Board of Directors, xx = Director, xxx = Independent Director, xxxx = Audit Committee Member, @ = Authorized Signatory Director, / = Executive Director, // = Executive, /// =

Shareholder, //// = A related party pursuant to Section 258 as a shareholder, # = A related Party pursuant to Section 258 as a director

2) The subsidiary pursuant to the rules under the common controlling power in consolidated financial statements of the Company and its subsidiaries, audited / verified by the auditor

3) Figure in parentheses shows the shareholding proportion in that company.

Name List of the Directors / Executives / Regulators		Company		
			23.	24.
1. Mr. Santi	Thanyawong	x xx @ /(1.80%)		
2. Mr. Somkiat	Jitvutthichod	xx xxx xxxx /(0.25%)		
3. Mr. Pramoth	Singhanue	xx xxx xxxx /(0.35%)		
4. Mrs. Jitwatana	Jaruwatanachai	xx xxx xxxx(0.03%)		
5. Mr. Satit	Anantasomboon	xx xxx /(0.04%)		
6. Mr. Suebpong	Ketnute	xx @ / /(12.90%)		
7. Mr. Annop	Julaphan	xx @ // /(6.43%)		
8. Dr. Suebpong	Atichartakarn	xx @ /(0.40%)		
9. Mr. Sopon	Sikkakosol	xx @ /(3.81%)		
10. Mr. Varong	Vongsinudom	xx /(0.58%)		
11. Miss Chonathee	Twiltermsup	xx /(4.94%)	xx @ /(17.7%)	xx @ /(11.64%)
12. Mr. Veerapong	Luesakul	xx / // /(11.94%)		
13. Miss Prapatsorn	Jumpartong	//		
14. Mr. Jeerapun	Saengchaem	/ //		
15. Miss Potchana	Tannirat	// /(0.04%)		
16. Mr. Saoake	Vasikchart	/ //		
17. Mr. Sukarn	Intarasut	/ //		
18. Miss Veena	Chaisrisophonkij	/ //		
19. Miss Premyapa	Chutipornangkoon			
20. Miss Nujarin	Samudwech	/(0.00%)		

Remark : 1) x = Chairman of the Board of Directors, xx = Director, xxx = Independent Director, xxxx = Audit Committee Member, @ = Authorized Signatory Director, / = Executive Director, // = Executive, /// = Shareholder, //// = A related party pursuant to Section 258 as a shareholder, # = A related Party pursuant to Section 258 as a director

2) The subsidiary pursuant to the rules under the common controlling power in consolidated financial statements of the Company and its subsidiaries, audited / verified by the auditor

3) Figure in parentheses shows the shareholding proportion in that company.

Name List of the Subsidiaries and the Related Companies

Name List of the Companies	Nature of Business
Subsidiaries	
1. Calvatis-Asia Pacific Co., Ltd. (CVT)	Sale and service of cleaner products for industrial factories
2. Thai Steward Services Co., Ltd. (TSS)	Sale of cleaners, machines and equipment; and leasing of machines and cleaning equipment; and repair service
3. Mr. Pool Co., Ltd. (MP)	Sale of cleaners, equipment, swimming pool supplies, and building, repair, and supervision services of swimming pool
4. Allies Intertrade Co., Ltd. (AL)	Sale of equipment, tools, supplies, and cleaner products
Related Companies	
5. Daika (Thai) Co., Ltd.	Sale of chemicals, sale of animal feeds and agricultural crops
6. Racuto (Thai) Co., Ltd.	Sale of chemicals
7. Daika Estate Co., Ltd.	Sale of real estates
8. Daika Estate (The Crest) Co., Ltd.	Sale of real estates
9. Daika Estate (The Garden) Co., Ltd.	Sale of real estates
10. Niphon Boonmanee Co., Ltd.	Trading of real estates
11. Samarnchan Co., Ltd.	Trading of real estates
12. Phunamron Industrial Co., Ltd.	Development of real estates and public utilities
13. Suffixlab Co., Ltd.	Online selling business operation
14. Varin Property Co., Ltd.	Leasing of real estates
15. 22Nana Co., Ltd.	Food services in restaurants / food stores
16. Wallflowers F&B Co., Ltd.	Food services in restaurants / food stores
17. Oneday Wallflowers Co., Ltd.	Manufacture of artificial flowers and trees, and retail trade
18. Talaysup Co., Ltd.	Leasing of the premises in the building together with equipment
19. Nutri Sweet Co., Ltd.	Leasing of agricultural lands
20. Rubber Innovation Co., Ltd.	Trading business, manufacture, and distribution of rubber products
21. U. Suparach Co., Ltd.	Investment in other companies

22. N.Y. Development Co., Ltd.	Manufacture and distribution of fertilizers, and plant supplements
23. N.Y. Plantation Co., Ltd.	Plantation of rubber trees and distribution of field latex
24. N.Y. Rubber Co., Ltd.	Manufacture and distribution of concentrated latex and processing latex

Profile of the Directors of the Subsidiaries

Name List of Directors		Calvatis-Asia Pacific Co., Ltd. (CVT)	Thai Steward Services Co., Ltd. (TSS)	Mr. Pool Co., Ltd. (MP)	Allies Intertrade Co., Ltd. (AL)
1.	Mr. Suebpong Ketnute	xx @	xx @	xx @	xx @
2.	Miss Rungthip Meemanvit	xx @			
3.	Mr. Annop Julaphan	xx @	xx @	xx @	
4.	Mr. Veerapong Luesakul		xx @	xx @	xx @
5.	Mrs. Pairin Triluksanavilai				xx @

Remark : 1) XX = Director @ = Authorized Signatory Director

Profiles of the Head of Internal Audit and the Head of Compliance

Peerapat Technology Public Company Limited has appointed Audit House Company Limited to be the Company's internal auditor. Audit House Company Limited has entrusted Mr. Thana Vongsaengnark, holding the Managing Director Position, to work and take main responsibility in performing the internal auditor of the Company, and appointed Miss Unchanil Khoomphuakmitr, holding the Internal Audit Division Manager Position in the Company to work as the Head of Compliance and regularly report the said audit result to the Audit Committee, and the Chief Executive Officer on quarterly basis. However, the Audit Committee has considered the qualifications of Audit House Company Limited, and Mr. Thana Vongsaengnark, and Miss Unchanil Khoomphuakmitr, and remarked that they are adequately qualified to perform such duty due to their independence and experience in internal audit operation. From the internal audit report of the said auditors, no significant issues affecting the internal control system were detected at all.

In addition, the Company establishes the compliance system for the business operation of the Company and its subsidiaries in accordance with laws, rules, regulations, policies, and requirements of the related official agencies, such as the Office of the Securities and Exchange Commission, and Stock Exchange of Thailand, etc. The Company also establishes the governance policy to prescribe that the Board of Directors, Audit Committee, top executives, departments or units, and staffs must legally perform, and communicates with the staffs to be aware that all staffs have duties and responsibilities in studying and endeavoring to grasp the laws and rules relating to the responsible works, and strictly complying with rules on proper and complete basis.

Profile of Miss Unchanil Khoomphuakmitr (Internal Audit Division Manager of the Company)

Education : Master of Business Administration, Banking and Finance Major, Ramkhamhaeng University
: Bachelor of Business Administration, Accounting Major, Ramkhamhaeng University

Work : 2015 – Present Internal Audit Division Manager,
Peerapat Technology Public Company Limited
: 2013 - 2015 Senior Internal Audit, UAC Global Public Company Limited

Professional Practice License : -

Certificate : -

Profile of Mr. Thana Vongsaennark (Internal Auditor from Audit House Company Limited)

- Education** : Master of Accounting, Utah State University, USA
: Graduate Diploma in Auditing, Thammasat University
: Bachelor of Accounting, Thammasat University
- Work** : 1991 to present, Managing Director of Audit House Company Limited
- Professional Practice License** : CIA: Certified Internal Auditor
: CPA: Certified Public Auditor
- Certificate** : Facilitating Results Using CSA organized by The Institute of Internal Auditors of Thailand
: Internal Quality Assessment organized by The Institute of Internal Auditors of Thailand
: Audit Project Management organized by The Institute of Internal Auditors of Thailand
: Operational Auditing organized by The Institute of Internal Auditors of Thailand
: Taxation Law Certificate organized by Central Tax Court
: Taxation for International Transactions organized by Federation of Accounting Professions
: New Thai Auditing Standards (TSA) organized by Federation of Accounting Professions



Report of Audit Committee

In the accounting year of 2020 (from January 1, 2020 to 31 December 2020), the Audit Committee of Peerapat Technology Public Company Limited consists of 3 members who are independent directors with all qualifications as stipulated in the Charter of Audit Committee of Company and complied with the requirements and best practices for Audit Committees stipulated by the Securities and Exchange Commission, and the Stock Exchange of Thailand as follows:

- | | |
|-----------------------------------|---------------------------------|
| 1. Mr. Somkiat Jitvutthichod | Chairman of the Audit Committee |
| 2. Mr. Pramoth Singhanue | Member of the Audit Committee |
| 3. Miss. Jitwatana Jaruwatanachai | Member of the Audit Committee |

In 2020, the Audit Committee held 7 meetings with management team, internal auditors and Company Auditors on various topics under the duties of the Audit Committee. In addition, the Audit Committee had a meeting with the Company Auditors without the attendance of management team to independently consult on obtaining material information of audit for the preparation of Financial Statements. Followings are the essence of the Audit Committee's duties:

To review Quarterly and Annual Financial Statements and Consolidated Financial Statements of the Company and its subsidiaries for the year of 2020: The Audit Committee reviewed quarterly financial statements and annual financial statements for the year of 2020 by meeting with the Company Auditor, Chief Financial Officer, Accounting Manager, Internal Audit Manager, and other related management departments to consider and review the information, evidences and accounting system to ensure that the Company has correctly complied with generally accepted accounting standards and the regulations stipulated by the Securities and Exchange Commission and the Stock Exchange of Thailand as deemed proper. In addition, the Company should sufficiently, completely and reliably disclose the information to propose to the Board of Directors for consideration and approval.

To review and consider connected transactions or transactions that may have conflicts of interest in line with laws and regulations of the Stock Exchange of Thailand: The Audit Committee reviewed connected transactions or transactions that may have conflicts of interest which are considered as connected transactions according to the Securities and Exchange Commission and the Notifications of the Stock Exchange of Thailand, the result of reviewing connected transactions in which the Company made with related persons was found that such transactions are reasonable and made for the utmost interest of the Company and the disclosure of information is adequate, correct and complete.

Review risk of management: The Audit Committee reviewed the efficiency and effectiveness of the risk management process including the risk management policy, work plans and risk management guidelines that affect the performance of the Company along with providing suggestions for development and improvement.

To review the adequacy of the Company's internal control and internal audit systems is adequate and appropriate: The Audit Committee considered and reviewed the Company to have a good internal control system and approved the 2020 Audit Program to review the performance according to the plans, the audit result of the internal auditors from Audit House Company Limited and of the Internal Audit Department, by providing recommendations and monitoring the corrective actions on significant issues for good corporate governance and adequate and appropriate internal controls.

To consider, select, nominate, appoint and propose auditors' remuneration for the accounting year of 2021 to propose the Board of Directors for approval before proposing to the Annual General Meeting of Shareholders for the year of 2021 for approval: The Audit Committee considered and selected the Company Auditors Who are confirmed of independence in performing the duties of Auditors, quality of past audit performance, including skills, knowledge and competencies, experience, as well as the appropriateness of the audit fee; therefore, it is deemed appropriate to appoint the Auditors from EY Office Company Limited to be the Auditors of the Company and its subsidiaries for another term.

To consider, review and revise the Charter of Audit Committee and the Charter of Internal Audit Department: The Audit Committee annually reviews the Charter of Audit Committee and the Charter of Internal Audit Department to correctly perform the duties in accordance with the internal audit profession and in line with international standards.

In conclusion, the Audit Committee has carefully applied the knowledge, competence and experience and is adequately independent in performing duties and responsibilities.

On behalf of the Audit Committee

(Mr. Somkiat Jitvutthichod)
Chairman of the Audit Committee

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