

INNOVATION,
INTELLECTUAL
PROPERTY (IP),
NEW GENERATION



ONE REPORT2022 (FORM 56-1 ONE REPORT)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED

METRO SYSTEMS **CORPORATION**

PUBLIC COMPANY
LIMITED



VISION



“PURSUIT OF EXCELLENCE TO SERVE

our clients the best IT solutions ”

MISSION



To commitment to driving innovative solution and fully integrated IT services, aiming to sustainably create values and contributions for stakeholders

To strive on personnel development through culture of creativity in order to form the knowledge and to develop the corporate potential to grow sustainably

To conduct on corporate management in good corporate governance, and on encouragement of Corporate Social Responsibility (CSR) and environmental protection



CORPORATE VALUE



M

MORAL

E

EXCELLENCE



T



TEAMWORK

R

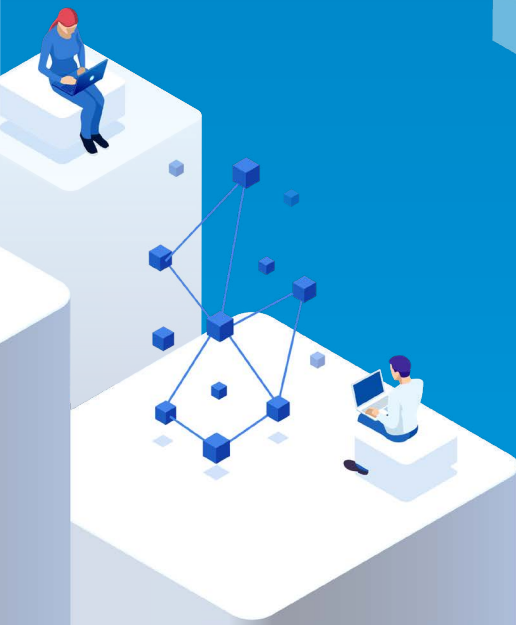


RESPECT
AND
TRUST

O



OWNERSHIP



MSC

CUSTOMER SUCCESS IS OUR BUSINESS

Direction



**PEOPLE
EXCELLENCE**



**DIGITAL
TRANSFORMATION
EXCELLENCE**



**PRODUCT &
SERVICE
EXCELLENCE**



**CUSTOMER
RETENTION
EXCELLENCE**



**COLLABORATION
EXCELLENCE**

CONTENT

Part

01 Business Overview

Structure and Operations of the Company Group

15

Risk Management

34

Management Discussion and Analysis (MD&A)

38

Other Related Information

46

Part

02 Corporate Governance

Corporate Governance Policy

53

Corporate Governance Structure and Other Related Information

69

Key Performance in Corporate Governance

85

Internal Control and Related Transactions

111

Part

03 Sustainability Report

Driving Business for Sustainability

121

Part

04 Financial Statements

Report of the Independent Certified Public Accounts

163

Financial Statements

168

Part

05 Attachments

Attachments 1 - 6

242

The One Report 2022 (Form 56-1 One Report) is based on information disclosed on the Company's website, which is part of Form 56-1 One Report and the Board of Directors is responsible for the accuracy and completeness of the referenced information, as well as bringing the information to appear in this 56-1 One Report form.



Message from the Chairman



In 2022, investment trends and economic confidence as well as economic growth in many countries continued to slow down. It was the year of recovery from the COVID-19 pandemic and inflation. Amidst this crisis, the Company realizes business opportunities from the lifestyle and management trends of many organizations in a new way. Meanwhile, technological advancements in the digital age play an important role in the rapidly changing lifestyles and behaviors of consumers. As a result of this situation, it has contributed to the rapid adaptation to the digital age. Technologies are increasingly applied and the demand for IT products is growing. These are all extremely interesting challenges for today's business operations.

All testaments to our success over the past year reflect our dedication to using all resources to support our new and transformative operations. This includes using our existing potential of resources to generate good returns. However, the Company's 2022 financial data showed an increase in net profit of 48 million Baht. It was considered a challenging year. The Company has adapted through every wave of the COVID-19 crisis, including economic conditions, and overcome obstacles to maintain its business growth continuously. It's not only the emphasis on business strategy, the Company also continues paying attention to strengthening the foundation of the human resource by providing trainings to employees at various levels and developing

employees at the leadership level, which will be key personnel for the future development of the business, along with dedicatedly focusing on supervising business participants throughout the supply chain. The Company has planned activities for corporate social responsibility systemically based on 3 dimensions of ESG principle: Environment, Social, and Governance. For the social aspect, it focuses on human rights, standards for labor safety and health, and community relationships. Regarding the corporate governance aspect, it focuses on governing transparent businesses with mechanisms for inspection and balancing risk management as well as strictly complying with any rules and regulations. Consequently, in 2022, the Company was selected by the Stock Exchange of Thailand to be on the List of Thailand Sustainability Investment (THSI) over 3 consecutive years.

Finally, on behalf of the Board of Directors, I would like to thank all stakeholders for their support in the Company's business operations, shareholders, business partners, customers as well as all executives and employees who are dedicated their efforts to perform operations until we are able to strongly overcome obstacles. I would like to assure all of you that the Company will be committed to eternally conducting business under ethical principles and good corporate governance guidelines.

Sunpitt Sethpornpong

Chairman of the Board of Directors



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments



Message from the Chief Executive Officer



It has been over three decades and is moving into the fourth decade which the Company has achieved its vision by providing a full range of IT services. Over the past three years, the world has encountered with unprecedented changes. The Company overcame obstacles in the most challenging environments and went through the past crisis very well. The Company adapts strategies to the situation and uses the potential of each business unit to generate good returns and create opportunities from changes, which reflect in our past operating results. This success makes us confident in our potential. The Company plans the strategy and the use of valuable resources of the organization and personnel and adjusts the processes to be in line with rapid changes for the best interests of stakeholders in the chain of value.

In 2022, the Company launched Metro Gen, a project supporting and seeking for new ideas and modern innovations to become the MSC Community, which promotes the potential of employees in terms of creativity and intellectual property creation. It also allows the new generation to participate in expanding businesses with

the organization in the future through 3 activities, namely, 1.Gen U (University), 2. Gen E (Employee), and 3. Gen X (Executive). The target group of 3 Gen is considered the main and important factor of the IT business operation. The Company focuses on seeking, developing, and optimizing its personnel, including the plans to support personnel who will participate in the development of the organization's business in the future. In addition, the organization provides a working environment by allocating co-working space to match the current working behavior. Community building is considered the creation of spaces for our current and future personnel to connect with each other for developing the organization's services and operations to grow sustainably in the future.

Finally, on behalf of the Board of Directors, I would like to thank all executive directors for their continued support to make the Company continuously successful. Thank all employees for their dedication and effort to strongly overcome all crises and obstacles together, including all stakeholders supporting and succeeding with us.

Tavit Charuvajana
Chief Executive Officer



Board of Directors and Executives



DIRECTORS

- | | | |
|--|--|---|
| 1 Mr. Sunpitt Sethpornpong
Chairman | 2 Mr. Kitti Techataveekijkul
Vice Chairman | 3 Mr. Tavit Charuvajana
Director/
Chairman of Executive Committee /
CEO |
| 4 Mr. Narong Charuvajana
Director | 5 Mr. Suvij Suvaruchiphorn
Director | 6 Mr. Wanarak Eakachai
Director/
Deputy CEO |
| 7 Assoc. Prof.
Phornsiri Thivavarnvongs
Independent Director | 8 Mr. Pravit Chattalada
Independent Director | 9 Dr. Virach Aphimeteetamrong
Independent Director |



EXECUTIVES

1 Mr. Tavit Charuvajana
Director/
Chairman Of Executive Committee /
CEO

2 Mr. Thongchai Lumveerakul
Executive Director

3 Mr. Aroon Tor-Ekbundit
Executive Director

4 Mr. Suradet Lertthammajak
Executive Director

5 Mr. Veeraphan Durongsang
Executive Director

6 Mrs. Nittaya Thanaviriyakul
Executive Director

Awards and Accomplished Works

Accurate On-Time & Committed to Continuous Improvement

MSC

Commitment to business operations along with environmental stewardship and follow the principles of good governance taking into account all stakeholders by delivering products and providing excellent service under the international quality standard





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Awards of Success



HPE Strategic Award 2021 from Hewlett Packard Enterprise (HPE)



Partner of the year – Thailand 2021 Awards from APAC HUAWEI Cloud Partner Summit

Awards of Success



2021 Storage Solution Partner of the Year from IBM Partner Connect 2022



2021 Automation Solution Partner of the Year and Data & AI Solution Partner of the Year from IBM Partner Connect 2022



Security Partner of the Year 2021 from Microsoft Thailand



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Awards of Success

Intelligent Cloud Partner of the Year 2021 and The Future of Work Transformation Partner of the Year 2021 from Microsoft Thailand



Innovation partner of the Year 2021 from HUAWEI CLOUD Partner Summit



Veeam Software Award from Veeam Partner Appreciation Day 2022



Excellent Workplace Award 2022 from Social Security Office

Awards of Success



Member of Thailand
Sustainability
Investment (THSI)
for the years 2022



5 Star (Excellent) Scoring of the Corporate Governance Report of Thai Listed Companies 2022: CGR



Sustainability Disclosure Acknowledgement 2022 (3rd year in a row)



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

MSC Activities



- 1 Metro Connect** hosts HPE Cohesity event - The New Era of Next Gen Data Management



- 2 MSC** aims to build a community that drives business through the 3 Gen group [Metro Gen – Metro Working Space]

- 3 MSC** participates in Anti-Corruption Day 2022



- 4 MSC** hosts Innovation Day 2023

- 5 Metro Connect** Joins Hands with Hewlett Packard Enterprise to host the 2022 HPE Solution Day with MCC



- 6 MSC** Joins Hands with HP Thailand to host the Power of Hybrid Work event



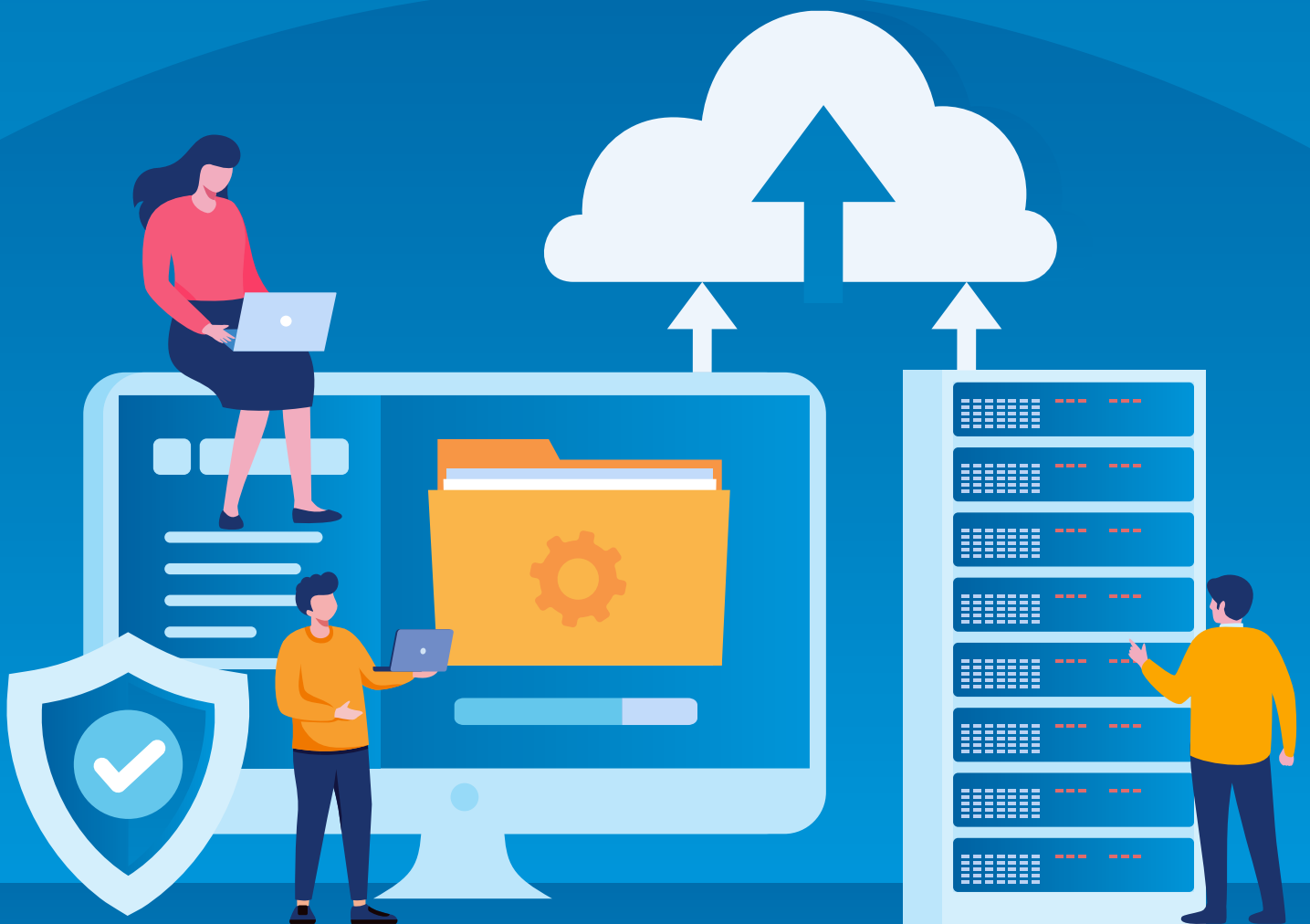
- 7 MSC** hosts Mac@ Work, the power of Apple



All news and events of MSC can be viewed at
<https://www.metro-systems.co.th/news-events/>

01

BUSINESS OVERVIEW





Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

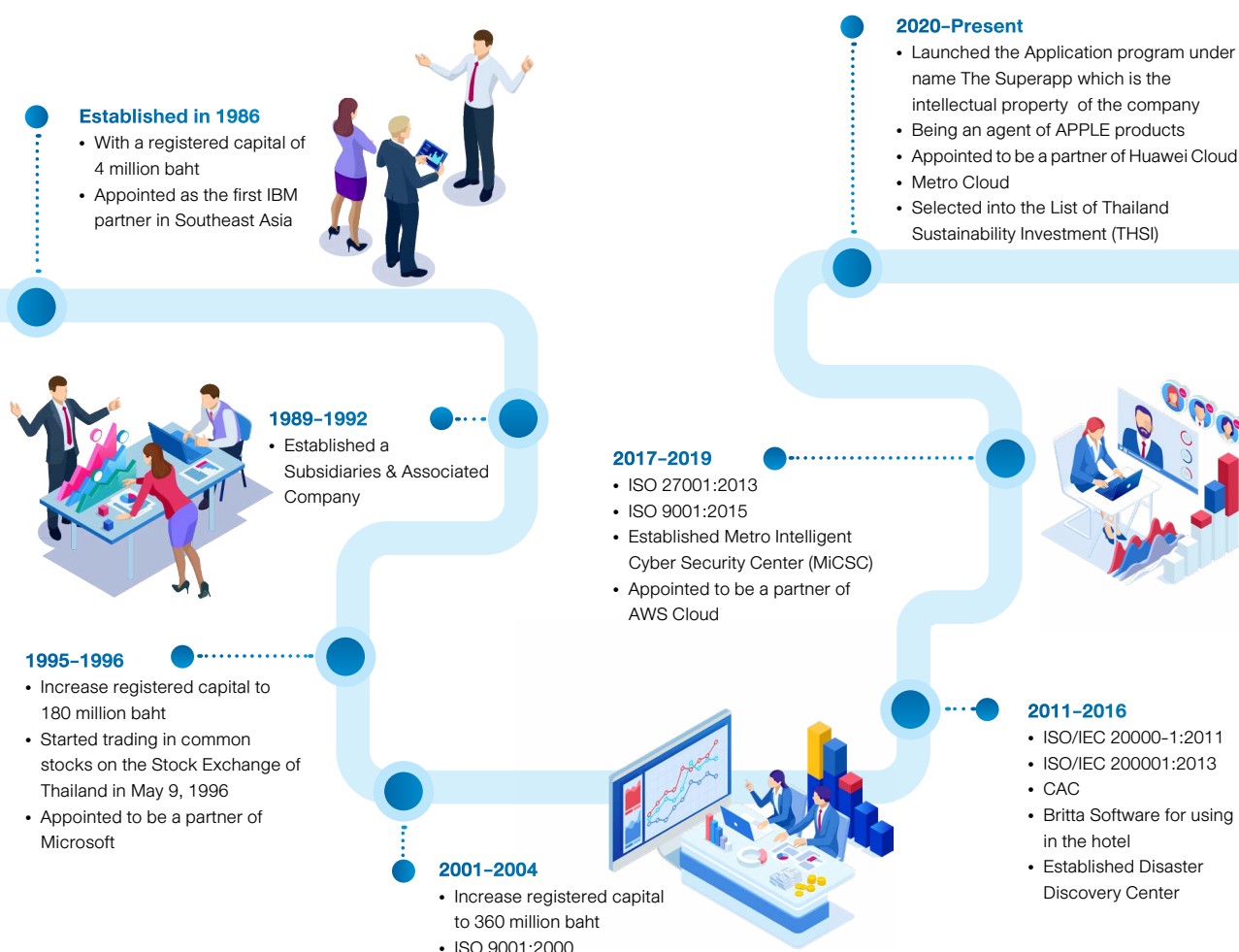
Structure and Operations of the Company Group

Policy & Overview of Nature of Business

Metro Systems Corporation Public Company Limited (MSC) is operation business as a trader of Information Technology Equipment (ITE) products of IBM and other international IT brands. It was founded on 6 January 1986, with registered capital of 4 million baht. The Company was appointed by IBM Thailand Co., Ltd. as a dealer for IBM products, being the first IBM partner in Southeast Asia.

In 1995, the Company has become a public company with registration for capital increase to be 180 million baht as a listed company in The Stock Exchange of Thailand. The Company has commenced trading of common stocks in The Stock Exchange of Thailand on 9 May 1996. The Company, then, has adjusted registered capital in appropriateness to business size. At present, the Company holds 360 million baht of paid capital. The Company has extended scope of business to offering fully Integrated IT solutions and services through turn key sales, including consultation, system designs, installation and maintenance, as well as training for understanding of usage and office supplies sale to cover all customers' requirements with global leading brands such as IBM, HP, Lenovo, Dell, Acer, Microsoft, Solid Works, AWS, Huawei and so on. The company's management is divided into 3 business units of Digital Solution Group, Solution Integration Group and Digital Printing Group.

In addition, the Company also manages through company group of 5 subsidiaries and Associates, in order to cover trade and industry sectors thoroughly.



Corporate Goals

Long-term Corporate Goals of the company



Focus on seeking and providing the best information technology in the age of rapid technological change.



Responding to customers' needs in all business groups to support the business of customer in a digital age and continue working without disruption.



Personal development to have more experience and be expert with good quality to support and solve the problem of customers' business quickly and worth of investment.



Operating the business with transparency and fairness under the good corporate governance framework and is responsible for society, environment, and stakeholders to create competitive advantage and support the Company's growth stably and sustainably.

In 2022, the Company aims to continuously generate revenue growth and gross profit margins by setting up strategies to increase market share with the Company's intellectual property application under the name of "The Superapp", which is a CRM and ERP platform that helps the core operations of the organization and analyzes data efficiently and efficiently. It can expand the scope of sales to cover the needs of customers by providing the complete Cloud Services supporting different types of Cloud, including Public Cloud, Hybrid Cloud, and Private Cloud, and the end-to-end solutions, which help meet diverse needs of customers quickly. With the leading global brand and to provide customers with options, the Company has launched Metro Cloud using infrastructure from HPE Green Lake with safety standards, services that can be tailored to your needs, and monthly actual expenses, including Analytics Systems, such as Analytics, Robot Automation, PDPA Solution as well as the introduction of the IoT Platform to meet the needs of the IT market in the digital age. The Company also drives Thailand's IT industry to move forward with a team of specialized knowledge and expertise to help customers move towards the more dynamic digital world. Regarding the abovementioned, the Company completely exceeds its goals and is ready to develop and move forward continuously.

The company has implemented the Metro Gen project, which is an activity that preaches and support all generations, including executives, employees and students who have the opportunity to become future employees of the company or join in business with the company. In accordance with corporate strategy emphasizing on development of personnel potential and social responsibility so that employees grow in their career path according to Sustainable Development Goals (SDGs) of United Nations as well.



Business Overview



Corporate Governance



Sustainability Report



Financial Statements



Attachments

Business Strategy

In driving vision and mission to achieve the goals, the Company has set 5 strategies with creation of core value of Metro Way, under good corporate governance, through the following strategic directions.

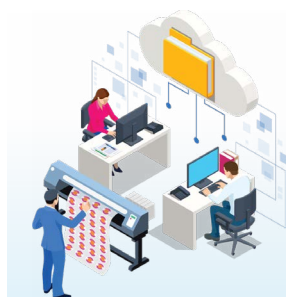


1. People Excellence

The strategy on enhancement the potential of human resources is to develop and enhance personnel skills, knowledge and capability. The Company supports creation of technological innovation within organization, in order to inspire the personnel in creation of new innovation, and also support the employees at all levels on presentation of business plan and performance to top management, in order to development leadership skill and ownership in accordance with core value. In addition to build employee engagement, the Company also creates the employees' willingness to explore their potential to create quality and value of work, and prompt to create continuous works for organization. Employees are the most important factor in business operation to enhance competitiveness

2. Digital Transformation Excellence

The strategy on transformation the business model to accord with the digital transformation era, is to build the innovation culture through implementation of Robotic Process Automation (RPA) technology to support new normal and manage internal process under the idea of Agile Approach. This approach emphasizes on team's internal communication in order to be prompt for transforming and learning new things among rapid changes, as well as to extent the development for benefit of business and its customers.

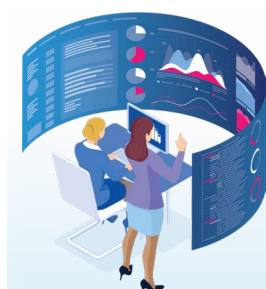


3. Product & Service Excellence

The strategy on being a leader in IT products and service providers, as well as a technological consultation is to strive on selecting new technological products and services from leading international brands, both hardware and software solution, in order to expand product portfolio and serve all customers' need in this digital era. Moreover, we have provided of total solution service from our expertise teams that are qualified by the brands' owners to satisfy the best services to customers.

4. Customer Retention Excellence

The strategy on retaining customer base, most of the Company's customers are from private sector. The Company always pay attention and assesses on customer's satisfaction to be analyzed for improvement in selecting both products and services to continuously serve to customer needs.



5. Collaboration Excellence

The strategy on expanding business alliances and cooperative stakeholders by adhering business principles along with participation in social responsibility, both in Business ethics and development of community, society and environment under METRO Way for sustainable growth.

Major Changes and Developments

Metro Systems Corporation Public Company Limited (MSC) has continuously developed for effective business operation in accordance with business environment. The Company's 3 major development are shown below.





การประกอบธุรกิจ
และผลการดำเนินงาน



โครงสร้างและ
คุณสมบัติทาง



ความยั่งยืน
Sustainability
ความยั่งยืน



งบการเงิน
Statements



ข้อมูลสารสนเทศ

Important Events



2021

- Developing the Company's intellectual property software called "TheSuperApp", which is a Customer Relationship Management (CRM) system to build relationships with customers
- Providing an integrated cloud service called "Metro Cloud" with advanced cloud technology and end-to-end solutions that is compatible with different types of clouds, including Private Cloud, Public cloud, and Hybrid Cloud, for supporting the needs to customers
- Becoming the business partner with JAMF Software LLC, the leading Apple Device & Platform management company and the official Apple device distributor.
- Renewing the membership of the Thai Private Sector Coalition against Corruption for the third time and being certified on June 30, 2021.
- Being listed on the 2021 Thailand Sustainability Investment List from the Stock Exchange of Thailand receiving the honorary Sustainability Disclosure Acknowledgement from Thaipat Institute, and also being rated as a listed company with excellent corporate governance (5 stars) from Thai Institute of Directors with the support of the Stock Exchange of Thailand for the second consecutive year.
- Being awarded Asia The Best Companies to Work from HR Asia Institute



2020

The Company was listed on the 2020 Thailand Sustainability Investment List from the Stock Exchange of Thailand and received the honorary Sustainability Disclosure Acknowledgement from Thaipat Institute and was rated as a listed company with excellent corporate governance (5 stars) from Thai Institute of Directors with the support of the Stock Exchange of Thailand. In addition, the Company established the corporate strategy section to analyze the strategic planning of the organization, encouraging and monitoring the implementation of strategies to be achieved according to the vision, mission and goals set by the organization.



2022

Opening the project to support creation and business expansion in the future, also opening the opportunity to the staffs and students to participate in the business through Metro Gen project.



Nature of Business

The Company operates the business on IT services through distribution of computer hardware, system software, application software, computer supplies, equipment and application development on requirement of customers, including integrated IT security services, from consultation, assessment on customers' requirements, project planning, system design, installation, maintenance, and training to increase performance. The Company has divided operating guidelines for the Company and its subsidiaries, in order to make clear and to cover all products and IT services, into 3 business groups. Each business groups have strategies in accordance with individual competitive conditions as detailed below.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Digital Solutions Group



The Digital Solutions Group is operating as a hardware product distributor such as IBM, HPE, Lenovo, DellEMC and HUAWEI, consisting of server, storage, desktop computer, notebook, workstations, including computer system and software design and installation services and other solutions, such as solutions for system recovery, security system, mobility. In addition, digital Solutions Group has also expanded its scope of sales to cover the needs of customers by providing the complete Cloud Services supporting different types of Cloud, including Public Cloud, Hybrid Cloud, and Private Cloud, and the end-to-end solutions, which help meet diverse needs of customers quickly. With the leading global brand like AWS Cloud and Huawei Cloud and to provide customers with options, the Company has launched Metro Cloud using infrastructure from HPE Green Lake with safety standards, services that can be tailored to your needs, and monthly actual expenses, and also provided such services in the form of rental and product sales and services in the form of Managed - Service Provider (MSP) as well as RPG programming training to interested students and third parties.

Key Strategy

The Key strategy is to focus on integrated service providing from consulting, sales, installation, and after-sales service by specialized and experienced team of experts to solve problems for customers. The Company mainly focuses on developing personnel expertise to quickly respond to the needs of customers in the current situation, making differences in competition without emphasizing on price competition and also setting up strategies to cooperate with manufacturing companies, business partners, and other software developers to offer a full range of hardware and software solutions to expand the market to customers in business and industry sectors. Sales strategy in the form of Managed Service Provider is established by collecting monthly fees, which can be done both on-premise, that is, installing computers at customers' premises, and On Cloud, that is, installing computers provided to customers by the business partners (CAT) through the Internet, which increases the convenience of customers for business operations. In addition, there are Cloud Solution service that supports customers' operations for cost-effective investment and is suitable for use, and Business Continuity Service as a backup center for customers in the case of emergency to support and prevent customers' business operations from disruption.



Revenue from sales and services

2,873 Million Baht
30.4 %

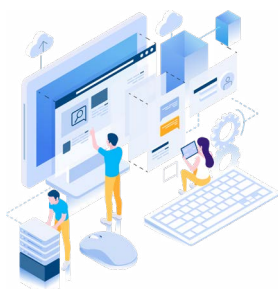
Software Integration Group



The Software Integration Group operates the business as a distributor of software solutions to provide system installation and IT consulting services for efficient business management, such as solutions for data center, networking systems, network security systems, integrated IT management systems, solutions for executives' business decisions, software for design, intellectual property software developed and owned by the Company called SupperApp, solutions for Business Process Automation to support several operations to be more accurate and rapid, and Outsource/ Managed Services. Engineering teams are dispatched to customers' companies, including Network Engineer, System Engineer, IT Support. There are teams monitoring and providing remote support, so they do not need to be stationed at customers' companies, which support the customer's current work conditions. In addition, the Metro Intelligent Cyber Security Center (MiCSC) was also established to provide services of cyber security surveillance and solutions to the Company's customers, including Bangkok Advanced Learning (BAL), a training center and information technology testing center with a program certified by product developers focus on expanding AWS Cloud Service and the main product supplier of IBM, Cisco, Microsoft, Solid Works, Qlik Sense, Qlik View, K2, etc. Moreover, the Software Solutions Business Group has partnered with business partners to hold seminars for educating and updating cutting-edge technologies for customers, business partners, and interested persons to help customers drive their organization effectively.

Key Strategy

Key strategy is to adapt the customers' existing software systems that have been used for a long time to meet rapidly changing business challenges with the Company's self-developed SupperApp software. The Company assigns an additional team called Digital Transformation Services (DTS) which has the potential for providing consultation, designing, and developing state-of-the-art computer programming systems with Cloud Native and Open Source technologies to properly support technological changes in order to help customers at all levels to move forward to the technological advancements in the digital age. In addition, the Security Operation Center (SOC) is also established to provide cyber security surveillance and solutions services to the Company's customers as well as develop the New IT Solution named "MegaThing" to prepare services for customers in the manufacturing group.



Revenue from sales and services

4,969 Million Baht
52.6 %



Business
Overview



Corporate
Governance



Sustainability
Report

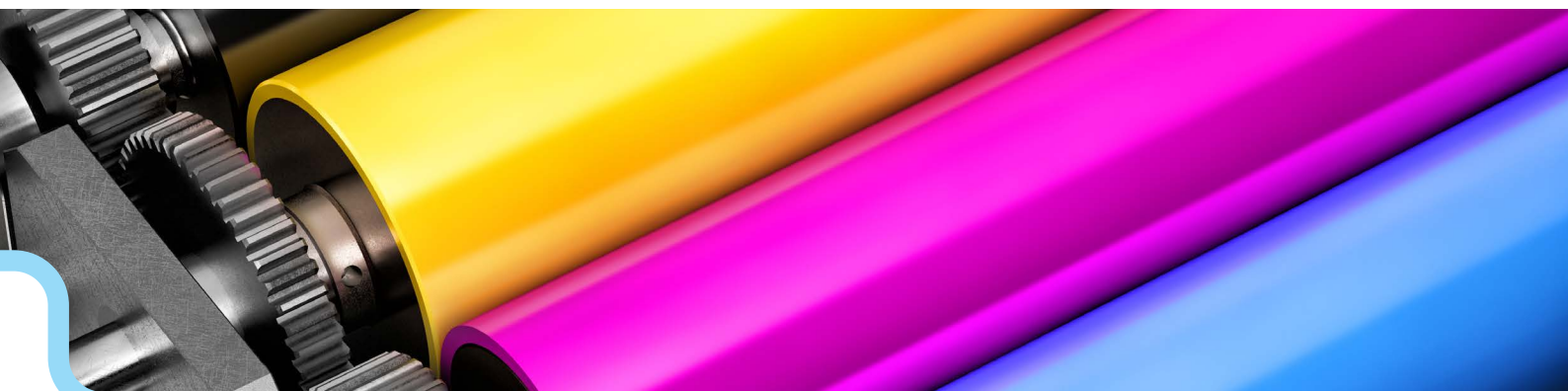


Financial
Statements



Attachments

Digital Printing Group



Digital Printing Group operates the business of selling printers, office supplies, small printers, and projectors and providing printer hire-purchase services to suit the operations of customers' organizations and also distributing supplies for all leading branded printers, printer ink, and allocating products for corporate business groups to meet the New Normal working style. The Company distributes hardware devices, such as Mobile Phone & Tablet for brands, i.e., Apple, and products for corporate business groups, such as commercial notebook, through telesale marketing and sales via retail agents. In addition, the Digital Printing Business Group has invested in integrated printing businesses by providing Digital Print on Demand service to meet the needs of today's consumers. The Company provides all types of printing services, such as business cards, posters, calendars, receipts, letters of invoice, brochures, and books in various formats

Key Strategy

The Key strategy is telesales which the Company has experiences for a long time. The Company offers genuine products and adjusts sales strategies with an emphasis on "rental" of photocopiers- printers in order to increase revenues and meet customers' needs. The Company focuses on a proactive strategy for expanding hardware commercial business by targeting B2B customers. The target customers are business units ranging from SMEs to major customers, including government groups and educational institutions nationwide. Moreover, the Company also uses to manage data analysis to manage sales both before and after.



Revenue from sales and services

1,526 Million Baht
16.1 %

Revenue Structure

Primary revenue of the Company and subsidiaries according to types of business operation in the past 3 years are separated as follows

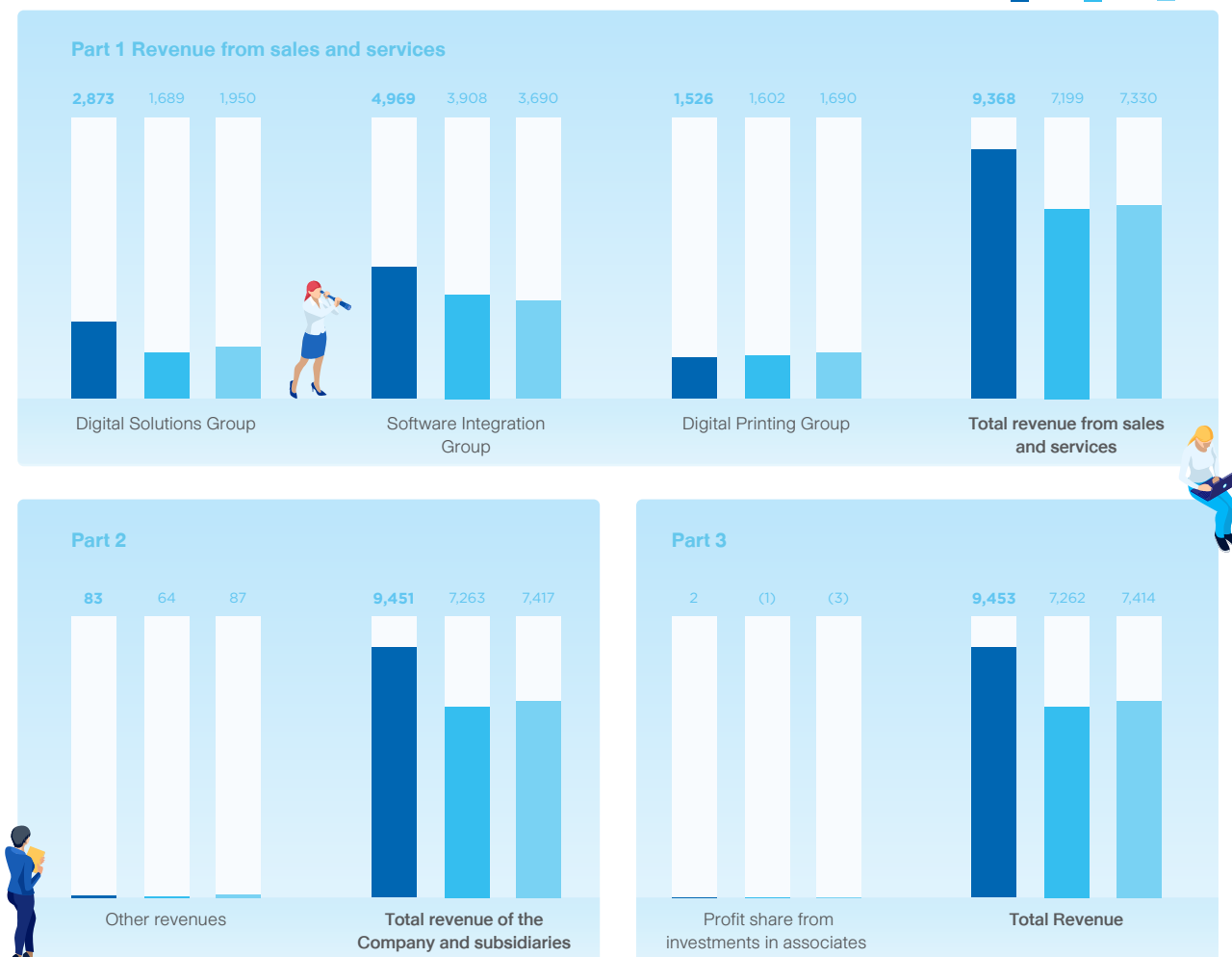
(Unit: Million Baht)

Products/Services	Operated By	2022		2021		2020	
		Revenue	%	Revenue	%	Revenue	%
Part 1 Revenue from sales and services							
Digital Solutions Group	MSC/MPP/MCC	2,873	30.4	1,689	23.3	1,950	26.3
Software Integration Group	MSC	4,969	52.6	3,908	53.8	3,690	49.8
Digital Printing Group	MSC	1,526	16.1	1,602	22.0	1,690	22.8
Total revenue from sales and services		9,368	99.1	7,199	99.1	7,330	98.9
Part 2 Other revenues		83	0.9	64	0.9	87	1.1
Total revenue of the Company and subsidiaries		9,451	100.0	7,263	100.0	7,417	100.0
Part 3 Profit share from investments in associates	HIS/JBTH	2		(1)		(3)	
Total Revenue		9,453		7,262		7,414	

Source : Consolidated Financial Statements

Products/Services

2022 2021 2020





Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Marketing & Competition

According to the economic stimulus package and the opening of the country, the economic outlook continues to recover gradually. However, risks and uncertainties remain, such as COVID-19 mutations, vaccine efficacy, and global economy possibly affecting Thailand, financing policy adjustment, and gradual increase of the policy rate to reduce inflation, which will result in an increase in the cost of business operations. In addition, rapidly changing innovative technologies cause entrepreneurs to be well-prepared and adapt to the current situation. As a result, any business sectors realize the benefits of information technology in order to make operations more competitive. Industry competition tends to increase, while the Company with extensive experiences in the information technology industry must adapt and prepare information technology services that are suitable for the needs of the current business sector with a variety of services in order to meet the needs of customers as much as possible. The Company jointly plans, designs, and provides consultation on information technology with customers, including innovations and new services that will meet the needs of customers in various dimensions. The Company also focuses on the competition by developing its intellectual property system to flexibly meet the needs of customer organizations according to the customer's actual use, which creates added value to the products and services of the Company. As such, the Company has an overall marketing strategy to reduce the risk of business operations as follows:

1. To increase both variety and quality for products and service to meet customers' requirements, and to focus on offering solutions to customers, primarily considering actual usage of customers, by personnel teams specialized in each product. This is our competitive advantage that is different from other competitors in the market, and worth investing.
2. To expand the customer bases of private sectors from SME to enterprises, and several industrial sectors, such as industries of electronic components, motor vehicles, financial institutions, health facilities, academic institutions, in order to reduce risks when any industrial sectors have slowdown in investment and avoid highly competitive business. Thus, the Company has set the plans for risk management through income distribution, preventing the income to cluster on any customers/ customer base. This prevents the impact after loss of such customer. The Company also develops sale & marketing activities to maintain relationship with customers, with corporation of manufacturers and developer companies.
3. To organize the corporate and personnel by dividing personnel lines to take care of the products of each brand distributed by the Company, in order to get the products under close supervision of the Company's staff, and to get the staff specialized in such products. This helps create partners' confidence that the Company would be able to respond to customers' requirements in appropriateness with the products, and in accordance with customer's policy
4. To manage sale channels in Direct Sale, the market of which the Company is apt to expand with high margin, Tele Sale, and through the platform of Digital Marketing, to access new customer group interested in the products. The Company has also increased business alliances in corporation with the other partner companies to offer goods and services to support sale, while customers should benefit from integrated service.
5. To develop personnel expertise continually in order to provide consultation in IT investment, and to offer solutions responding to customers' requirements. This is to add value and differences to performance, instead of using only price competition mechanism.
6. To invest in technology, through establishment of Demonstration Center for customers to visit modern technology within the Company according to the idea of Proof of Concept. This is to demonstrate the usability hardware and/or software connection. The Company places importance on such investment and regards as key of business operation giving confidence to customers on product's effectiveness before making decision to buy in order to guarantee worthiness of investment and success in business customers would practically acquire.

Target Customer Groups and Characteristics

Most of the Company's target customer group is small to large groups of companies, financial institutions, government groups, state-enterprise group, and educational institutions. The Company mainly focuses on customers in the private sector.

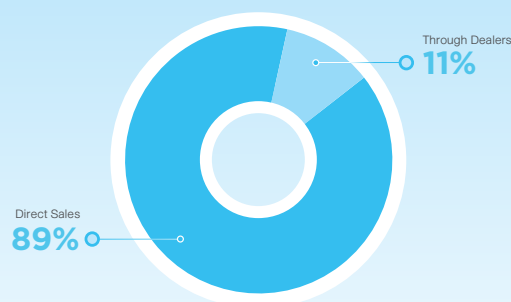
In 2022, the proportion of sales was 97% in the private sector. However, the Company's repeat purchase rate of existing customers accounted for 92% of the total number of customers and the total sales was 97% of the Company's total revenue.

However, the Company does not have major customers who purchased its products and services up to 10% of its total revenue. As a result, it helps reduce the impact if major customers are lost in the current competitive conditions.

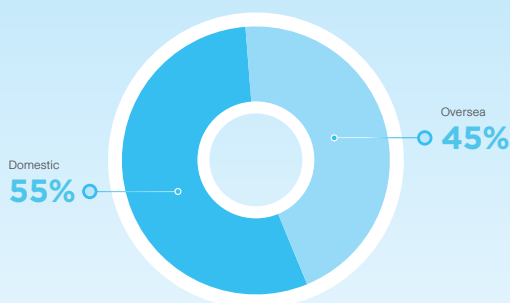
Sales and Distribution Channels

The Company places importance on distributing goods to customers thoroughly, both direct sales and dealers, emphasizing on design, selection of quality goods and after-sale services, installed by experience team and maintained after-sale service considering customer's satisfaction as the key. Ratio of direct sales and sales through dealers was 89:11

SALES AND DISTRIBUTION CHANNELS



NELSPROPORTION OF DOMESTIC & OVERSEA PURCHASES



Proportion of Domestic & Oversea Purchases

Most of sold products are primarily purchased from manufacturers with Thailand operational branch, in order to reduce risks of currency fluctuations affecting product cost and price-setting mechanism. There are some products that are necessary to purchase from overseas, such as purchase of software from Singapore and USA. The forward exchange contract is needed to be entered prior to each purchase. Proportion of domestic & overseas purchases in 2022 was 55:45

Current Competition Conditions

The information technology industry remains a growing industry with severe competition in Thailand. Relaxation of domestic measures as a result of COVID-19 situation tends to improve accordingly. Domestic tourism is in a revival phase and exports are expanding. The public disbursements and private spending are increasing, helping the domestic economy to flow. Entrepreneurs can find funding more easily, causing their operating results in the information technology industry to become more profitable and have the opportunity to expand businesses. However, costs remained high as it still relies on foreign inputs. In the meantime, the baht depreciation is attributed to a significant decrease in Thailand's purchasing power. In particular, some investments of large projects in which the private sector will invest may be delayed and the investment budget is controlled, which is a major obstacle affecting business operations in the information technology industry.

During 2022, the technological trend continued to grow, which contributed to the growth and transformation of business organizations. As a result, the competitive situation of information technology service providers was likely to increase as well. It focused on investing in advanced technologies, such as Artificial Intelligence (AI), Automatic Systems, Privacy-Enhancing Computation, and Digital Transformation & Application Modernize Services to increase efficient commercial capabilities and reduce costs as much as possible. The competitive situation of information technology service providers focuses on increasingly providing new Total Solution services, from design consultation to after-sales service. In addition, the new business model of sales has been tailored to meet the needs of customers.

The Company cooperates with global business partners for supporting solutions to respond to market demands in a timely manner. In addition, this year, the Company sets the budget for research and development to develop new software, supporting the expansion of 5G and Internet of Things (IoT) segments, which is considered a global trend that will expand increasingly.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Industry Conditions and Competition

Gartner forecasts worldwide end-user spending on public cloud services in 2023 to grow by 20.7%, representing 591.8 billion US dollars. Businesses continue changing their systems to the cloud system. The reason for the increase in spending is inflationary pressures and macroeconomic conditions. It continues relying on safety and innovation. Regarding the cloud service in the form of infrastructure as a service (IaaS), it is likely to gain an increase in revenues by 29.8% from users as many organizations want to reduce risks and costs by transferring their working systems to the cloud. Meanwhile, although cloud services in the form of software as a service (SaaS) and platform as a service (PaaS), are affected by inflation, they are likely to grow by 16.8% and 23.2%, respectively. This is because organizations are improving and updating their IT systems for reducing risks and reducing costs appropriately. Cloud migration not only provides agility and flexibility, it also reduces capital expenditures by gradually paying cash according to the subscription model, which is a major benefit for the situation where cash is critical to maintaining business operations.



The Company as a leading company in the technology industry is ready for today's rapid and complex changes, including potential trends in terms of business opportunities and risk factors. The Company provides cloud computing services and new applications relating to big data to help process and manage data quickly and efficiently and save IT management costs. SaaS IT service offers technology-related products and networks to support data access at any time and increase capabilities of operations via networking system as well as provide software for data

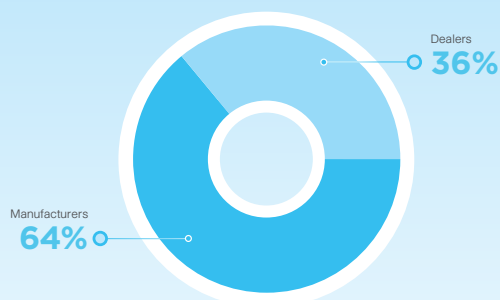
analysis, development of mobile security applications and software, and business continuity services to support ongoing operations in times of crisis and new marketing strategies of customer organizations by adding software services in the form in which the Company develops and owns the intellectual property.

Procurement of Products and Services

The Company's procurement through 2 primary channels as follows.

1. Directly purchase from manufacturers, like IBM, HP, Microsoft, Epson, Solid Works, Cisco, Qlik View, Qlik Sense, K2 and so on, with agreement to appoint the Company as a distributor within the term of 1-2 years. In 2022, the Company's purchase proportion from manufacturers, at 64%.
2. Purchase from the dealers, at 36%

PROCUREMENT OF PRODUCTS AND SERVICES



Operating Assets

The Company has operating assets divided into main Fixed Asset used by the Company and subsidiaries for business operations, including land and buildings at value of 301.49 million baht, and office equipment at value of 75.54 million baht. The Company has investment policy to specifically invest in the businesses related to main business of the Company, aiming to invest in sufficient proportion to get the Company in management position for setting crucial business directions. This is to support and enhance core business of the Company for stability, competitiveness, market coverage, and development of solutions for various industries, thus, to be effective enough to meet customers' requirements fully, as detailed in Attachment 4.



Assets

301.49

Million Baht



Office Equipment

75.54

Million Baht

Working on Progress

-None-



Business
Overview



Corporate
Governance



Sustainability
Report



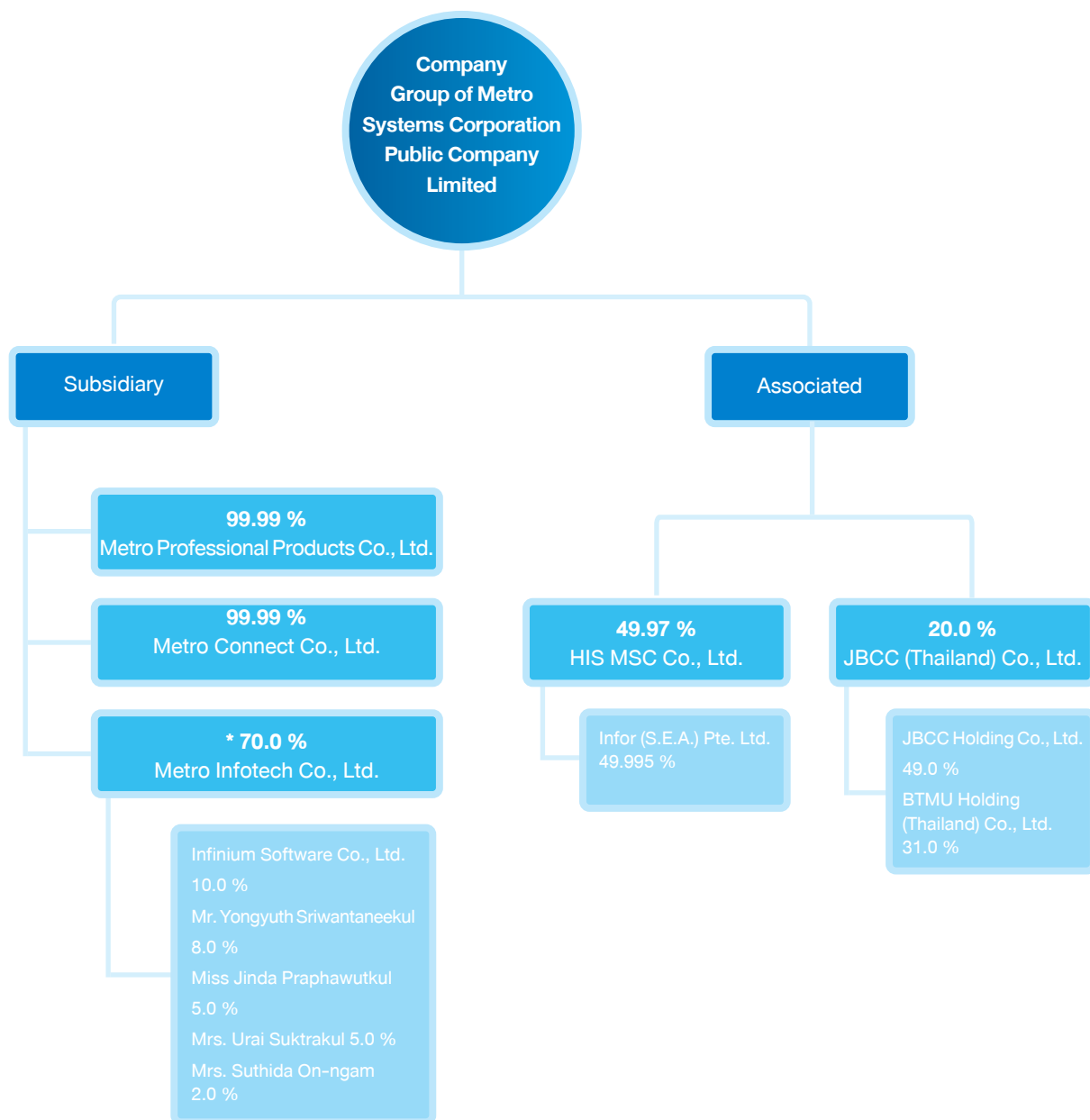
Financial
Statements



Attachments

Shareholding Structure of the Company Group

The Company has invested in business related to information technology systems to promote and support the operations of the Company's core business in order to respond to the needs of customers completely and efficiently. There are 5 affiliated companies comprising 3 subsidiaries, namely Metro Professional Products Company Limited, Metro Connect Company Limited, Metro Infotech Company Limited and 2 associated companies, HIS MSC Company Limited, JBCC (Thailand) Company Limited, which has different shareholding and management policy set by the main company as follows:



Note : * Metro Infotech Co., Ltd., a subsidiary, has ceased its operations due to the company's policy to restructure its business to be more compact.

Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in specific businesses in businesses that operate in a manner related to the Company's core business with the aim of investing in a large proportion for the Company to participate in the management and setting up of crucial business guidelines to promote and support the operations of the Company's core business to be stable, have the ability for market coverage, and develop solutions for various industries to effectively meet the needs of customers in its entirety.

Relationship of Business Group of Major Shareholders

Currently, the Company's major shareholder group consists of companies with the same group of shareholders and the Charuvajana family who are the founders of the Company.

Shareholders

The first 10 shareholders and proportion of shareholding, as January 6, 2023

	Group of Shareholders	Business Type	No. of shares	Proportion (percent)
1.	Metro Value Creation Company Limited	Holding	88,331,363	24.54
2.	Metrophos Company Limited	Holding	69,165,402	19.21
3.	Charuvajana Family		46,563,167	12.93
4.	MC Bakery Company Limited		46,419,600	12.89
5.	T.K.S. Technologies Public Company Limited		33,080,400	9.19
6.	Metro Company Limited		14,060,000	3.91
7.	Chuerattanapong Family		10,678,810	2.97
8.	Suvaruchiphorn Family		7,592,490	2.11
9.	Mrs. Chaweewan Achavaniyut		3,249,000	0.90
10.	Miss Swangchit Laohathai		2,636,333	0.73
	Total		321,776,565	89.38

Source : Shareholder List, as of January 6, 2023, from Thailand Securities Depository Company Limited (TSD)

Metro Value Creation Company Limited as of April 1, 2022

	Group of Shareholders	No. of shares	Proportion (percent)
1.	Miss Saengjit Laohathai	133,334	33.33
2.	Anantaphol Holding Company Limited	133,333	33.33
3.	Mr. Sunpitt Sethpornpong	66,667	16.67
4.	Mr. Pheerapon Sethpakdee	66,666	16.67
	Total	400,000	100

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Metrophos Company Limited as of April 11, 2022

Group of Shareholders		No. of shares	Proportion (percent)
1	Metro Company Limited	4,990,000	99.80
2	Mr. Sawangtham Laohathai	2,999	0.06
3	Ananthee Company Limited	2,499	0.05
4	Metro Group Company Limited	1,503	0.03
5	Mr. Sunpitt Sethpornpong	1,500	0.03
6	Mr. Pheerapon Sethpakdee	1,499	0.03
Total		5,000,000	100

Details of the Charuvajana family's Shareholding as of January 6, 2023

Shareholders		No. of shares	Proportion (percent)
1	Mrs. Pornthip Charuvajana	10,000,000	2.78
2	Miss Somchit Charuvajana	8,108,910	2.25
3	Miss Thipawan Charuvajana	5,033,649	1.40
4	Mr. Pirawitch Charuvajana	4,000,000	1.11
5	Mrs. Napaporn Charuvajana	3,684,989	1.02
6	Mrs. Orawan Chaiwiwat	3,002,036	0.83
7	Mr. Nattaphol Charuvajana	2,528,700	0.70
8	Mrs. Amornsri Eiammanon	2,202,300	0.61
9	Miss Piyaporn Charuvajana	2,020,000	0.56
10	Mr. Boonchuay Charuvajana	1,295,811	0.36
11	Mr. Tavit Charuvajana	1,287,348	0.36
12	Miss Kanokporn Charuvajana	1,252,673	0.35
13	Mrs. Butsadee Charuvajana	1,048,220	0.29
14	Mr. Narong Charuvajana	711,487	0.20
15	Mrs. Naris Charuvajana	385,844	0.11
16	Mr. Nontapat Charuvajana	1,200	0.0003
Total		46,563,167	12.93

MC Bakery Company Limited as of April 1, 2022

Group of Shareholders		No. of shares	Proportion (percent)
1	Anantapol Holding Pte. Ltd.	332,333	32.23
2	Mr. Sunpitt Sethpornpong	166,667	16.67
3	Mr. Pheerapon Sethpakdee	166,666	16.67
4	Miss Seangchit Laohathai	111,111	11.11
5	Mr. Sawangtham Laohathai	110,889	11.09
6	Miss Swangchit Laohathai	110,334	11.03
7	Miss Somchit Charuvajana	1,000	0.10
8	Miss Phanit Ngamkrechoti	1,000	0.10
Total		1,000,000	100.00

Note : Anantaphon Holding Company Limited is not a company of the Company's directors or executives.

T.K.S. Technologies Public Company Limited as of August 23, 2022

Group of Shareholders		No. of shares	Proportion (percent)
1.	Mongkolsuthee Holding Company Limited	167,606,993	32.96
2.	Miss Suthida Mongkolsuthee	22,695,240	4.46
3.	Mr. Supun Mongkolsuthee	13,504,992	2.66
4.	Mrs. Tippawan Gumtaratip	12,358,500	2.43
5.	Thai NVDR Company Limited	9,366,336	1.84
6.	Mr.Viroj Gosontanawong	6,980,000	1.37
7.	Mr.Tiwa Shintadapong	6,384,070	1.26
8.	Mr.Soonporn Danchalermnon	4,700,000	0.92
9.	Mr. Pichya Teawaugsorn	4,639,237	0.91
10.	Mr. Chaiyapong Vechamamontien	4,288,790	0.84
Total		252,524,158	49.65

Source : Shareholder List, as of August 23, 2022, from Thailand Securities Depository Company Limited (TSD)

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Metro Company Limited as of April 11, 2022

Group of Shareholders		No. of shares	Proportion (percent)
1	Anantapol Holding Pte. Ltd.	688,937	22.96
2	Mr. Sunpitt Sethpornpong	463,438	15.45
3	Mr. Pheerapon Sethpakdee	463,438	15.45
4	Miss Seangchit Laohathai	338,235	11.27
5	Mr. Sawangtham Laohathai	338,226	11.27
6	Miss Swangchit Laohathai	338,226	11.27
7	Mr. Suvij Suvaruchiphorn	250,000	8.33
8	Mr. Christopher Sae Lim	50,000	1.67
9	Mr. Ekkarit Boonpiti	40,000	1.33
10	Mr. Krit Kemtham	11,000	0.38
11	Mr. Ekkhun Boonpiti	10,000	0.33
12	Metro Group Company Limited	7,500	0.25
13	Mr. Thaworn Laohathai	1,000	0.03
Total		3,000,000	100.00

Note : Anantaphon Holding Company Limited is not a company of the Company's directors or executives.

Amount of Registered Capital and Paid-Up Capital

The Company has registered capital as of December 31, 2022 of amount 360 million baht, paid-up capital of amount 360 million baht, divided into 360 million ordinary shares with a par value of 1 baht, listed on the Stock Exchange of Thailand (SET) under the symbol "MSC"

Issuance of Other Securities

- None -

Dividend Payment Policy

Company Policy

The Company has policy to pay dividends according to the Company's separate financial statements, by no less than 50% of net profit after tax deduction, except in the case that the Company has accumulated losses, or it's necessary to be used for investment to increase the revenue.

Historical Dividend Payments of 5 Years (Turnover Year)	2021	2020	2019	2018	2017
Earnings per share (EPS)	0.54	0.42	0.65	0.67	0.61
Dividend per share (DPS)	0.38	0.30	0.45	0.47	0.43
Dividend payout to net profit (%)	70.47	72.19	69.30	69.66	70.66

Dividend Payment Policy of Subsidiaries

Dividend payment of the subsidiary will be based on retained earnings and financial liquidity of the subsidiary.

Dividend payment for the last 5 years (year turnover)	2021	2020	2019	2018	2017
Dividend (baht/share) MCC	14	18	21	23	22
Dividend (baht/share) MIT	-	-	-	-	44
Dividend (baht/share) MPP	12	12	12	50	30

Risk Management

The Company is committed to managing risks in line with corporate directions and goals by promoting continuous management and procedures to enable the Company to achieve objectives and goals, support good governance, create reliability for all stakeholders and help the organization grow sustainably. The Company adheres to the Enterprise Risk Management Framework under COSO-ERM standards consisting of:

1. Risk Management Policy and Strategies

The Company managed risk management processes to be consistent throughout the organization while also supporting business strategies and goals by specifying objectives and acceptable risk appetites for risk management.

2. Structure and Responsibilities

Enterprise risk management is executed by Risk Management Sub-Committee, requiring the Chairman of Risk Management Sub-Committee to be independent director. The Sub-Committee is to regulate operations in accordance with guidelines of risk management, as well as to advise, suggest and properly support development of risk management process, proposing recommendation to be Board of Directors and top managements, for continual and efficient risk management.

3. Risk Management Processes

The Company specified the risk management framework for four main risks consisting of strategic risks, preventable risks, external risks and emerging risks. The Company recognizes the importance of education and implements various forms of risk management instruments such as risk assessment and prioritization by using risk maps, monitoring of risk management via risk mitigation plans and key risk indicators (KRI) including monitoring changes to external factors and emerging risks with potential positive or negative effects on the organization's future business operations.

4. Corporate Culture in Management

The Company fosters risk management awareness and knowledge in every employee in addition to focusing on participation by every person in the organization and ownership of risks with a duty to identify risks, assess, monitor and support effective risk management processes by designating risk management as part of training courses for executives and employees along with directing high ranking executives to support for risk management processes to become continuous and effective until risk management becomes part of the corporate culture.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Risk Factors

To support the company in order to achieve and target as specified, the Company has analyzed the environment both internal and external factors to business changes in accordance with trends in globalization, social expectation, competition, and bargaining power of partners and customers in trading, as well as politic and economic prospects including other relevant matters. Another factor is caused by within the organization, due to effectiveness in working process, personnel as key success of organization, including strategies capable of responding to current business, as divided into 4 groups below.

Strategic Risk

Risk	Causes	Risk Mitigation Guidelines
Retention of Key Personnel	The progress of rapid changed technology and trend of the business which has been increased for investment the technology development causing market demand for information technology employees to gradually rise, also new generation employees have their idea and like challenge as well as prefer to learn new things.	The Company has a plan to support the person who may come to participate company's business. Also we build Co-Working Space to manage the working environment suitability with present working behavior, and be community for the personnel to exchange the experience and develop their working knowledge in the future.
Digital Transformation	Technological advances and lifestyle models have played a role with business models to cause effect on business directions and strategy, working process, product and service which has to match with market needs in present and future.	The Company has invented new idea and modern innovation, also processes on the project which is support to become MSC Community. It is to support the potential of the employees's creativity and intellectual property. Moreover, it will open a chance to new generation to participate with the business in the future.
Products and Services	The former business of the company is IT Trading Business. Moreover, it receives the effect from external factors both technology and consumer' behavior changing, causing the former sales volume model is decreasing.	The Company is increasing the various products and service to response the trend of technology and market's need, extend product line and service of the company to be one-stop service, also develop products and service to be MSC Intellectual Property (IP).
Customer Management	Our customers are Business to Business. Most customers have received the effect from Covid-19 situation, their business was interrupted, therefore, they must limit their budget for investment.	The company extends payment term for the customer group who has impacted from COVID-19 situation and plan to sell the products to the customers who did not receive any effect so that we can expand our customer base.
Reply on Suppliers	Top brand partners give an importance to the trend and stakeholder's expectation, therefore, they use the way and regulations to examine company's operation. If the company could not follow their regulations, they may terminate the agreement or reduce the role of being a distributor, and caused the business interruption or loss income.	The Company has strategies to develop the products which are Intellectual Property (IP) of the company and focus the business operation by ESG (Environmental, Social & Governance) to work as Good Corporate Governance and there is trustworthiness in accordance with the trend of stakeholder's needs and sustainability growth.

Preventable Risk

Risks	Causes	Risk Mitigation Guidelines
Information Technology Management	The technology in present has been in advance further, causing cyber threats and cyber security to escalate, also there is the important law for information technology arrangement such as personnel data.	The Company process on Infrastructure system to be safety and consistent with international laws and standards. The Company was accredited with information security management standards (ISO27001:2013). Moreover, the Company creates awareness and provides accurate knowledge for personnel.
Internal Operation	The Company is always changes to new business models. This may cause supporting units to be unable to change work processes and be inconsistent with current business conditions.	The Company prepared plans to develop the organization's value chain to be effective in addition to using various tools to help with development.
Good Corporate Governance	Trend of the world and Thailand focus on Good Corporate Governance with transparency, without corruption, causing the stakeholders need to operate the business in accordance with Good Corporate Governance which the suppliers and customers will evaluate Company's CG.	The Company determined Good Corporate Governance, also there is responsibility to social and environmental which are the company's targets, also, to process the projects and activities matching with United Nations Sustainable Development Goals (SDGs).

External Risk

Risks	Causes	Risk Mitigation Guidelines
Climate Change	Changing the weather and temperature which are causes of disasters and failure of public utility systems including outbreaks of new diseases such as COVID-19, etc. All of these factors will influence the business' operations if the Company does not have risk management plans in advance.	The Company has business continuity plans by allowing employees to work from home and providing a DR Site for support unit employees. Furthermore, the Company recognizes the importance of sustainability in business operations. Therefore, the Company sets goals to reduce greenhouse gas emissions in the organization's main activities and organizes activities to support environment conservation.
Technology and Customers' Behavior Change	Technological advances have changed lifestyles and business operations. New emerging technologies have different capabilities and higher benefits.	The Company has strategies to develop modern products and services consistent with technological changes to response customers' needs and the market in the future.
Entry of New Competitors	The technology plays a role in the operations of every organization, there is likelihood of opensource or startup businesses being created, moreover, the business of suppliers and customers increased more investment to develop the technology.	The Company added one-stop service, including development strategies and improvement of the Company's Intellectual Property including focusing on professional services supported by international standards.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

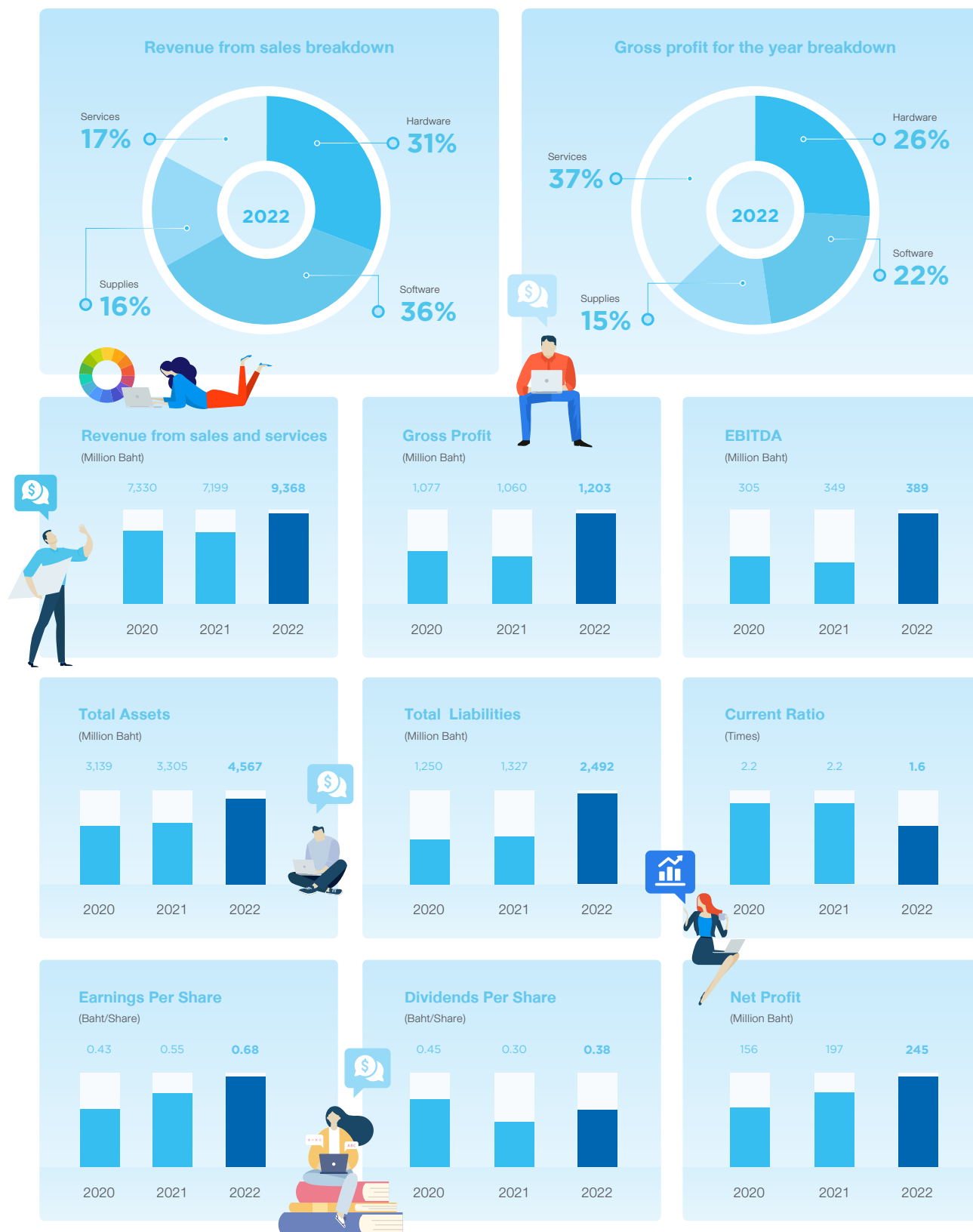
Emerging Risk

Risks	Causes	Risk Mitigation Guidelines
Environmental Business Operation	The climate changing is a risk which the world has awared of the impact and direction to adapt and continue growing. As a result, the world and Thailand issue the policy and regulations such as Changing to low carbon economic and using technology more friendly to the environment which may cause higher investment to do the business.	The Company has followed the situation and policy continuously, also studies the sample of other businesses as a guideline for doing business by thinking of environment and adapt in Value Chain to be a direction of management, also specify the target and strategies in the future.



Management Discussion and Analysis (MD&A)

Performance Results



Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Financial Information

Statements of Comprehensive Income (Million Baht)	Consolidated			Separate		
	2020	2021	2022	2020	2021	2022
Assets						
Current Assets						
Cash and cash equivalents	286	127	89	210	83	57
Trade and other current receivables	1,233	1,439	2,255	1,061	1,245	1,440
Contract assets	14	11	4	-	-	-
Current portion of lease receivables	191	178	179	106	110	111
Inventories	329	372	910	230	318	516
Financial assets measured at fair value through profit or loss	143	206	226	103	102	226
Other current assets	8	43	10	7	20	9
Total Current Assets	2,205	2,375	3,673	1,718	1,878	2,359
Non-Current Assets						
Deposits at financial institutions used as collaterals	39	39	21	14	14	14
Investments in subsidiaries and associates	7	5	7	69	67	67
Lease receivables	166	165	145	109	109	74
Property, plant and equipment	427	405	380	415	395	368
Other non-current assets	295	315	341	282	300	329
Total Non-Current Assets	934	930	895	889	886	852
Total Assets	3,139	3,305	4,567	2,607	2,764	3,211
Current liabilities						
Short-term borrowings from financial institutions	144	100	592	88	100	-
Trade and other current payables	787	941	1,631	686	760	1,266
Short-term borrowings from other party	-	10	-	-	10	-
Current portion of long-term borrowings from other parties and lease liabilities	38	22	12	23	16	11
Current provisions for employee benefits	16	12	11	12	12	11
Other current liabilities	17	7	32	12	6	25
Total Current Liabilities	1,001	1,092	2,277	821	903	1,313
Non-Current Liabilities						
Long-term borrowings from other parties	4	-	-	4	-	-
Lease liabilities	33	15	24	25	14	23
Non-current provisions for employee benefits	209	219	189	196	201	171
Deferred tax liabilities	3	2	2	-	-	-
Other non-current liabilities	0.4	0.5	0.3	0.4	0.5	0.3
Total Non-Current Liabilities	249	236	215	226	215	194
Total Liabilities	1,250	1,327	2,492	1,047	1,118	1,507

Statements of Comprehensive Income (Million Baht)	Consolidated			Separate		
	2020	2021	2022	2020	2021	2022
Shareholders' equity						
Authorized share capital	360	360	360	360	360	360
Issued and paid-up share capital	360	360	360	360	360	360
Premium on ordinary share	234	234	234	234	234	234
Retained earnings						
Legal reserve	48	48	48	48	48	48
Unappropriated	1,243	1,332	1,430	918	1,004	1,061
To owners of the company	1,885	1,975	2,072	-	-	-
Non-controlling interests	5	3	3	-	-	-
Total Shareholders' equity	1,890	1,977	2,075	1,560	1,646	1,703
Total Liabilities and Shareholders' equity	3,139	3,305	4,567	2,607	2,764	3,211

Statements of Comprehensive Income (Mil- lion Baht)	Consolidated			Separate		
	2020	2021	2022	2020	2021	2022
Revenue						
Revenue from sales	6,144	5,929	7,793	5,352	5,101	6,142
Revenue from services and rental	1,186	1,269	1,576	1,023	1,151	1,360
Other income	87	64	83	100	75	93
Total Revenue	7,417	7,263	9,452	6,475	6,328	7,596
Expense						
Cost of sales and services	6,254	6,139	8,166	5,412	5,303	6,459
Distribution costs and Administrative expenses	904	920	947	827	835	857
Other gain (loss)	(7)	12	(25)	(6)	12	(24)
Finance costs	11	6	10	7	4	5
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9	(52)	42	0	(52)	42	0
Income tax expenses	30	54	62	21	45	46
Total Expense	7,258	7,066	9,209	6,325	6,133	7,391
Profit before share of gain (loss) of associates accounted for using equity method	159	197	243	150	194	205
Share of gain (loss) of associates accounted for using equity method	(3)	(1)	2	-	-	-
Profit before non-controlling interests	156	196	245	150	194	205
Non-controlling interests	0	(2)	0	-	-	-
Profit (loss) for the years	156	197	245	150	194	205
Other comprehensive loss for the years, net of tax	-	-	10	-	-	11
Basic earnings per share	0.43	0.55	0.68	0.42	0.54	0.57
Par Value	1	1	1	1	1	1

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Statement of Cash flows (Million Baht)	Consolidated			Separate		
	2020	2021	2022	2020	2021	2022
Cash provided by operation before changes in operating assets and liabilities	369	313	414	311	262	331
Change in operating assets and liabilities	36	(166)	(728)	98	(249)	45
Net cash provided by (used in) operating activities	405	147	(315)	409	13	377
Cash paid for purchases of property, plant and equipment	(41)	(60)	(48)	(38)	(59)	(43)
Net cash provided by (used in) investing activities	84	(109)	(37)	(24)	(17)	(134)
Net cash provided by (used in) financing activities	(245)	(196)	313	(202)	(123)	(268)
Net increase (decrease) in cash and cash equivalents	244	(158)	(39)	184	(127)	(26)
Cash and cash equivalents as at January 1,	42	286	127	27	210	83
Cash and cash equivalents as at December 31,	286	127	89	210	83	57

Statement of change in shareholders' equity (Million Baht)	Consolidated			Separate		
	2020	2021	2022	2020	2021	2022
Issued and paid-up share capital						
Common stock						
Beginning balance	360	360	360	360	360	360
Added during the period	-	-	-	-	-	-
Reduce during the period	-	-	-	-	-	-
Ending balance	360	360	360	360	360	360
Premium on ordinary share						
Premium on ordinary share						
Beginning balance	234	234	234	234	234	234
Added during the period	-	-	-	-	-	-
Reduce during the period	-	-	-	-	-	-
Ending balance	234	234	234	234	234	234
Retained earning						
Appropriated						
Legal reserve						
Beginning balance	48	48	48	48	48	48
Added during the period	-	-	-	-	-	-
Reduce during the period	-	-	-	-	-	-
Ending balance	48	48	48	48	48	48
Unappropriated						
Beginning balance	1,247	1,243	1,332	928	918	1,004
Comprehensive income-restated	3	-	-	3	-	-
Added during the period	156	197	234	150	194	194
Reduce during the period	(162)	(108)	(137)	(162)	(108)	(137)
Ending balance	1,243	1,332	1,430	918	1,004	1,061

Statement of change in shareholders' equity (Million Baht)	Consolidated			Separate		
	2020	2021	2022	2020	2021	2022
Non-controlling interests						
Beginning balance	4	5	3	-	-	-
Effect from accounting adjustment						
Added during the period	-	-	0	-	-	-
Reduce during the period	0	(2)	-	-	-	-
Ending balance	4	3	3	-	-	-
Total Shareholders' equity	1,890	1,977	2,075	1,560	1,646	1,703

Financial Ratio		Consolidated			Separate		
		2020	2021	2022	2020	2021	2022
Liquidity Ratio							
Current Ratio	(Times)	2.2	2.2	1.6	2.1	2.1	1.8
Quick Ratio	(Times)	1.4	1.3	0.9	1.5	1.3	1.0
Cash flow current ratio	(Times)	0.4	0.1	(0.2)	0.5	0.02	0.3
Receivable turnover	(Times)	6.3	5.8	5.5	6.1	5.7	6.2
Avg. collection period	Day	58	63	66	60	64	59
Inventory Turnover	(Times)	18.2	18.7	14.9	20.9	21.1	17.4
Avg. selling period	Day	20	19	25	17	17	21
Payable Turnover	(Times)	11.0	10.5	8.7	11.0	10.2	8.6
Payment Period	Day	33	35	42	33	36	42
Cash Cycle	Day	45	48	49	44	45	37
Profitability Ratio							
Gross profit margin	(%)	14.7%	14.7%	12.8%	15.1%	15.2%	13.9%
Net Profit Margin	(%)	2.1%	2.7%	2.6%	2.3%	3.1%	2.7%
Return on equity	(%)	8.2%	10.2%	12.1%	9.6%	12.1%	12.2%
Efficiency Ratio							
Return on Assets	(%)	4.9%	6.1%	10.7%	5.7%	7.2%	6.9%
Return on Fixed Assets	(%)	53.1%	64.7%	75.6%	52.4%	64.8%	66.8%
Assets Turnover Ratio	(Times)	2.3	2.3	2.4	2.5	2.4	2.5
Financial policy ratio							
Debt to equity ratio	(Times)	0.7	0.7	1.2	0.7	0.7	0.9
Interest Coverage ratio	(Times)	27.0	52.8	38.4	39.4	77.4	64.5
Debt Service Coverage - cash basis	(Times)	1.6	2.6	0.6	2.5	2.5	28.8
Dividend payout rate	(%)	73.5%	69.3%	69.3%	69.3%	72.2%	70.5%

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Overview of Performances

The overall economic situation begins to return to the normal situation and is likely to continue expanding after the COVID-19 outbreak has improved. As a result, the public and private sectors increase their investments to innovate digital technology, which is one of the most important business strategies of the organization, resulting in the growth of the market for the public sector and large enterprises.

In 2022, the Company generated revenues from sales of goods and services amounting to 9,368 million Baht, increased by 30% from the increasing revenues from hardware product, software product, and services. Revenues from the Office Supplies product decreased, which reflected the ability to offer a full range of hardware and software solutions to expand the scope of sales that covers customers' needs. The Company had a gross margin of 12.8% despite there was a decrease in the reversing entries of loss in impairment in accordance with TFRS 9 of 41 million Baht due to the reversing entries of loss in impairment of one of its major debtors in 2021. The Company's net profit amounted to 245 million Baht, increased by 24%.

Revenues

The Company generates revenues from the sales of goods and services, which can be divided by the product category as follows:

- Revenues from hardware products were 2,873 million Baht, accounting for 31%, increase of 70% from in the previous year due to an increase in sales of servers, large storage devices, and small computers. Thus was because the public and private sectors began to gradually increase their IT investments from the slowdown in the past year.
- Revenues from software products amounted to 3,394 million Baht, accounting for 36% increase of 29% from the previous year. The main revenues was still from Microsoft software products and the increase in revenues was relatively large this year.
- Revenues from Office Supplies products were 1,526 million Baht, accounting for 16%, decrease of 5% from the previous year. This was due to the digital business trend with reduced paper consumption, affecting the

purchase of consumables, and the continuous policy of Work From Home in many organizations.

- Revenues from services were 1,576 million Baht, accounting for 17%, increase of 24% from in the previous year. Main revenues from services of the Company increased, including revenues from cloud solution services and cyber security surveillance and solution services.

Gross margin was 12.8%, decreased from 14.7% last year, due to high competition in revenues from large-scale projects. In addition, revenues from software products increased. They are products with lower gross margins than revenues from other types of products.

Expenses

The expenses include:

- Sales and administrative expenses increased by 27 million Baht compared with the proportion of revenues from sales of goods and services in 2022 of 10.1%, which was an decrease compared with 12.8% in 2022. It increased in terms of selling and administrative expenses and selling expenses, which were in line with higher revenues. Administrative expenses were primarily attributable to increasing expenses for employees.
- Finance costs decreased by 3 million Baht from the previous year, compared with the proportion of revenues from sales of goods and services in 2022 of 0.10%, which was a slight increase from 0.09% in 2021.
- The reversing entries of loss in impairment in accordance with TFRS 9 decreased by 41 million Baht due to the reversing entries of loss in impairment of one of the major debtors in 2021.
- Income tax increased by 8 million Baht due to the increase in profit before income tax in 2022, compared with the proportion of revenues from sales of goods and services of 0.7% in 2022, equal to the year 2021.

The Company's net profit attributable to the parent company amounted to 245 million Baht, increased by 48 million Baht or accounting for 24%, compared with 197 million Baht in 2021,

Regarding the profitability ratio, the Company's net profit margin was 2.6%, decreased from 2.7% last year, while the return on equity was 12.1%, increased from 10.2% last year.

Financial Position

Assets

At the end of 2022, the Company had total assets of 4,567 million Baht, increased by 1,263 million Baht compared with the end of 2021. The total assets consisted of current assets of 3,673 million Baht, accounting for 80% of the total assets and non-current assets of 895 million Baht, accounting for 20% of the total assets. The reasons for the increase in the total assets were as follows:

- Current assets of 3,673 million Baht increased by 1,298 million Baht due to an increase of 816 million Baht in trade receivable and other current receivables, an increase of 537 million Baht in inventories, an increase of 21 million Baht in financial assets measured at fair value through profit or loss and an increase of 1 million Baht in the current portion of lease receivables. Cash and cash equivalents decreased by 39 million Baht. Other current assets, contract assets, and other current financial assets decreased by 28 million Baht, 7 million Baht, and 5 million Baht, respectively.

Trade receivables and other current receivables

The Company's total receivables less allowance for doubtful debts at the end of 2022 were 2,058 million Baht, increased by 751 million Baht. 59% of receivables were debtors with undue payment, while the remaining 41% were receivables that are under payment collection. There were 788 million Baht of debtors overdue for less than 3 months. 2 million Baht of debtors overdue for more than 1 year, and 63 million Baht of debtors under legal proceeding which were the debtor who was in the process of installment payment and debt collection. The Company set an allowance for expected credit losses of 13 million Baht, accounting for 0.6% of the total receivables. The Company had an average collection period of 66 days in 2022, which was according to its policy providing the term of approximately 30-60 days for most customers to pay for goods. The trade receivables that had not been collected at the end of 2022 were 330 million Baht, increased by 140 million Baht

Other current accounts receivables at the end of 2022 were 197 million Baht, increased by 66 million Baht. Most of these include prepaid expenses.

Inventory

The Company's inventory less the allowance for the reduction of the value of goods at the end of 2022 was 910 million Baht, increased by 537 million Baht. The Company's inventory can be divided into finished goods, work in progress, and goods in transit. The average inventory period was 25 days, which was in accordance with the Company's risk control and prevention management policy.

- Non-current assets were 895 million Baht, decreased by 35 million Baht due to a decrease in property, plant and equipment (net) of 25 million Baht, a decrease in lease receivables of 20 million Baht, a decrease in deposits of financial institutions used as collateral of 18 million Baht, and a decrease in deferred tax assets of 4 million Baht. Withholding tax, other intangible assets, and right-to-use assets increased by 17 million Baht, 8 million Baht, and 6 million Baht, respectively.

Liquidity

Cash flow

As at December 31, 2022, the Company had cash and cash equivalents of 89 million Baht, decreased by 39 million Baht, due to:

- Net cash used in the Company's operating activities was 315 million Baht. The Company's profit for the year prior to the change in operating assets and liabilities amounted to 414 million Baht, decreased from the change in increasing assets, including trade receivables and other current receivables, of 817 million Baht, an increase in inventory of 535 million Baht due to the change in decreasing assets, including other current assets of 28 million Baht, financial lease receivables of 17 million Baht, contract assets of 7 million Baht, and an increase in other non-current assets of 1 million Baht from the change in increasing liabilities, including trade payables and other current payables of 700 million Baht. As a result, the Company had cash used in operating activities of 186 million Baht. The Company paid employee benefits of 62 million Baht and net income tax of 67 million Baht.
- Net cash used in the Company's investing activities was 37 million Baht due to the Company's expenses on the purchase of equities or debt securities of other businesses, expenses on the purchase of fixed assets and intangible assets, cash received from guaranteed deposits, and interest received of 20 million Baht, 48 million Baht, 18 million Baht, and 12 million Baht, respectively.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

- Net cash from the Company's financing activities was 313 million Baht due to the Company's cash received from short-term loans, dividend payment, repayment of lease liabilities, expenses on finance costs, and repayment of long-term loans from other companies of 482 million Baht, 137 million Baht, 19 million Baht, 10 million Baht, and 4 million Baht, respectively.

Key financial ratios

As at December 31, 2022, the Company had a debt-to-equity ratio of 1.2 times, increased from 0.7 times in 2021. The increase in debt was mainly due to trade payables and other payables and short-term loans from financial institutions. At the same time, shareholders' equity increased due to the net profit for the year. However, the total liabilities were derived from the Company's normal course of business.

The Company's debt service coverage ratio in 2022 was 0.6 times, decreased from 2.7 times in 2021. The Company's profit before tax, depreciation, and amortization increased by 38 million Baht from the previous year. However, interest bearing short-term debts increased by 482 million Baht due to the short-term loans from financial institution. The current portion of lease liabilities decreased by 6 million Baht. The current portion of long-term loans from other companies decreased by 4 million Baht.

The Company's liquidity ratio at the end of 2022 was 1.6 times, decreased from 2.2 times in 2021, due to the increase in trade accounts and other current payables. The repayment period was increased from 35 days to 42 days and short-term loans also increased. Trade receivables and other current receivables and inventories increased from the previous year. The average collection period increased from 63 days to 66 days and the average inventory period increased from 19 days to 25 days, while the liquidity ratio at the end of 2022 was 0.9 times, decreased from 1.3 times in 2021.

Funding Sources Liabilities

Total liabilities at the end of 2022 were 2,492 million Baht, increased by 1,165 million Baht compared with the previous year. Total liabilities consisted of current liabilities of 2,277 million Baht, accounting for 91% of the total liabilities, and non-current liabilities of 215 million Baht, accounting for 9% of the total liabilities. The reasons for the increase in total liabilities were as follows:

- Current liabilities were 2,277 million Baht, increased by 1,185 million Baht, due to an increase in trade payables and other current payables of 690 million Baht. The trade payables amounted to 1,288 million Baht, increased by 688 million Baht. Other current payables amounted to 343 million Baht, increased by 3 million Baht, consisting of accrued expenses, deposits, and advance payments. The short-term loans from financial institutions increased by 492 million Baht. Current financial liabilities increased by 19 million Baht. The accrued corporate income tax increased by 6 million Baht. Short-term loans from other companies decreased by 10 million Baht. The current portion of lease liabilities decreased by 6 million Baht. The current portion of long-term loans from other companies decreased by 4 million Baht. Other current provisions for employee benefits decreased by 1 million Baht.
- Non-current liabilities amounted to 215 million Baht, decreased by 21 million Baht, due to a decrease in non-current provisions for employee benefits of 29 million Baht. Lease liabilities increased by 9 million Baht.

Shareholders' Equity

Total shareholders' equity at the end of 2022 was 2,075 million Baht, increased by 98 million Baht, due to the net profit of 245 million Baht in 2022 and dividend payment at the rate of 0.38 Baht per share in 2022, totaling 137 million Baht.

Contingent obligations and liabilities

The Company has entered into an operating lease agreement as follows:

Lease agreements and related service charges were for a period of 1 - 5 years and they were non-cancellable. As at December 31, 2022, the minimum amount to be paid in the future within 1 year was 5 million Baht. The minimum amount to be paid after 1 year but not exceeding 5 years was 1 million Baht.

The Company disclosed information in the Article 35 of Notes to the Financial Statements of the 2022 Financial Statements.

Potential factors affecting financial position or future performances

-N/A-

Other Related Information

General Information

Details of Company, Subsidiaries, Associated Company and Related Persons

Metro Systems Corporation Public Co., Ltd.

Head Office

Company Name	Metro Systems Corporation Public Co., Ltd.
Group of Industry/ Business	Technology/ Information Technology and Communications
Nature of Business	Distribution Agency for Computer Hardware and Software Solutions, including full IT services
Registration No.	0107538000347
Registered and Paid Capital	THB 360,000,000.00
Number of Shares	360,000,000 shares
Par Value	THB 1.00
Head Office Location	400 Chalermprakiat Rama 9 Rd., Nongbon, Pravat, Bangkok 10250
Telephone	02-089-4000
Website	http://www.metrosystems.co.th





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Branches

Bangkok Advanced Learning

979/27-31 16th floor, SM Tower, Phaholyothin Road, Samsen nai, Phayathai, Bangkok 10400

Purpose of Business

Microsoft Training and Demonstration Centre

Telephone

02-089-4724, 02-089-4015

Fax

02-298-0260

Web Site

<http://www.bal2001.com>



Envisioning Center

88/15-17 Mahatun Plaza Building, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Purpose of Business

IBM Training and Demonstration

Telephone

02-089-4135

Fax

02-253-0563

Web Site

-



Note : Closing the branch in October 2022

Subsidiaries Companies

Company Name	Metro Professional Products Co.,Ltd
Group of Industry/ Business	Technology Information Technology and Communications
Nature of Business	Distributor of Computer/ Service Provider of Complete Computer System including rent out the computer
Registered and Paid Capital	THB 50,000,000
Number of Shares	500,000 shares
Par Value	THB 100.00
Head Office Location	98/44 Factory Land 2 Alley 3, Moo 11, Bhudhamolthon 5, Rai Khing, Sam Pran, Nakorn Pathom 73210
Telephone	02-019-9399
Fax	02-019-9398
Web Site	http://www.mpp.co.th

Company Name	Metro Connect Co.,Ltd
Group of Industry/ Business	Technology Information Technology and Communications
Nature of Business	Distributor of Computer product, Peripheral devices, and Software through IT Service Provider
Registered and Paid Capital	THB 10,000,000
Number of Shares	1,000,000 shares
Par Value	THB 10
Head Office Location	400 Chalermprakiat Rama 9 Rd., Nhongbon, Prayet, Bangkok 10250
Telephone	02-089-4000
Fax	02-726-2539
Web Site	http://www.metroconnect.co.th



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Subsidiaries Companies (continue)

Company Name	Metro Infotech Co.,Ltd
Group of Industry/ Business	Technology Information Technology and Communications
Nature of Business	Installation and Service Provider and Distributor of Software of Customer Relationship Management, Business Process Management and Business Intelligence
Registered and Paid Capital	THB 5,000,000
Number of Shares	50,000 shares
Par Value	THB 100
Head Office Location	400 Chalermprakit Rama 9 Rd., Nongbon, Pravat, Bangkok 10250
Telephone	02-089-4551, 02-089-4552
Fax	02-726-2530
Web Site	http://www.metroinfotech.co.th

Associated Companies

Company Name	HIS MSC Co.,Ltd
Group of Industry/ Business	Technology Information Technology and Communications
Nature of Business	Service Provider and Distributor for Hotel Management Software
Registered and Paid Capital	THB 4,000,000
Number of Shares	40,000 shares
Par Value	THB 100
Head Office Location	400 Chalermprakit Rama 9 Rd., Nongbon, Pravat, Bangkok 10250
Telephone	02-089-4101, 02-089-4107-8
Fax	02-726-2910
Web Site	http://www.hismsc.com

Associated Companies (continue)

Company Name	JBCC (Thailand) Co.,Ltd
Group of Industry/ Business	Technology Information Technology and Communications
Nature of Business	IT Product Distribution for Japanese Customers
Registered and Paid Capital	THB 10,000,000
Number of Shares	10,000 shares
Par Value	THB 1,000
Head Office Location	591 Samatchavanich 2 Building, 21st Floor, Sukhumvit Road, Klongton Nua, Wattana, Bangkok
Telephone	02-662-2218
Fax	02-662-2219
Web Site	-

Other References

Securities Registrar	Thailand Securities Depository Co., Ltd. 93, Ratchada Phisek, Din Daeng, Din Daeng, Bangkok, 10400 Tel. 02-009-9000
Certified Public Accountants	Mrs. Wilasinee Krishnamra Mrs. Nisakorn Songmanee Mr. Bardin Laprangsirat Mr. Kasiti Ketsuriyong Certified Public Accountant No. 7098 and/ or Certified Public Accountant No. 5035 and/ or Certified Public Accountant No.10985 and/ or Certified Public Accountant No. 8833
Tel.	Deloitte Touche Tohmatsu Jaiyos Co., Ltd AIA Building, Sathorn Tower, 23rd - 27th Floors, No. 11/1, South Sathorn Rd., Yannawa, Sathorn, Bangkok, 10120 : 02-034-0000
Fax	: 02-034-0100
Email	: wkrishnamra@deloitte.com
Legal Consultant	Law Office of Metro Systems Corporation Public Co., Ltd. Tel. 02-089-4352
Financial Consultant	- None -
Consultants or Managers Under a Management Contract	- None -



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Other Significant Information

Metro Infotech Co., Ltd., a subsidiary, has ceased its operations due to the company's policy to restructure its business to be more compact.

Legal Disputes

On 29 May 2015, the Company accepted a contract to design, develop and install savings cooperative systems for members and information technology system services for the Federation of Savings and Credit Cooperatives of Thailand Limited (FSCT). This contract was divided into four minor tasks with a total hiring value in the contract of 285,800,000 baht. The Company did work in line with all contract conditions and agreements. However, during work in the project under the aforementioned contract, FSCT missed a payment and did not pay wages and/or service fees valued at 29,583,350 baht. In addition, FSCT did not perform acceptance inspection for work completed by the Company valued at 62,525,616 baht. Moreover, FSCT requested the Company to delay ongoing work, which is non-compliance with conditions and agreements in the contract, causing effects on work and damage to the Company. Therefore, on 26 December 2016, the Company sent a notification to remind FSCT and terminate the contract with FSCT in addition to calling for FSCT to pay the price for the aforementioned work and return the contract bond and compliance bond valued at 14,290,000 baht to the Company. However, FSCT did not comply with the Company's reminder and contract termination notice.

The Company, as the Plaintiff, submitted charges against the FSCT, as the Defendant, to Nonthaburi Provincial Court in a civil case, Black Case No. Por. 277/2560. The charge was contract termination. The Company demanded compensation in the amount of 204,409,552 baht. The FSCT filed charges against the Company to Nonthaburi Provincial Court and made the Company the Defendant in a civil case, Black Case No. Por. 2295/2560, on the charge of breach of a commissioning contract with a demand for compensation valued at 312,389,794.45 baht. The Court ordered to consider both cases at the same time.

On 12 March 2019, Nonthaburi Provincial Court reached a verdict for the FSCT to pay 97,457,299.60 baht with interest at the rate of 7.5 percent of the aforementioned sum per year from the date of the charges (14 February 2017) until payment is complete and for the FSCT to return promissory notes and IP phones to the Company. If the FSCT is unable to return promissory notes and IP phones to the Company, the FSCT is to pay legal fees with attorney's fees set at 100,000 baht and the cost of prosecuting both cases at 50,000 baht.

Afterwards, the FSCT submitted an appeal against the verdict of the court of first instance (Nonthaburi Provincial Court) and the Court of Appeals reached a verdict for the FSCT to pay 32,282,664.50 baht with interest at 7.5 percent per year from the date of the charges until payment is complete to the Company. Apart from revisions, the verdict is to be consistent with the verdict from the court of first instance and legal fees at the appellate level for both cases were waived.

The company and the FSCT have already submitted a request to a Supreme court for the submission of the petition. The Supreme Court has issued an order accepting the case for consideration. Currently, the case is being considered by the Supreme Court.

Secondary Markets

-None-

Regularly Contacted Financial Institutions (Only Bonds)

- UOB Asset Management (Thailand) Co., Ltd.
- Thai Cash Management Fund for Juristic Person Investors

02

CORPORATE GOVERNANCE





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Corporate Governance Policy

The Company operates the business with fairness, transparency, responsibility to society, communities and the environment by continually adhering to the Company's business framework with directors as good examples of compliance with corporate governance principles, which will create value for the Company to have sustainability, ability to compete ethically under changing business conditions, added value and maximum returns for shareholders including the Company's stakeholders in the long term.

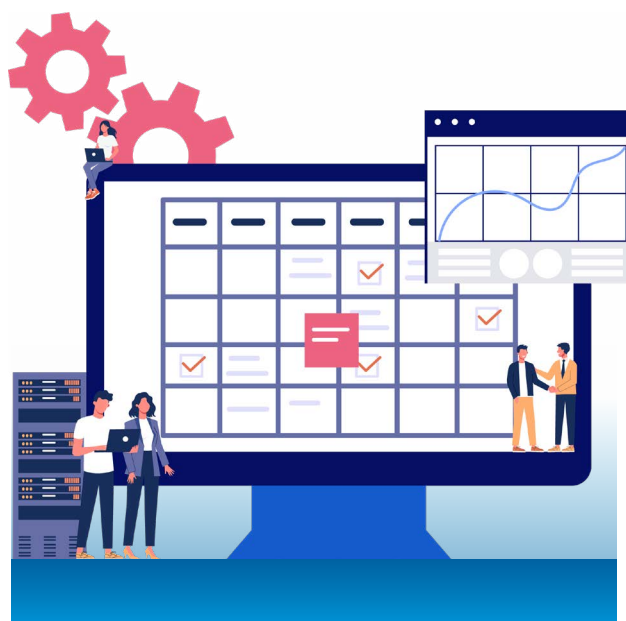
The Corporate Governance Sub-committee has the duty to monitor, oversee and support the Company's operations in addition to continually reviewing guidelines and updating the corporate governance handbook to be suitable for business operations to enable directors and executives to accurately follow corporate governance principles while maintaining standards and complying with corporate governance principles of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC).

Furthermore, the Company's guidelines such as the corporate governance handbook, code of conduct, management structures, policies and guidelines concerning compliances with corporate governance principles have been compiled by the Company under the name of the "Corporate Governance Handbook" for directors, executives, and employees of the Company to use as guidelines for proper compliance with corporate governance principles. The Company reviews policies, principles, and guidelines in the area of corporate governance annually in addition to communicating with directors, executives and employees along with disseminating the aforementioned information via the Company's website. Individuals interested in accessing this information can do so via <https://ir.metrosystems.co.th/corporate-governance-th/>

In 2022, the Company reviewed and modified the Corporate Governance Handbook by making modifications concerning corporate policies and corporate governance principles to suit current situations and ability to adhere to this approach and apply it in practice correctly by all directors, executives, and employees in the Company.

Corporate Governance Policy and Guideline Overview

The Company clearly specified the corporate governance policy in the Corporate Governance Manual in writing since 2017 by making corporate governance a duty and responsibility of the Board of Directors, executives, and all employees of the Company, who must acknowledge and comply with the policy. The Company reviews relevant corporate governance policies and guidelines annually to analyze and apply appropriate policies and guidelines to the Company's business operations with directors as good examples of compliance with ethical and corporate governance principles. This supports the Company to become an effective business organization with good, transparent, accountable management that is fair to all stakeholders while adding value for shareholders with consideration given to stakeholders in order to lead to sustainable growth and prosperity. Key components are as follows





Principle 1 :

Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors realizes the role, duty and responsibility as the corporate leader who must supervise the organization to have good management, supervise the Company's business operations with transparency and lead to sustainability. The duties and responsibilities of directors have guidelines for performing as follows:

1. Define the main objectives, business goals, vision, and mission of the Company by communicating with employees so that everyone has the same aims, mutual commitment, building organization together leading to the goal of creating value and provide sustainability of business in terms of economy, society, environmental, taking into account all stakeholders.
2. At the meeting of the Board of Directors every year, the Board of Directors will jointly review policies, plans and operating budgets in accordance with the business direction and monitor performance evaluation with consideration of competitiveness, technology industry trends, business impacts, short-term and long-term results from the performance report of the Executive Committee to allow the management to develop or improve, and allowing the company to adapt to the variable factors appropriately and effectively.
3. To determine the scope of duties and responsibilities of the committee in accordance with the Director Hand- book, the charter of each sub-committee, which will be reviewed annually in order for the executive directors to perform their duties with responsibility, prudence, and honesty to the organization. It is also done so that they can be implemented correctly and appropriately and keep up with the changes that occur. The responsibilities of the Board of Directors and Management have been clearly separated in order to operate in accordance with laws, regulations, resolutions at the shareholders' meeting, as well as the guidelines set forth, and regularly communicate such roles, duties and responsibilities to directors, sub-committee management and employees at all levels of the Company.
4. Establish strategies, policies, regulations, code of conduct for directors, executive directors, and employees to cover all operations of the Company, including organizing a meeting of the executive committee to monitor the performance of the management, implementation of the Company's strategy at least once a year, and put together various policies in the form of a corporate governance manual to be used as a basis for operating ethically, with respect for the rights and responsibilities of shareholders and all stakeholders. The policies are based on correctness in accordance with CG principles that represent principles and maintain a good role model as a leader in corporate governance, taking into account social and environmental impacts as well as financial performance to provide the Company with stable and sustainable growth in the long term.
5. Board of Directors' meetings are held at least on a quarterly basis, shareholder meetings are held within four months from the end of the Company's accounting cycle and special shareholder meetings are hosted occasionally, dependent on needs of business operations.
6. The Company is required to have appropriate, strict, and effective internal control systems, internal audits, and organization risk management systems. In addition, Board of Directors' meetings continually and consistently monitor various operations.
7. The Board of Directors appoints the Company Secretary and determines the scope of powers, duties, and responsibilities of the Company Secretary to perform duties with responsibility, prudence, and honesty.

Regarding the corporate governance structure related to organizational management of the Board of Directors, the sub-committees, the management department, to various departments including the departments that are mechanisms for corporate governance, details are shown in diagram on topic Corporate Governance Structure page 69



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments



Principle 2 :

Define Objectives that Promote Sustainable Value Creation

The Board of Directors jointly defines and reviews the Company's vision, mission, business strategy, and supervise the Company's business in accordance with the specified objectives and goals for the best benefit of economic value for the Company and Shareholders, along with clearly setting business goals, both short-term and long-term, have a concrete framework and plan for each year taking into account the economic conditions, market competition, risk factors and operational results. In the past years, we have followed up on the achievement of our goals that will help create value for the Company, customers, stakeholders, and society as a whole. The all stakeholders are independent in expressing their opinions, not seeking benefit for themselves or anyone, not taking any action that is in conflict or in competition with the interests of the Company and its subsidiaries. Innovations and modern technology are also applied appropriately, safely, based on social and environmental responsibility, ready to be leader for the organization's continuous development, leading to corporate sustainability



Principle 3 :

Strengthen Board Effectiveness

The Board of Directors is aware of the important role in corporate governance for the best interests of the Company, has an understanding of roles, duties and responsibilities by dividing the roles of the Board of Directors and the management, and ensuring the Company has confidence in the system of transactions or businesses. In order for efficient and effective performance of the duties of the Board of Directors, the Board of Directors must jointly define and review the structure of the Board of directors, comply strictly with the Director Handbook or the Charter of each sub-committee. The Corporate Secretary is assigned by the Company to supervise the meetings of the Board of Directors, shareholders' meetings, and various activities of the Board of Directors, as well as to supervise the Company's compliance department to provide the Board of Directors and employees of the Company access to necessary information. There would be compliance with relevant laws and regulations, as well as promote corporate governance in accordance with good corporate governance standards.



Principle 4 :

Ensure Effective CEO and People Management

The Board of Directors has the duty to recruit and develop the Chief Executive Officer, high ranking executives at every level and manage personnel effectively with the following guidelines:

1. The Board of Directors specifies guidelines to continually improve director knowledge and regularly assesses performance of the Board of Directors and sub-committees.
2. The Board of Directors prepares succession plans for the organization's highest-ranking executives for cases where executives are out of office with annual meetings and consultations with the Recruitment and Remuneration Sub-committee. Furthermore, the Board of Directors has policies on recruitment and remuneration for directors and sub-committee members by setting remuneration for directors and executives with thoroughness, transparency and consistency with corporate governance principles, responsibility, and performance to create short term and long-term motivation comparable to levels practiced in the same industry.



Principle 5 :

Nurture Innovation and Responsible Business

The Board of Directors realizes the importance of and supports the creation of innovation that brings value to the business, while creating benefits for customers or related parties and having social and environmental responsibility by formulating an Operation Plan to enable all parties to act in accordance with the objectives, goals, and strategies of the Company by operating the business with responsibility, fairness and taking into account the interests of all stakeholders.

1. The Company encourages its employees to innovate both in process and by adding value to products. Therefore, the Metro Brain-Based Startup Project aims to open up employees to demonstrate their potential in creativity and propose ideas for further pursuit of new businesses. The innovation will be protected as the Company is the owner of intellectual property, which creates a good image to be a new generation organization that is the leader in future business as well as developing the organization to grow forward sustainably. It will continue to create innovation, resulting in business results, making the Company a sustainable technology business leader.
2. The Company has undertaken corporate social responsibility by supporting and encouraging all employees to take part in doing good deeds, giving back, and helping society continuously, as well as focusing on the development of the potential of children and youth to be more efficient.
The Company's business operation has no impact on the social responsibility, the environment, or any stakeholders. There is no legal breach in matters related to the Company
3. The Company realizes the importance of responsibility to all stakeholders in order to achieve sustainable objectives and main goals, thus providing efficient and effective resource allocation and management, taking into account the impacts and development of resources throughout the supply chain. The Company is committed to conducting business in accordance with code of conduct, good corporate governance policy, corporate social responsibility policy, anti-corruption policy, procurement and review of business partners policy, and intellectual property protection policy, where stakeholders are shareholders, customers, competitors, partners or creditors, employees government and government agencies, as well as society and communities, which are to be taken care of by the Company with fairness strictly in accordance with the benefits and coverage of fairness and suitability as follows:

- 1) **Shareholders, investors, analysts** The Company operates its business in a transparent, accurate, fair manner and in accordance with the rules, regulations and related laws, takes into account the returns to shareholders, and discloses correct and equitable information through the website of the Stock Exchange of Thailand (SET) and the Company's investor relations website on a regular basis, including organizing an activity for the Company to meet with investors in "Opportunity Day", which will be organized after the announcement of the second and fourth quarter financial statements in order to maximize benefits and increase shareholder value over the long term.
- 2) **Customers** The Company distributes products and services at fair prices with international standard quality and treats customers fairly in order to create satisfaction for customers. The Company has fulfilled the contract with transparency, completeness, correctness, and upholding relationships. For example, the Company has conducted customer satisfaction surveys in terms of product / service trust, customer satisfaction, sales staff, information acquisition and service consistency, knowledge and understanding of products / services of personnel, accuracy, and speed of purchase order process and of delivery, and overall satisfaction in each business group on an overall. The Company brought the survey results to the relevant departments to analyze the survey results and jointly find ways to develop and improve products and services in order to increase customer satisfaction in the long term, with customer satisfaction to the Company for each year expected to be not less than 80%.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

- 3) **Competitors** Executive directors and employees of the Company formulate business strategies and competition and should treat competitors fairly within the framework of the laws related to trade competition. At the same time, the Company remained transparent and ethical, avoiding dishonest means to cause damage to competitors. The Company will not commit any act that infringes on their intellectual property, improper or dishonest means of obtaining confidential information, damage reputation of the competitor through defamatory accusations. The Company seeks to compete fairly to create good market conditions, such as providing information about products or creating new products or services, and not entering into any agreements with competitors or any person that is in the nature of reducing or restricting competition.
- 4) **Business partners** The Company realizes the importance of treating trade partners equally in accordance with the framework of honest and transparent trade competition, respect for each other's rights, does not demand or accept any property or benefit from trading partners, does not buy products with partners that infringe on intellectual property or violates human rights, and does not do business with partners who act illegally, refrain from creating trade bargaining power by means of reciprocity or creating conditions for compliance, and having honesty in doing business in a collaborative manner to comply with the procurement regulations announced by the Company for the management of the companies in the group to be in the same direction. The procurement regulations cover from the procurement of products, goods, and services for distribution to customers, supplier selection with supplier screening process according to clear supplier grouping criteria, procurement and appointment of import-export agent, supplier inspection, job acceptance and audit conditions, including preparing the Company's code of conduct and practices of the Company's business partners in order to be professional, transparent, and fair.

In the year 2022, the Company has announced its intention and sent a manual on sustainable business practice to all business partners. As for the new business partners, the Company has selected through screening of environmental, social, and governance issues, with a total of 167 members, representing 100%.

- 5) **Creditors** The Company was able to operate under reasonable business conditions and in accordance with industry practice, adheres to trade conditions and contracts fairly and lawfully, without taking advantage of counterparties, and does not use fraudulent or concealment methods for any important facts that may cause damage to creditors. The Company was strictly committed to pursuing the terms of agreements made with all of creditors strictly, accurate, and straightforward according to the agreed schedule while being able to repay the loan with interest in a full amount to the creditors within the agreed period and being responsible for various types of guarantees with honesty to build trust and fairness for the creditors. In case where the Company was unable to comply with the required conditions, it would notify and negotiate with creditors in advance to seek ways to prevent damage that could possibly occur to both parties.
- 6) **Employees** The Company has a human rights policy and creates knowledge and understanding about human rights among employees as part of work practices. The Company does not support businesses in violation of human rights and the Company uses fair administration principles with regard to management of salaries, wages and benefits including employment conditions without using forced labor from unwilling workers or child labor. The Company does not discriminate and provides equal opportunity for all employees by organizing good and suitable work environments along with strictly complying with Thai laws and labor standards. The Company sets fair returns and benefits equivalent to businesses in the same industry with annual wage structure reviews to make employee remuneration policies consistent with the Company's operations in the short term and in the long term. The Company specified guidelines for annual wage raises including the provident fund and other benefits in details in the sustainability report under "Employees" on Page 138

- 7) Government and Government Agencies** The Company cooperates with government agencies in performing good corporate citizenship, complying with legal requirements for conducting business, accounting, paying taxes for the state in accordance with the nature of business. The Company also engages in business with government agencies in an honest and fair manner, treating them with the sincerest courtesy and goodwill like customers in general, refrained from bribery and unethical hiring of civil servants to immensely facilitate the Company's business, abstained from any illegal or fraudulent conducts with government officials, and never allowed any government official with intent to corrupt in any way or seek personal gain from the Company's business.
- 8) Society and Community** The Company remained firm to provide assistance in various fields that benefit society and communities by striving to support activities that benefit society and communities, refrain from conducting businesses that worsen the society, and refrain from any acts that affect the destruction of natural resources and the environment, taking care of business operations not to cause pollution to the environment and society, and cooperate with all parties in the community by offering its devotion of time, effort, and resources according to suitability, including raising awareness and encouraging employees and related persons to act as good citizen, be responsible and benefits to society and communities.

The Company is politically impartial by not acting in favor of or supporting any political party, any political party or any person with political power, and the Company respects the rights and freedoms of the employees' political rights, including the practice which must comply with all applicable laws.

4. The Company manages resources effectively with appropriate consideration given to effects and human resource development in the entire supply chain while also considering the highest benefit for all stakeholders ranging from procurement to consumers and customers who are at the end of the supply chain in order to be able to achieve objectives and goals with security and sustainability.
5. Information technology and communication systems are an important factor in supporting business operations and enhancing work efficiency. Therefore, the Company directs all employees to share responsibility in using information and communication technology systems under relevant legal requirements.



Principle 6 : Strengthen Effective Risk Management and Internal Control

The Board of Directors is responsible for assessing sufficiency of the internal control system, whereby the Company has used the internal control system adequacy assessment form in accordance with guidelines of the Securities and Exchange Commission (SEC) as a tool to assess the adequacy of the Company's internal control in accordance with the concept developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which defined five essential elements of internal control as follows:





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

To ensure that the operation of the Company has adequate and adequate internal controls, including complying with the relevant laws and regulations under the Internal Audit Department to collect information and present the results of the assessment on sufficiency of the internal control of the Board of Directors each year to the Audit Committee before reporting the results to the Board of Directors for acknowledgment, as well as to supervise the Company to have an appropriate risk management system by establishing a risk management policy, while assigning the Risk Management Sub-Committee to consider risks, assess impacts and possible opportunities in order to prioritize risks and appropriate risk management methods

In this regard, the Company emphasizes not allowing the Company's personnel to seek personal interests in order to avoid situations that may create a conflict of personal interest with the interests of the Company. The Board of Directors has assigned the Audit Committee to supervise connected transactions or transactions that may lead to conflicts of interest between the Company and the management, Board of Directors or shareholders, including the prevention of improper use of assets, information and opportunities of the Company and transactions with persons having relationship with the Company in an inappropriate manner, in accordance with the laws and regulations of the Stock Exchange of Thailand to ensure such transactions was conducted in accordance with the operating procedures and with disclosure of information as required by law which is mainly for the benefit of the Company and shareholders. Stakeholders are also to not be involved in decision-making. The Board oversees the compliance with the requirements on procedures and disclosures of transactions that may lead to a conflict of interest to be correct and complete in making important transactions. Items requiring approval from the share-holders' meeting must be approved in accordance with the laws and the Company's regulations.

In addition, the Company has written anti-corruption policies and guidelines to not accept bribes, pay bribes or do business with individuals and juristic persons involved in corruption. Anti-corruption policies and guidelines were approved by the Board of Directors and the Company's directors, executives and employees at every level participate directly and indirectly to monitor corruption and refuse corruption in every form. Violation of and non-compliance with the aforementioned policy will result in disciplinary actions under the Company's regulations and may carry penalties pursuant to laws, regulations and other specifications involved. The Company has opened channels for reporting tips or complaints of actions by individuals in the organization were found to fit the scope of corruption in order to prevent and control the aforementioned actions. In addition, the Company joins in annual Anti-corruption Day activities every year to acknowledge the significance of the aforementioned day and advertises National Anti-corruption Day to the Company's employees in order for employees to participate in activities. The Company is a confirmed member of the Thai private sector Collective Action Coalition against Corruption (CAC) since 2016 to the present day.



Principle 7 : **Ensure Disclosure and Financial Integrity**

Maintaining Financial Creditability

The Board of Directors recognizes the Board of Directors' roles and duties in maintaining financial credibility for shareholders and other stakeholders such as investors and analysts such as by maintaining financial report preparation systems along with monitoring financial liquidity and repayment ability sufficiency. The Board of Directors appointed the Audit Committee composed of independent directors to take responsibility for quality of financial reports and internal control systems. In disclosing financial statements, the Board of Directors is responsible for the consolidated financial statement of the Company and affiliated companies. Financial statements are prepared in compliance with generally-accepted accounting standards in Thailand with explanations and analyses by the management prepared to accompany financial statement disclosures in

every quarter. The Board of Directors exercises caution and uses the best estimates in preparations including sufficient disclosure of significant information in remarks accompanying financial statements. The Board of Directors maintains effective internal control systems in order to be reasonably certain that accounting information records are accurate, complete and sufficient for maintaining assess and providing knowledge on weaknesses in order to prevent significant corruption or abnormal actions. Moreover, the Board of Directors has supporting plans to solve financial problems if the Company is in a situation where the Company is encountering financial problems or is likely to have problems with consideration given to stakeholder rights.

The Company is committed to managing taxes. Therefore, the Company specified a tax policy as a guideline for the Company's operations in line with international standards and laws. In addition, the Company makes use of tax privileges legally and uses tax structures according to correct guidelines to not cause tax evasion by adhering to the principles of accuracy, transparency, and accountability to create maximum benefit for all stakeholders.

Disclosure of Information

The Company has a policy to communicate and disclose information in a correct, adequate and timely manner in accordance with relevant rules, standards and practices by disclosing the Company's general information and financial information in accordance with the regulations of the Stock Exchange of Thailand, as well as disclosing the Company's policies to the public and stakeholders with accuracy, completeness, timeliness, transparency through channels that are easy to access, equitable and trustworthy, as evidenced in the form of corporate communication channels such as e-mails, corporate websites, annual registration information/ annual report (Form 56-1), made available in both Thai and English. The Company Secretary Department is responsible for coordinating and communicating with investors or shareholders, which is approved by the Board of Directors will disclose information of the Company through the Company's website in both Thai and English, and report to the Securities and Exchange Commission or the Stock Exchange of Thailand accordingly. This would facilitate shareholders, investors, analysts, and media to receive accurate, complete, transparent, and up-to-date information particularly since it became a matter that affected the decisions of investors and stakeholders. Therefore, it is necessary to control and define measures for the disclosure of information both financial and non-financial in accordance with the law.

MISS.SUMATETA JITSIRIPOL

☎ 02-089-4124
✉ ir@metrosystems.co.th
🌐 <http://ir.metrosystems.co.th>





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

In addition, the Company provides shareholders and investors the opportunity to visit the Company and access the Company's information through management earnings announcements and other important events on an ongoing basis. Information and answers to inquiries of stakeholders can be obtained from the contact information provided herein. The Company allocates a specific investor relations budget every year in order to develop efficient investor relations operations as well as for the Company to analyze investor relations opportunities, problems or developments by defining investor relations objectives, including annual work plans and reports on investor relations operations to executive directors. Disclosure of such information will be done correctly, adequate, equitable and timely.

Nevertheless, the Company has established a policy on information disclosure and transparency, requiring the Board of Directors to oversee the disclosure of information about the Company's operations in the annual report and on the Company's website. Annually, the disclosure and transparency policy will be reviewed in order to ensure that the policy is in compliance with current legal requirements and regulations. The Company also provided channels for complaints, comments and suggestions, or inquiries from both internal and external individuals through the Company website

The Company adheres to the laws, rules and regulations stipulated by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand, and regularly monitors for changes to ensure correct and accurate disclosure of information, and as collateral for shareholders to have confidence in transparent business operations



Principle 8 :

Ensure Engagement and Communication with Shareholders

Shareholders' rights

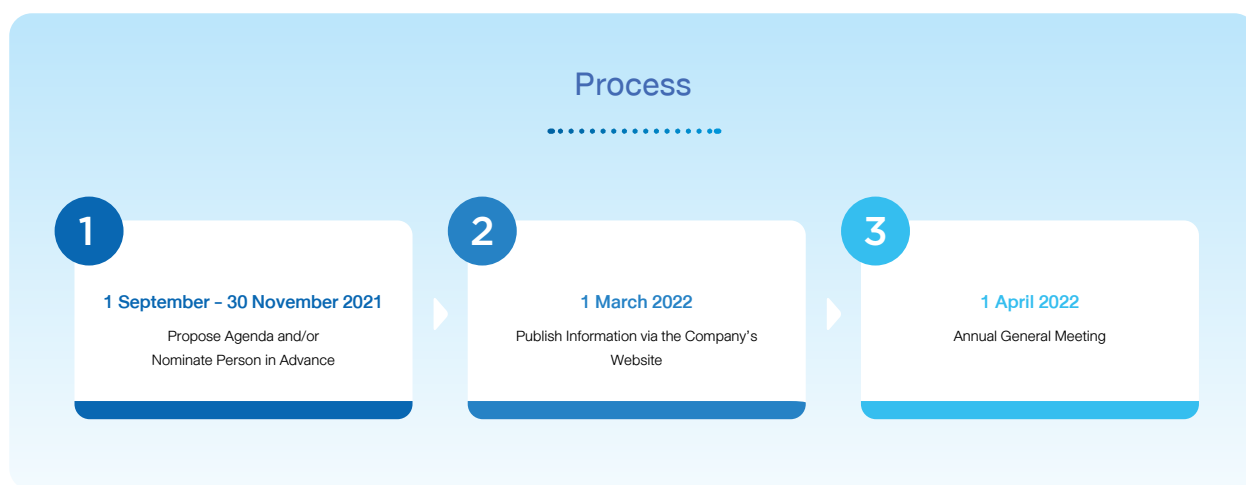
Shareholders, as the owners of the Company, have the right to set the direction of the Company's business, have the right to buy or transfer shares, the right to profit sharing, the right to attend meetings, to propose agenda in advance, and to nominate persons to be elected as directors of the Company, participation in decisions that have material effect on the Company, use of ballots in key agenda for transparency and verifiable, self-voting or by giving proxies to others, invitation to the meeting, receiving and accessing information of the Company before and after the meeting, as well as the results of consideration and voting resolutions, via various communication channels such as the securities depository center, the Company's website, etc. Shareholders therefore have the right to attend the shareholders' meeting and have sufficient time for consideration and acknowledgment of the meeting results.

The Company holds an Annual General Meeting every year and the Shareholders' Meeting was conducted according to the law, regulations, and guidelines for corporate governance. In addition to the basic rights, the Company also provides the following.

Prior to Annual General Meeting

1) The Company arranges for an annual general meeting of which the meeting is held within a period of not more than 4 months from the end of the fiscal year of the Company, and if there is an urgent case that requires the shareholders' resolution, the Company will call for an extraordinary general meeting for that specific case. In 2022, the Company held the Annual General Meeting on 1 April 2022 at Metro Systems Corporation Public Company Limited Head Office, No. 400 Chalermprakiat Rama 9 Road, Nong Bon Subdistrict, Prawet District, Bangkok. There was no extraordinary general meeting for that year.

- 2) The Company has disclosed information for the Annual General Meeting Invitation in both Thai and English languages, specifying the date, time, place, agenda of the shareholders' meeting, and supporting information for consideration of the various agendas, along with proxy forms of Form A, Form B and Form C as specified by the Ministry of Commerce to allow shareholders to authorize the audit committee or any person to attend the meeting on their behalf. Included also was the map of the meeting venue. In 2022, the Company has published information through the Company's website on 1 March 2022, before sending the meeting invitation to shareholders
- 3) The Company sent invitations to the annual general meeting, documents accompanying the meeting and the annual information disclosure form/annual report form (Form 56-1 One Report) in QR Code form to Thai Securities Depository Co., Ltd. for distribution to all shareholders in advance of the annual general meeting date. Shareholders received documents no less than seven days in advance in order to receive information and make decisions to vote with accuracy, completeness and transparency. In addition, meeting invitations were advertised in Thai language and English language newspapers for three consecutive days and seven days in advance of the meeting's date in order to inform shareholders in advance to make preparations to attend the meeting.
- 4) Shareholders can propose agenda and / or nominate persons to be elected as directors at the annual general meeting, as well as submit questions in advance of the annual general meeting from 1 September to 30 November as stipulated by the Company. The shareholders can take such actions as per their rights via various channels including by e-mail, by post, or on the Company's website.



On the Date of Annual General Meeting

- 1) The Company arranged a venue that was convenient for traveling with sufficiently sized to accommodate the number of shareholders and proxies which was at the Head Office of Metro Systems Corporation Public Co., Ltd., located at No. 400 Chalermprakiat 9 Road, Nongbon, Prawet, Bangkok
- 2) For convenience, the Company has provided system for registration by using a barcode system showing the registration number of each shareholder that has been printed on the registration form and the proxy form in order to speed up the registration process. In addition, the Company provides stamp duty for the enclosure of the proxy forms for the proxies who register to attend the meeting with a facilitator present throughout the registration period.
- 3) The Company has set guidelines for the annual general meeting in order to avoid violating any rights and facilitating the shareholders equally. Shareholders can register to attend the meeting at any time in order to exercise or abstain from their voting rights for agenda that have not yet been voted on and can express opinions freely within the appropriate time.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

- 4) At the start of the meeting, directors, committees, executive directors, as well as the auditors and legal advisors were in attendance of the meeting. Before the commencement of the meeting, the Chairman of the meeting assigned the Company's legal advisor to clarify all criteria related to the meeting, such as opening of meeting and voting, as well as the method of counting the votes of the shareholders who have to vote for each agenda.
- 5) The Company uses ballot papers for every agenda item requiring a resolution to be transparent and verifiable. In the agenda of election of directors, the election of individual directors is made by voting through inquiry at the meeting whether any shareholders or proxies disagree or abstain from voting and asking the shareholders or the proxies who disagree or abstain to raise their hands and vote on the ballot paper together with their signature. The officer will record the votes by scanning the barcode on the voting confirmation card and collect the said card, while for shareholders who agree to vote and sign on the ballot card but without raising hands, the Company will collect the cards all at once after the meeting has been completed.
- 6) For details of the voting results of each agenda item, the results will be collected and informed to the meeting after the completion of the voting on each agenda item. When the staff has finished counting the votes, the meeting will be informed of the voting results immediate.
- 7) The Company has a company secretary, who has been assigned by the Board of Directors to act as an inspector for the vote counting throughout the meeting, and a representative from the Thai Investors Association who also observed for shareholder rights protection.
- 8) Shareholders who attend the meeting after the Chairman of the meeting has opened the meeting can vote on the agenda under consideration that have not reached resolution. He shall be counted as quorum since the start of the agenda item in which may cause the number of people having rights to vote on each agenda to be not equal.
- 9) In the Annual General Meeting, if there is a director who conflict of interest in any agenda, that director must notify the meeting and also abstain from voting and not attend the meeting for that agenda.
- 10) In the Annual General Meeting, the meeting will consider matters according to the agenda specified in the notice calling for the meeting without changing the said agenda and no other matters other than those specified in the letter will be considered. In this regard, after the meeting has considered all matters in accordance with the agenda, the chairman will allow the shareholders to ask additional questions on matters of interest before the meeting is closed.
- 11) In 2022, due to the COVID-19 pandemic, the Company enacted social distancing measures by requiring shareholders to sit in zones designated by the Company with a distance of 1.5 meters between seats. To maintain health and hygiene, the Company directed shareholders or proxies who have questions at the meeting to write questions on paper and send questions to the staff to be collected rather than using a microphone. The Company responded to only questions at the meeting which concerned meeting agendas and made the meeting short and concise to reduce the time spent in the same place by many people.

After the Date of Annual General Meeting

- 1) The Company disclosed the resolutions of the Annual General Meeting by notifying the Stock Exchange of Thailand (SET) after the meeting on the same day and publishing the resolutions on the Company's website within the next business day.
- 2) The Company has prepared the minutes of the Annual General Meeting with clearly separated agendas, specifying names of directors who attended / not attended the meeting, questions of shareholders, clarifications of the Board of Directors, vote count and results of votes in each agenda in full to the Stock Exchange of Thailand (SET) within 14 days after the meeting date in accordance with the regulations of the SET and disseminate the meeting details completely and appropriately, as well as publishing the minutes of the meeting to the shareholders on the Company's website (www.metro-systems.co.th)

Equitable Treatment of Shareholders

The Company has a policy to take care of the interests and treat all shareholders equally, whether they are major shareholders, minority shareholders, institutional investors, or foreign shareholders. For the best interest of shareholders, up-to-date information is disclosed via the Company's Investor Relations website in order to keep shareholders informed of important news. Guidelines for the use of insider information have been established in writing and strictly informed to everyone involved, as well as requiring directors and executive directors to report their securities holding to the Board of Directors every quarter. Invitation letter to the shareholders' meeting were also made available in Thai and English.

In addition, shareholders can express their opinions or raise questions to the shareholders' meeting on matters related to the company by submitting questions related to the agenda prior to the meeting date and able to exercise their rights to ask questions at the Annual General Meeting, if any questions arise in each agenda

The conduct of the meeting must be in accordance with the Articles of Association of the Company following the order of the agenda, with complete details of each agenda being presented with clear information for consideration, as well as must not add agenda not informed to shareholders in advance unnecessarily, especially on important agenda that requires shareholders to take time to study information before making a decision

The Board of Directors is aware of the misuse of inside information (Insider Trading) against any person in connection with the information or who may be assumed to be a person who knows or possesses information that is material to change in price or value of a security and is information which has not yet to be disclosed to the public in accordance with the Securities and Exchange Act (No. 5) B.E. 2559, Section 242 (2) which stipulates that "inside information is prohibited be disclosed to other persons whether directly or indirectly, and by any means, know or should know that the recipient may use the information in the purchase or sale of securities or to bind to derivatives related to securities, either for themselves or for others; unless it is an act done in the manner that does not take advantage of other persons or in the manner prescribed by the SEC". The Company also has set a prohibition period of trading in the Company's securities during the period of 1 month prior to each Board of Directors' meeting.

The Company provides an opportunity for shareholders to propose additional agenda items and nominate persons to be elected as directors in advance of the Annual General Meeting. The Company has published such criteria through the Set Link system of the Stock Exchange of Thailand as well as the Company's website. In the past year, there were no shareholders proposing any meeting agendas or nominating persons to be elected as directors in advance of the 2022 Annual General Meeting in accordance with the above rules and procedures.





Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Code of Conduct

The Company specified business ethics and good guidelines in writing to be used by directors, executives and employees as guidelines in business operations by recognizing the importance of equitable treatment of stakeholders, transparency and accountability. Directors and executives are leaders who behave as good examples to promote sustainable corporate governance culture in the organization with a focus on compliance with corporate governance principles and consistency with the Company's vision, missions, objectives and business goals.

Communication and Operation Encouragement

The Company has continuously organized activities to create knowledge, understand and communicate on corporate governance and code of conduct in various forms, which are compiled in the Corporate Governance Manual, details appearing in Attachment 5 for directors, executive directors, employees, and all groups of stakeholders to understand and be able to apply the principles of good corporate governance and code of conduct. In the year 2021 the Company has performed the following:



Corporate Governance Manual, CG Principles and Code of Conduct The Company has prepared Corporate Governance Manual, and CG Principles and Code of Conduct through the resolutions of the Board of Directors' meetings and has been reviewed annually with the manuals published on the Company's website at <https://ir.metrosystems.co.th/corporate-governance-th/> so that all groups of stakeholders and the general public can have easy access. In addition, the Company has prepared a test on business ethics, policies, and regulations of the Company during the fourth quarter of every year with the aim that the directors, executive directors, employees to do the test with 90% score. A score of 80% or more is required to pass the assessment criteria of the Company. The test was also used as a communication channel and to test that the executive directors and employees have the correct understanding of the Company's policies and regulations. In 2022, 81.34% of permanent employees participated in the test and passed the assessment criteria and 35.29% of contract employees participated in the test and passed the assessment criteria.



Orientation for new employees, Organizing Activities and Communication The Company has educated all new employees about good corporate governance, code of conduct and anti-corruption to instill and raise awareness and conduct themselves in their work properly.



Monitoring and Compliance The Company has established rule, duties and responsibilities for directors, executive directors and all employees to acknowledge and comply with the policies and requirements in the Corporate Governance Manual, and CG Principles and Code of Conduct, with follow up on compliance to code of conduct through measures on complaints and whistleblowing and also internal audit processes of the Company. If directors, executive directors, or employees violate the principles of good corporate governance, it is considered a breach of discipline, and he may be warned, suspended, or dismissed as an employee



Supervision of operations to be in accordance with the laws and regulations The Company has a Compliance Department to assist the Board of Directors and employees of the Company to access necessary information, comply with relevant laws and regulations, as well as promote corporate governance in accordance with the standards of good governance. In the year 2022, there was a publicity for the Company's actions against corruption, policies and regulations, which related to anti-corruption of the Company, for everyone to acknowledge and adhere to, Including creating a test for everyone in the Company to understand and be able to apply the rules and regulations to work and daily life.

Major changes and developments in policies, practices and corporate governance systems over the past year.

The Company gives importance to and is committed to conducting business with transparency and fairness, with the directors, executive directors and employees of the Company having the duty to comply with the principles of good corporate governance, code of conduct, laws, regulations, and related requirements. Better corporate governance acts within the scope of authority in the management structure. Since 1 December 2015, each year the Board of Directors, by scrutiny from the Corporate Governance Sub-Committee, reviews the CG Principles, Code of Conduct, policies, and regulations along with regularly compiled in the Corporate Governance Manual in order for the executive directors to comply with the good corporate governance principles correctly and appropriately. Testing, organizing activities to enhance knowledge, etc. was also done so that the employees of the Company are aware of the importance and act in accordance with the framework of good business ethics as a part of promoting the organization's sustainable growth in the long run. Throughout the years of operation, the Company has consistently adhered to the good corporate governance principles, including laws, regulations and relevant requirements such as Code of Best Practices for Directors of Listed Companies and the criteria for being a company with good corporate governance system as provided by the Stock Exchange of Thailand, including the criteria following the Corporate Governance Report of Thai Listed Companies (CGR) of the Thai Institute of Directors Association (IOD), and in accordance with the quality assessment criteria for organizing the annual general meeting of shareholders of the Thai Investors Association. However, as the Securities and Exchange Commission issued the Corporate Governance Code (CG Code) as a guideline for listed companies, the Company has revised the contents of the Corporate Governance Manual in accordance with the new issue of framework of CG Code good corporate governance practices. The eight points emphasize the performance and responsibility of directors and executive directors, building confidence among all stakeholders of the Company, and raise the standards of corporate governance of the company to the next level. In addition, the Company has established good governance practice as part of the mission and values of the organization to create appropriate benefits for stakeholders and create added value together on the principles of good corporate governance.

In addition, the Company's practice guidelines, whether it be a CG Principles, Code of Conduct, management structure, policies and practices related to compliance with corporate governance principles, are compiled in a handbook under the name "Corporate Governance Manual" for the directors, executive directors, and employees of the Company to be able to use it as a guideline for their conduct in accordance with the framework of good corporate governance. In addition, the Company has assigned the Corporate Governance Sub-Committee to oversee and maintain standards and regularly review the policies, principles, and practices of corporate governance annually, which interested people can access information through <https://ir.metrosystems.co.th/corporate-governance-th/>

The Company took significant actions concerning reviews of policies, committee and sub-committee charters to ensure that the Company has continual corporate governance and increased governance efficiency by making the following content revisions:

- The Company reviewed the Corporate Governance Handbook and make revisions to make corporate policies and corporate governance principles appropriate for the current situation and so that directors, executives and employees can adhere to this guideline and use it in practice correctly.
- The Company reviewed business ethics and made modifications to make corporate policies, business ethics and disciplinary actions appropriate for the current situation.
- The Company reviewed relevant policies and regulations and improve the contents of related policies and regulations to be in line with the current situation and in accordance with the good corporate governance principles.
- The Company reviewed supplier business ethics, modified content concerning Human Rights and Labor in order to allow suppliers to properly adhere to these guidelines in practice.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

In 2022, the Company received the following assessments concerning corporate governance and other awards:



The Stock Exchange of Thailand reported results from assessment in the Corporate Governance Report (CGR) of 2022. The survey and assessment were carried out by the Thai Institute of Directors and the Company received outstanding mean scores. From the assessment results for listed companies in general, the Company received a score of 85%, SET100 received a score of 92% and SET50 received a score of 94%, which is higher than the average for listed companies. The Company's scores by category were divided into shareholder rights, equitable treatment of shareholders, consideration of stakeholder roles, disclosure of information and transparency, and responsibility of the Board of Directors. The Company's score was 97%, 96%, 92%, 96% and 85%, respectively. In this year, the Company's mean scores are equal to the Company's score in 2021, which was 91%.



The Thai Investors' Association reported results from assessing quality on the AGM Checklist of 2022 showing the Company to have received a 98% score.



In 2022, the Company was declared a sustainable stock for the third consecutive year by the Stock Exchange of Thailand due to the Company's business operations which considered the environment, corporate social responsibility, and management under corporate governance principles (Environmental, Social and Governance or ESG).



In 2022, the Thaipat institute selected the Company for the Sustainability Disclosure Acknowledgement honor for the third consecutive year due to the Company's disclosure of information on sustainability.


The Corporate Governance Report (CGR) rated at the "Excellent" level by the Thai Institute of Directors.

 
Selected as a "THSI" by the Stock Exchange of Thailand for the third consecutive year.


98% score of the AGM Checklist by the Thai Investors Association.


Received an honorary "Sustainable Disclosure Acknowledgement" from the Thaipat Institute for the third consecutive year.

**Success in
2022**

Compliance with good corporate governance in other areas

The Company is committed to upholding good corporate governance by complying with applicable laws, regulations and requirements, including the “Code of Best Practices for Directors of Listed Companies” and criteria for being a company with good corporate governance system as recommended by the Stock Exchange of Thailand, whereby the Board of Directors has a process to apply the principles of good corporate governance for listed companies in 2017 (Corporate Governance Code: “CG Code”). They are used as framework for their conduct in addition to what has already been followed in accordance with good Corporate Governance Principle (CG Principle) for listed companies for the year 2012. The Company has prepared a CG Principles as guideline for good practice in ethics and code of conduct for directors, executive directors, and employees. The handbook will be proposed to the Corporate Governance Sub-Committee to review regularly at least once a year before proposing to the Board of Directors’ meeting for approval and communicating to the executive directors for strict compliance.

The Company has a monitoring process by organizing an annual performance evaluation of the directors and sub-committees.

Corporate Governance Code



For items that has not yet been implemented, the Company will use as guideline for proper implementation, including:

The items that have not been implemented	Reason
The Chairman of the Board is an Independent Director	The Chairman of the Board is an Independent Director. The Chairman of the Board of Directors is a different person from the Chief Executive Officer, where the Company clearly separates duties and responsibilities of the Board of Directors and the management in order to create a balance between management and good corporate governance.
The Board of Directors should clearly state the term of office of Independent Director in the corporate governance policy for no more than 9 years.	The Board of Directors does not set the term of office of Independent Directors as the Company believes that such directors are knowledgeable and experienced enough to perform their duties well.
The Board should consider holding more than six board meetings a year.	The Company holds at least five board meetings a year to consider the annual and quarterly financial statements, including the determination of the Company’s strategy, which is of the opinion that such meetings are complete and adequate for consultation and decision making.



Business
Overview

Corporate
Governance

Sustainability
Report

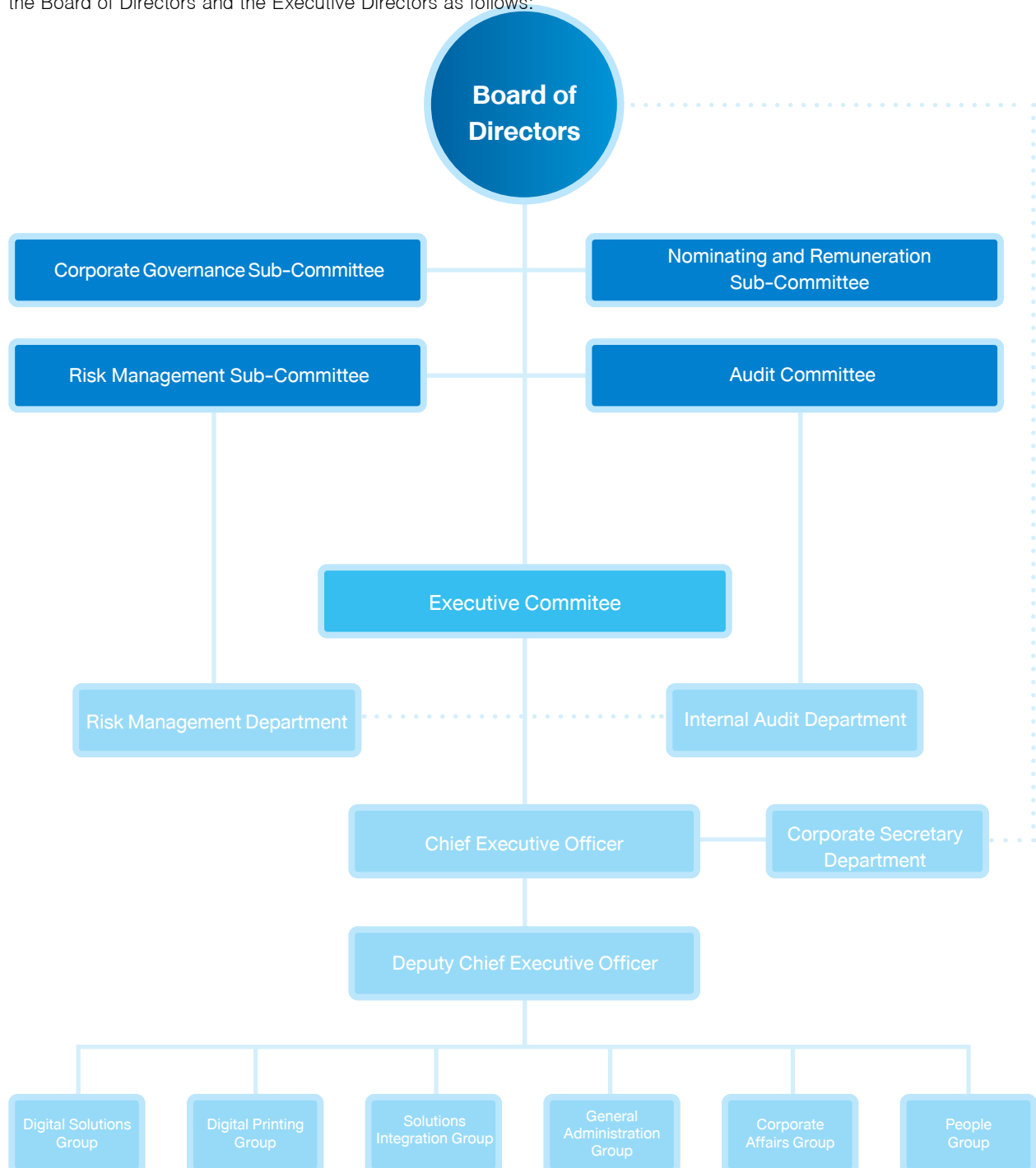
Financial
Statements

Attachments

CORPORATE GOVERNANCE STRUCTURE AND OTHER RELATED INFORMATION

Corporate Governance Structure

As of 31 December 2022, the Company has coordinated the organization management, which separates the duties between the Board of Directors and the Executive Directors as follows:



On 1 January 2023, there was a merging between General Administration Group and Corporate Affairs Group into one group and called Finance and Administration group.

Information about the Board of Directors

List of the 9 members of Board of Directors as of 31 December 2022 as follows

No.	Position	Name
1	Chairman	Mr. Sunpitt Sethpornpong
2	Vice Chairman	Mr. Kittit Techataveekijkul
3	Director	Mr. Tavit Charuvajana
4	Director	Mr. Narong Charuvajana
5	Director	Mr. Wanarak Eckachai
6	Director	Mr. Suvij Suvaruchiphorn
7	Independent Director	Mr. Pravit Chattalada
8	Independent Director	Dr. Virach Aphimeteetamrong
9	Independent Director	Assoc. Prof. Phornsiri Thivavarnvongs

Forbidden Qualifications of the 9 members of Board of Directors :

1. Not bankrupt, never been imprisoned by a final judgment for an offense relating to property committed in dishonesty, and never been punished or discharged from government from malpractice
2. Not operating as a partner or shareholder in any other legal entities that are same environmental and compete with the Company
3. Independent directors are qualified with the qualification of Company's independent directors, specified in Definition of Independent Directors, Page 86

Composition of the Board of Directors

The Board of Directors consists of knowledgeable and capable persons who have important roles in determining the company's objectives and goals by partnering with senior management on policy, vision, strategic and the company's operational direction. The Company has reviewed annually and supervise the management operations according to specified policy with efficiency and effectiveness as well as monitoring and supervision the substantial implementation.

Board of Directors who are Non-Executive Directors, accounting for 77.77%.

Board of Directors who are Executive Directors, accounting for 22.22%.

Independent Director who is Woman.

Independent Directors and the Company's Independent Directors at least 1 in 3 of all directors and no less than three members.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Composition of the Board of Directors

Composition Of The Directors

Non-Executive Directors

7
People

77.77%

Executive Directors

2
People

22.22%

Independent Director



Men

8

People



Woman

1

Person

Age of Directors



Men

2 People



Woman

1 Person

Age of Directors

50-60 Years

1

Person

61-70 Years

2

People

71-80 Years

5

People

81-90 Years

1

Person

Directors' diverse skills and experiences



Law

1

Person



Good Corporate
Governance

9

People



Information
Technology

8

People



Business
Administration and
Management

6

People



Accounting Finance,
and Audit

3

People



Political Science/
Philosophy

1

Person

Policy on Diversity in Committee Structure

The Board of Directors has specified the director qualification and nomination process to be diverse for those who shall serve as directors by considering the necessary skills that are lacking in the board, professions and specialized expertise, including and not limited to race, religion, and gender etc.

Directors Authorized to Sign on Behalf of the Company

Authorized signatory of the directors to bind the Company are Mr. Sunpitt Sethpornpong or Mr. Kittit Techataveekijkul or Mr. Tavit Charuvajana or Mr. Narong Charuvajana, with two of these four directors jointly sign and affix the Company's seal.

Roles and Duties of the Board of Directors

Roles and Duties of the Board of Directors are as follows:

- 1) Must perform duties in accordance with the law, objectives, articles of association of the company and resolutions of the shareholders' meeting, except in matters that require the approval of the shareholders' meeting before taking action, such as matters required by the law to be approved in a shareholders' meeting, connected transactions, and the purchase or sale of important assets in accordance with the regulations of the Stock Exchange of Thailand.
- 2) To have the power to appoint and remove the Executive Committee to carry out any or many activities, with details of delegation of authority within the scope of duties of the Executive Committee, which such delegation must not be in the manner that enables the Executive Committee to approve any transactions in which he or a person may have conflicts, stake, or other conflicts of interest, including performance assessment and Remuneration of Executive Committee.
- 3) Has the power to appoint and remove committees to carry out specific activities in a specific case in accordance with the assigned duties.
- 4) Establish policies, missions, visions, strategies, and operating directions of the Company and supervise the management to act in accordance with the established policies with efficiency and effectiveness, with annual review and monitoring for the concrete implementation of the policy.
- 5) Consider quarterly operating results and establish reliable accounting system, financial reporting, auditing, and supervise the process for assessing suitability of internal control, risk management and internal audit to be effective.
- 6) Ensuring that a succession plan is in place for the top executive of the organization to be prepared in the event that the executives vacate their positions.

Separation of Chairman and Chief Executive Officer

The Company has separated the roles and responsibilities between Chairman and Chief Executive Officer, who were responsible for the establishment of policies and management of the Company's daily operations, respectively. This helped facilitate the Board of Directors to perform their duties independently and be able to supervise and evaluate the management of daily operations efficiently. The Company has determined a policy, where Chairman of the Board of Directors and Chief Executive Officer were required to be different people. Both positions were also required to be selected by the Board of Directors and screened by the Nominating and Remuneration Sub-Committee to obtain fully qualified persons.

In the event that the Chairman is not an Independent Director, the Company has clear measures for the balance of power between the Board of Directors and the management by requiring the Independent Directors to jointly consider the agenda of the Board of Directors meeting.

In addition, the Board of Directors has clearly approved the scope of authority and duties of the executive directors for transparency and appropriate flexibility in their operations. It is also responsible for controlling expenses and capital expenditures within the scope approved by the Board of Directors in the annual plan, implementing personnel policies, resolving problems or conflicts that affect the organization.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Chairman

1. Call for a meeting of the Board of Directors, setting of the date, time, and agenda
2. Acts as the Chairman of the Board of Directors meeting by controlling the meeting and as a casting vote in the event that the Board of Directors meeting has voting and both sides are of equal votes
3. Control meetings to be efficient in accordance with company regulations, support and provide opportunities for directors to express their opinions independently
4. Acts as the Chairman of the shareholders' meeting of the Company and oversees controlling of the shareholders' meeting
5. Oversee and monitor the management of the Board of Directors, Executive Committee and other sub-committees to achieve the specified objectives
6. Follow orders of the executive committee and other sub-committees, to achieve the objectives as it will be obtained

Chief Executive Office

1. To manage and supervise the normal business operations of the Company
2. Responsible person for setting the Company's mission, objectives, guidelines, policies, and governs overall operations, contacts with product owners, customer relations, marketing
3. The Company considers business strategies, raising of funds for the Company and proposes to the Executive Committee and / or the Board of Directors in order of importance.
4. Have the power to appoint a deputy or assistant to the Chief Executive Officer and consultants in various fields necessary for the operation of the Company.
5. Has the power to hire, appoint, lay off, dismiss, and set the rate of wages, gratuity, salary increase, compensation, and bonuses for employees of all levels, except for the hiring, appointment, and layoff of the managing director or deputy managing director of the group, in which it must be submitted to the Executive Committee to consider and approve.
6. Has the power to consider and approve operation or entering into any contract or agreement in connection with the purchase or sale of products or services, which is the normal business operation of the Company, for the contract of procurement, hire or any other contract for the benefit of the business of the Company as specified in the annual approval structure or as assigned by the Board of Directors.
7. Authority over financial approval or operations as specified in the annual approval structure or as assigned by the Board of Directors are:
 - Applying for credit for the purchase of products and / or services of the Company or for various operations in each business unit or work group in amount of more than 100 million baht for each time or each project.
 - In the borrowing or applying for loans for normal business transactions or for the operations of companies that are not related to financial institutions, shall have the power to consider and approve within the limit not exceeding 200 million baht per person.
 - Expenditure for investment in projects, investing in capital assets or fixed assets for management within the limit for each project not exceeding 25 million baht.
 - Granting a credit limit to customers for normal trading purposes within a limit not exceeding 200 million baht per person.
 - Contract for sale of products or service, etc.

Spending for purchasing of products or services for sale as normal business within the limit for each time not exceeding 200 million baht
8. Delegate sub-powers for the Deputy Chief Executive Officer, Vice President or Management Employees to manage and act on matters as necessary and appropriate at the discretion of the Chief Executive Officer. The above authorization requires the Chief Executive Officer or the attorney from the Chief Executive Officer to not approve any transaction in which he or a person may have a conflict of interest in any other manner with the Company or subsidiaries except for the approval of transactions that are normal business and / or in accordance with the criteria approved by the Board of Directors



Information about the Sub-Committees

There are 5 sub-committees with roles, duties and responsibilities to supervise, screen information, and make opinions and propose to the Board of Directors. As of 31 December 2021, the sub-committees are as follows:

Executive Committee

No.	Position	Name
1.	Chairman of Executive Committee	Mr. Tavit Charuvajana
2.	Executive Director	Mr. Thongchai Lumveerakul
3.	Executive Director	Mr. Aroon Tor-Ekbundit
4.	Executive Director	Mr. Veeraphan Durongsang
5.	Executive Director	Mrs. Nittaya Thanaviriyakul
6.	Executive Director	Mr. Suradet Lerthammajak

Remark : The Shareholders' Meeting No. 5/2022 has resolution to appoint Ms. Sumateta Jitsiripol to be in the position of Executive Director, effective from 1 January 2023.

The Executive Committee has the following roles and duties:

- 1) To establish the organizational and administrative structures covering all details of the selection, training, as well as the authority to consider and approve the appointment and dismissal of employees in the role of President, Vice President.
- 2) To have authority to make recommendations, formulate business policies and strategies of the Company, business plans, management authorization, annual reports, approving annual budgets for business operations and cost estimates, and execute business plans and business strategies in accordance with the business plan and strategy, in line with predetermined policy and business guidelines.
- 3) To have the power to consider and approve on the implementation or entering into any contract or agreement with respect to the purchase or sale of products or services which are considered normal to the business operations of the Company or approve contract of procurement or hire, or any other contract for the benefit of the business of the Company as specified in the annual approval structure or as assigned by the Board of Directors.
- 4) To have the power to approve financial or operating matters as specified in the annual approval structure or as assigned by the Board of Directors.
- 5) To have the authority to consider and approve financial transactions with banks in matters such as requesting opening of all types of deposit accounts with commercial banks both in the country and internationally. To have the authorization signature on cheques and documents that correspond to the bank's account, including the authority to close the Company's deposit account with the bank.
- 6) Perform other duties as assigned by the Board of Directors in each period.

In this regard, the Executive Committee may give proxy to the President or the Vice President, or the Company's management employee to have financial authority or in connection with contract in any or several matters as the Executive Committee deems appropriate. To approve the aforementioned transactions, there must be no manner of approving transactions that allow the Executive Committee or the attorney from the Executive Committee to approve transactions in which they or persons who may have a conflicts of interest in any other manner with the company or subsidiary except for the approval of transactions that are in normal business and / or in accordance with the criteria approved by the Board of Directors.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Term of Office

The Executive Committee was appointed by the Board of Directors in accordance with Article 24 of the Articles of Association as appropriate without specifying the the number of persons, number of years, or term of office.

Article 24 of Articles of Association “The Board have the authority and responsibility to manage the company according to the law, and the regulations and resolutions of the shareholders’ meeting.

The Board of Directors have the authority to elect any director or person to be an Executive Committee to carry out any or many activities by stipulating any conditions or may delegate power to one or more directors or other persons to perform in place of any of the Board of Directors”

Executive Directors vacate office upon

- 1) Death
- 2) Resignation
- 3) Disqualified or prohibited by law
- 4) The Board of Directors voted to dismiss

Audit Committee

The Audit Committee consists of three members of the Independent Director who are fully qualified under the announcement of the Stock Exchange of Thailand. They shall not have any business or professional service relationship with the Company, its subsidiaries, associated companies, or any juristic persons who may have any conflicts.

No	Position	Name
1.	Chairman of Audit Committee	Dr. Virach Aphimeteetamrong
2.	Audit Committee	Mr. Pravit Chattalada
3.	Audit Committee	Assoc. Prof. Phornsiri Thivavarnvongs

Note :

1. Dr. Virach Aphimeteetamrong and Assoc. Prof. Phornsiri Thivavarnvongs have adequate knowledge and experience in performing their duties to review the reliability of the financial statements.
2. Board of Directors’ Meeting no. 4/2022 has resolution to appoint Dr. Virach Aphimeteetamrong to be Chairman of Audit Committee, effective from 29 August 2022

Scope of Audit Committee’s Authorities

1. To audit and ensure that the Company’s financial statement is accurate, reliable, and has adequate information disclosure.
2. To audit and ensure that the Company implements internal controls, internal audit systems and risk management appropriately and efficiently
3. To review the Company’s work process, risk management, control, Information technology governance and information security and effective communication network systems.
4. To review the results of monitoring and measures to prevent corruption within the organization, including reviewing the Company’s internal whistleblowing and complaints.
5. To audit and ensure that the Company complies with the laws regarding security and the stock market, SET regulation, and applicable laws related to the Company’s business.
6. To appoint an independent internal audit department to approve the appointment, removal or termination of the internal audit manager or other departments related to internal audit affairs.

7. To consider and review the audit results recommendations of both auditors and Internal Audit Department Including follow up to ensure that the management has sufficiently proceeded with such recommendations.
8. To consider policies and procedures regarding non-audit services of the auditor's office and approve the use of such services to ensure that it will not affect the independence of the auditor (if any)
9. To consider the connected transactions or any transaction's which may cause a conflict of interest in compliance with the applicable laws and SET regulations. This will ensure that such transactions are deemed most reasonable and beneficial to the Company.
10. To consider, select and appoint an independent person to act as the Company's auditor, and propose remuneration for the selected person by considering reliability, adequacy of resources, amount of audited jobs, experience and performance over past years, as well as considering removal of the auditor and attending meetings with the auditor without the management's presence at least once a year.
11. Have the authority to hire advisors or third parties in accordance with the Company's regulations to give an opinion or consultation in case of necessity.
12. To report the performance of the Audit Committee to the Board of Directors at least 4 times a year, including preparing the Audit Committee's report and presenting it in the Company's annual report, in which must be signed by Chairman of the Audit Committee. The report must consist at least the following information:
 - 12.1 To give opinion on the accuracy, adequacy and reliability of the Company's financial statement.
 - 12.2 To give opinion on the adequacy of the Company's internal control systems.
 - 12.3 To give opinion regarding the compliance with laws related to security and the stock market, SET regulations, and applicable laws related to the Company's business.
 - 12.4 To give opinion on the suitability of the auditor.
 - 12.5 To give an opinion on any transactions that may cause a conflict of interest.
 - 12.6 To state the number of audit committee meetings and the attendances of each member of the audit committee.
 - 12.7 To give an overall opinion or comment that the audit committee perform their duty by following the charter.
 - 12.8 To inform the shareholders or regular investors regarding matters that they should be aware of under the duty and responsibility assigned by the Board of Directors.
13. To perform other jobs as assigned by the Board of Directors with the agreement of the Audit Committee.

In relation to acting under the authorized duties mentioned above, the Audit Committee shall be held directly accountable to the Board of Directors, and the Board of Directors will also have responsibility for the Company's operating result towards the third parties. In order that, the Audit Committee must report the results of the preliminary examination to the Securities and Exchange Commission and the authorized auditor within 30 days from the date of receiving the notification from the certified public accountant regarding behavior that has reasonable grounds to suspect that the director, manager or person responsible for the company's operations has committed an offense relating to management corrupt and fraudulent work (as detailed in Attachment 5).

Term of Office

The Audit Committee was nominated by the Board of Directors every two years after the first nomination made on 29 August 1998. Due to this Audit Committee completing their term of office on 28 August 2022, and the Board of Directors passed the resolution in the Meeting No. 4/2022 on 10 August 2022 to extend the term of office of the Audit Committee from 29 August 2022 to 28 August 2024.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Nominating and Remuneration Sub-Committee

Nominating and Remuneration Sub-Committee consists of an Independent Director and 2 non-executive directors. The non-executive director shall be the Chairman of the Nominating and Remuneration Sub-Committee.

No.	Position	Name
1.	Chairman of Nominating and Remuneration Sub-Committee	Mr. Suvij Suvaruchiphom
2.	Vice Chairman of Nominating and Remuneration Sub-Committee	Mr. Narong Charuvajana
3.	Nominating and Remuneration Sub-Committee	Mr. Pravit Chattalada

Scope of Nominating and Remuneration Sub-Committee's Authorities

- 1) To consider the qualifications of the Board of Directors as a whole and individually suitable for the size, type and complexity of the business in terms of education, know-how, skills, experience and talents related to the Company's business, for total independence, and other qualifications according to the Company's criteria.
- 2) To determine the criteria and policies for the nomination and remuneration of the Board of Directors and sub-committees of the Company.
- 3) To consider the nomination of directors by considering suitable persons to serve as directors and propose to the Board of Directors and / or the shareholders' meeting for approval, as the case may be.
- 4) To consider and nominate a suitable person to hold the position of Chief Executive Officer in the event of a vacancy, including considering criteria for succession of Chief Executive Officers, which the nomination consideration must be appropriate to the Company's business management in order to achieve the vision determined by considering education, experience, knowledge, skills, expertise, as well as other qualifications in accordance with the criteria specified by the Company.
- 5) To determine the necessary and appropriate remuneration to motivate and retain the Board of Committee, Sub-Committees, and Chief Executive Officer each year, taking into account the consistency with the duties, responsibilities, determination, based on comparison within the same industry as well as considering business expansion and growth of the Company.
- 6) To establish the criteria and policies for determining the remuneration of the Board of Directors and the Chief Executive Officer and propose to the Board of Directors meeting and / or the shareholders' meeting for approval, as the case may be.
- 7) To be responsible to the Board of Directors and for providing explanations and answers to questions regarding the nomination and remuneration of directors and executive directors at the shareholders' meeting.
- 8) To report the performance of the nomination and remuneration to the Board of Directors and disclose in the annual report.
- 9) To perform any other duties assigned by the Board of Directors in each period.

As detailed in Attachment 5

Terms of Office

Nominating and Remuneration Sub-Committee, previously, the Board of Directors has appointed by dividing to 2 sets; Nominating Sub-committee and Remuneration Sub-Committee. These 2 Sub-Committees were appointed firstly on 8 May 2006. The Board of Directors has resolution to merge both sets of Sub-Committees to be one set called "Nominating and Remuneration Sub-Committee", and take the position one more term effective from 1 June 2022 until 31 May 2024.

Corporate Governance Sub-Committee

Corporate Governance Sub-Committees consists of an Independent Director, an non-executive director and 5 executives, with an Independent Director acting as the Chairman.

No.	Position	Name
1.	Chairman of Corporate Governance Sub-Committee	Dr. Virach Aphimeteetamrong
2.	Corporate Governance Sub-Committee	Mr. Kitti Techataveekijkul
3.	Corporate Governance Sub-Committee	Mr. Wanarak Eckachai
4.	Corporate Governance Sub-Committee	Mr. Thongchai Lumveerakul
5.	Corporate Governance Sub-Committee	Mr. Aroon Tor-Ekbundit
6.	Corporate Governance Sub-Committee	Mr. Veeraphan Durongsang
7.	Corporate Governance Sub-Committee	Mrs. Nittaya Thanaviriyakul
8.	Corporate Governance Sub-Committee	Mr. Suradet Lertthammajak

Remark : Board of Directors' Meeting No. 4/2565 has resolution to merge Corporate Governance Sub-Committee and Sustainability Development Sub-Committee into one group and called Corporate Governance Sub-Committee, then, appointed Mr. Suradet Lertthammajak to be one more Sub-committee, effective on 10 August 2022.

Scope of Corporate Governance Sub-Committee's Authorities:

1. To propose the corporate governance procedures to the Board of Directors and give suggestions on the ethics and code of conduct to the directors, executive directors, employees and staffs of the Company.
2. To supervise and advise the Board of Directors and the executive directors on duties and responsibilities in accordance with the framework and criteria of a good corporate governance policy on a continual and appropriate basis.
3. To regularly review and update the policy on good corporate governance in order to keep the corporate governance policy up-to-date and in line with international standards and relevant laws, rules, practices, and regulations.
4. To follow up and evaluate the performance of directors and executive directors in accordance with good practice and prepare an annual corporate governance assessment report to be submitted to the Board of Directors, including presenting opinions and recommendations as necessary.
5. Follow up and report to the Board of Directors about the Sustainability topic or trend in present and in the future, also the effect may happen to the corporate.
6. To consider the plan and annual budget to support the activities for social and community as well as the stakeholder and supply chain.
7. To have authorization to appoint a teamwork appropriately.
8. To perform any other duties assigned by the Board of Directors in each period.

As detailed in Attachment 5.

Terms of Office

Previously, the Board of Directors has appointed by dividing to 2 sets; Corporate Governance Sub-Committee and Sustainability Development Sub-Committee. These 2 Sub-Committees were appointed firstly on 6 November 2015 and effective to be in the position on 1 December 2015 onward. Each person has 2 years for terms of Office, therefore, the 2 sets of Sub-Committee will be terminated on 30 November 2023. However, the Board of Directors has resolution to merge both sets of Sub-Committees to be one set called "Sub-Committee Corporate Governance". Upon termination of Term of Office on 30 November 2023, there will be renewal Term of Office for 2 years again as before.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Risk Management Sub-Committee

Risk Management sub-committee consists of an Independent Director, an executive director, an non-executive director and 4 executives, with an Independent Director acting as the Chairman.

No.	Position	Name
1.	Chairman of Risk Management Sub-Committee	Assoc. Prof. Phornsiri Thivavarnvongs
2.	Risk Management Sub-Committee	Mr. Kitti Techathaveekijkul
3.	Risk Management Sub-Committee	Mr. Wanarak Eakachai
4.	Risk Management Sub-Committee	Mr. Thongchai Lumveerakul
5.	Risk Management Sub-Committee	Mr. Aroon Tor-Ekbundit
6.	Risk Management Sub-Committee	Mr. Veeraphan Durongsang
7.	Risk Management Sub-Committee	Mrs. Nittaya Thanaviriyakul

Scope of Risk Management Sub-Committee's Authorities:

- 1) To review and assess potential risks, including the trends of their impact on the organization.
- 2) To establish a risk management policy to cover various risks in the management and review such policies annually and present to the Board of Directors for approval.
- 3) To supervise and support the implementation of corporate risk management in line with business strategies and goals, as well as changing circumstances.
- 4) To appoint a risk management working group as necessary.
- 5) To provide recommendations for monitoring the implementation of risk management, including analyzing, evaluating, managing, monitoring and reporting systematically.
- 6) To report risks and recommendations for risk management to the Board of Directors and disclose the related operating results in the annual report.
- 7) To perform other duties as assigned by the Board of Directors in each period.

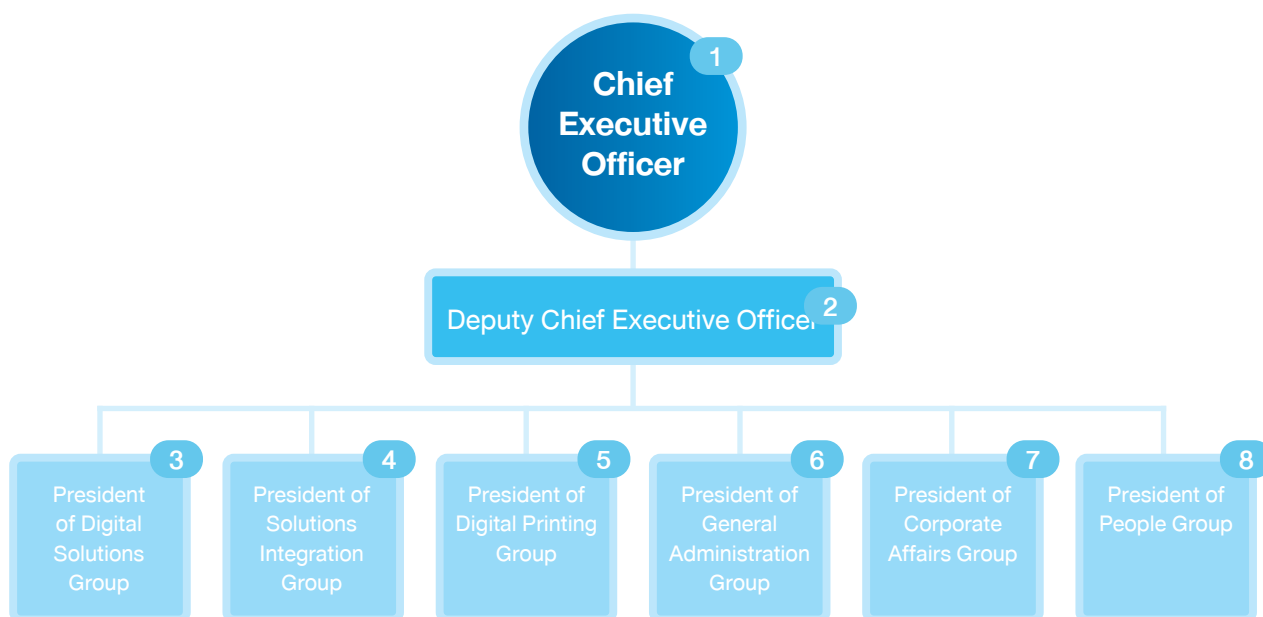
as detailed in Attachment 5

Term of Office

Risk Management Sub-Committee has a term of office of 2 years, first appointed on 6 November 2015, completed on 1 December 2017. The Board of Directors has passed a resolution in the Meeting No. 5/2021 on 12 November 2021. The Risk Management Sub-Committee shall hold office for another term from 1 December 2021 to 30 November 2023.

Information about the Executive Committee

As of 31 December 2022, the Company has set up the management structure of the Company as follows:



Note : 1. The persons ranked 1 to number 8 are the executive directors according to the announcement of the Securities and Exchange Commission concerning the definition of the announcement regarding issuance and offering of securities.
2. Person number 6- 7 is the same person with the Chief Financial Officer.

List of executive directors as of 31 December 2022

No	Name	Position
1.	Mr. Tavit Charuvajana	Chief Executive Officer (CEO)
2.	Mr. Wanarak Ekachai	Deputy Chief Executive Officer (Deputy CEO) / President of People Group
3.	Mr. Veeraphan Durongsaeng	President of Digital Solutions Group
4.	Mr. Aroon Tor-Ekbundit	President of Solutions Integration Group
5.	Mr. Suradet Lertthammajak	President of Solutions Integration Group
6.	Mr. Thongchai Lumveerakul	President of Digital Printing Group
7.	Mrs. Nittaya Thanaviriyakul	President of General Administration Group / President of Corporate Affairs Group Chief Financial Officer

Remark - Board of Directors' Meeting No. 11/2022 has resolution to appoint Ms. Sumateta Jitsiripol to be in the position of Finance and Administration group, also the top responsible person in Chief Financial Officer, effective on 1 January 2023.
- On 1 January 2023, there is merging between General Management Group and Corporate Business Group, and rename "Finance and Administration group"

All 7 executive directors are executive directors in regards to the definition of "executive directors" according to the announcement of the Securities and Exchange Commission No. TorChor.23/2551, Including not having the following prohibited qualifications:

1. Not being a bankrupt, never being sentenced by a final judgment for an offense in connection with assets committed dishonestly, never being punished or discharged from the government or government organization or agency for malpractice.
2. Not operating as a partner or shareholder to any other juristic person that has the same nature and is in competition with the business of the Company.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Information on Director Status in Subsidiaries and Associated in the Company's Primary Business as of 31 December 2022

Names	Metro Professional Products Co., Ltd.	Metro Connect Co., Ltd.	Metro Infotech Co., Ltd.	HIS MSC Co., Ltd.
Mr. Tavit Charuvajana		Chairman	Chairman	Chairman
Mr. Narong Charuvajana	Chairman	Director		Director
Mr. Kittit Techataveekijkul	Director	Director		Director
Mr. Veerapan Durongsang		Director		
Mr. Aroon Tor-Ekbundit			Director	Director
Mrs. Nittaya Thanaviriyakul	Director	Director		

Remarks : Information on directors of subsidiaries and associates as shown in Attached Document 2.

Remuneration of Executive Directors

The Company has a policy to consider the remuneration of the executive directors, including the compensation of the Chief Executive Officer based on the short-term and long-term performance of the Company and individual performance in comparison with the performance indicators as a measure of financial indicators and the work development process, as well as personnel development indicators such as total revenue excluding interest, operating expenses against operations income, customer satisfaction, etc. Through all resolutions of the shareholders' meeting of the Company, the Nominating and Remuneration Sub-Committee will consider and present to the Board of Directors for approval that such compensation is appropriate and able to motivate the management to lead the organization to achieve both short-term and long-term goals and can compare with the level of practice in the same industry before proposing to the shareholders' meeting for the sustainable success of the Company, all done subjected to transparent criteria and the scope of job responsibilities.

In 2022, executive directors such as the Chief Executive Officer, Deputy Chief Executive Officer, President will receive compensation comprising salary, bonus, provident fund and other benefits as follows:

Monetary Compensation

Compensation type	2021		2022	
	No. of person	Total amount	No. of person	Total amount
Salary, bonus, and other income	7	58,036,550	7	66,308,600

Other Remunerations for the Executive Directors

The executive directors of the Company receives other benefits and welfare according to the Company's regulations similar to other employees such as benefits related to medical treatment, health check-up, various types of loan welfare and provident fund. Provident fund for executives is at rate of 5% of salary.

Information on Employees

As of 31 December 2022, the Company and subsidiaries had a total of 1,092 employees. The number of employees in each company is as follows:

Company	Executives *	Sales Dept.	Engineering Dept.	Other Depts.	Total
Metro Systems Corporation Plc.	7	169	632	187	995
Metro Professional Products Co., Ltd.	1	6	21	15	43
Metro Connect Co., Ltd.		7	19	6	32
HIS MSC Co., Ltd.		5	15	2	22
Total	8	187	687	210	1,092

*Remarks : "Executive" means executive as defined by Capital Market Supervisory Board Notifications.

The ratio of total remuneration for female employees to total remuneration for male employees was 44:56 Total remuneration for the Company at the end of 2021 was 776.91 million baht and 802.06 million baht at the end of 2022. The aforementioned remuneration consists of salaries, bonus payments, commissioning fees, provident fund contributions and other benefits. Furthermore, subsidiaries and associates paid employees in a similar manner to the Company at a total of 78.73 million baht at the end of 2021 and a total of 79.32 million at the end of 2022.

The ratio of total employee remuneration to total executive remuneration was 83 : 17.

The ratio of total remuneration for female employees to total remuneration for male employees was 44 : 46.

The ratios of employees who joined the provident fund is as follows:

Company	Total Employees	Employees Who Joined the Fund	Ratios of Employees who Joined/ Total Employees (%)
Metro Systems Corporation Public Company Limited	995	599	60%
Metro Professional Products Co., Ltd.	43	25	58%
Metro Connect Co., Ltd.	32	27	84%
HIS MSC Co., Ltd.	22	18	82%
Total	1,092	669	61%

Policy for Choosing Provident Fund Manager

The Company has policy to encourage the provident fund committee of the Company to select fund manager who adheres to the Investment Governance Code ("ICode") and to act as fund manager who manages the investments responsibly, taking into account environmental, social and governance factors (ESG) with good investment governance practices is followed. This is because provident fund investment is key to managing provident funds to grow. Fund directors must consider carefully by selecting fund manager with system to support the fund's operation appropriately, safely and in the best benefit of fund members in the long term.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Other Important Information

Corporate Secretary

The Board of Directors appoints the company secretary to oversee the meetings of the Board of Directors, shareholders' meeting, and various activities of the Board of Directors, as well as to supervise the Company's compliance in assisting the Board of Directors and employees of the Company to comply with the relevant laws and regulations, including support for corporate governance in accordance with good corporate governance standards. Currently, the Board of Directors has appointed Ms. Sumateta Jitsiripol as a corporate secretary from 28 February 2017, as detailed in Attachment 1

Accounting Supervisor

The Company has assigned Mrs. Kanyaporn Chanprasit as the Accounting Manager to perform the duties of supervising the accounting to be accurate and complete in accordance with accounting standards and related laws with the qualifications of the person holding the position as in Attachment 1.

Internal Audit Manager

The Company has assigned Miss Wanissara Tangjittlerkit, to be the Internal Audit Manager until 30 August 2022 and assigned Miss Varangkana Sadudipreaserstud to be the Internal Audit Manager which will be effective from 1 September 2022 onwards to perform the duty of supervising the operation in accordance with the Company's working procedures, rules, regulations, and other laws related to the Company. as detailed in Attachment 3

Supervision of the Company's operations (Compliance)

The Company has assigned Ms. Sumateta Jitsiripol to be the company secretary under the Corporate Affairs Group to ensure that the Company will supervise the performance of all business groups / work groups to strictly comply with laws, rules, regulations, orders, announcements from both inside and outside the organization, as well as being a center of providing information and / or consulting on laws, rules, regulations to employees with the qualifications of the person holding the position, as detailed in Attachment 3.

Investor Relations Supervisor

The Company assigned Ms. Sumateta Jitsiripol, to monitor and collect relevant news and information in support of executives when contacting outside individuals including analysis and investors along with maintaining good relations with analysis and investors.

The auditors from Deloitte Touche Tohmatsu Jaiyos Co., Ltd.



Mrs. Wilasinee Krishnamra

Certified Public Accountant, Registration No. 7098



Mr. Kasiti Ketsuriyonk

Certified Public Accountant, Registration No. 8833



Mr. Bordin Laprangsirat

Certified Public Accountant, Registration No. 10985



Mrs. Nisakorn Songmanee

Certified Public Accountant, Registration No. 5035



Auditor

In accordance with Section 120 of the Public Companies Act B.E. 2535 specified that the annual remuneration of the company's auditor will be appointed and determined by the shareholder's meeting. According to the item 46 of company's regulation said the auditor can be appointed the same person, but not being a managing director, employee or take any position in the company. Therefore, the company agreed to be as the Public Companies Act B.E. 2535 as above. By the opinion of the Audit Committee, the Board of Director considered and agreed to the Annual Ordinary Meeting to consider and approve the auditor from Deloitte Touche Tohmatsu Jaiyos Auditing Co., Ltd.as the company's auditor for the year 2022 and determined the annual remuneration for year 2022, details as follows:

Audit Fee

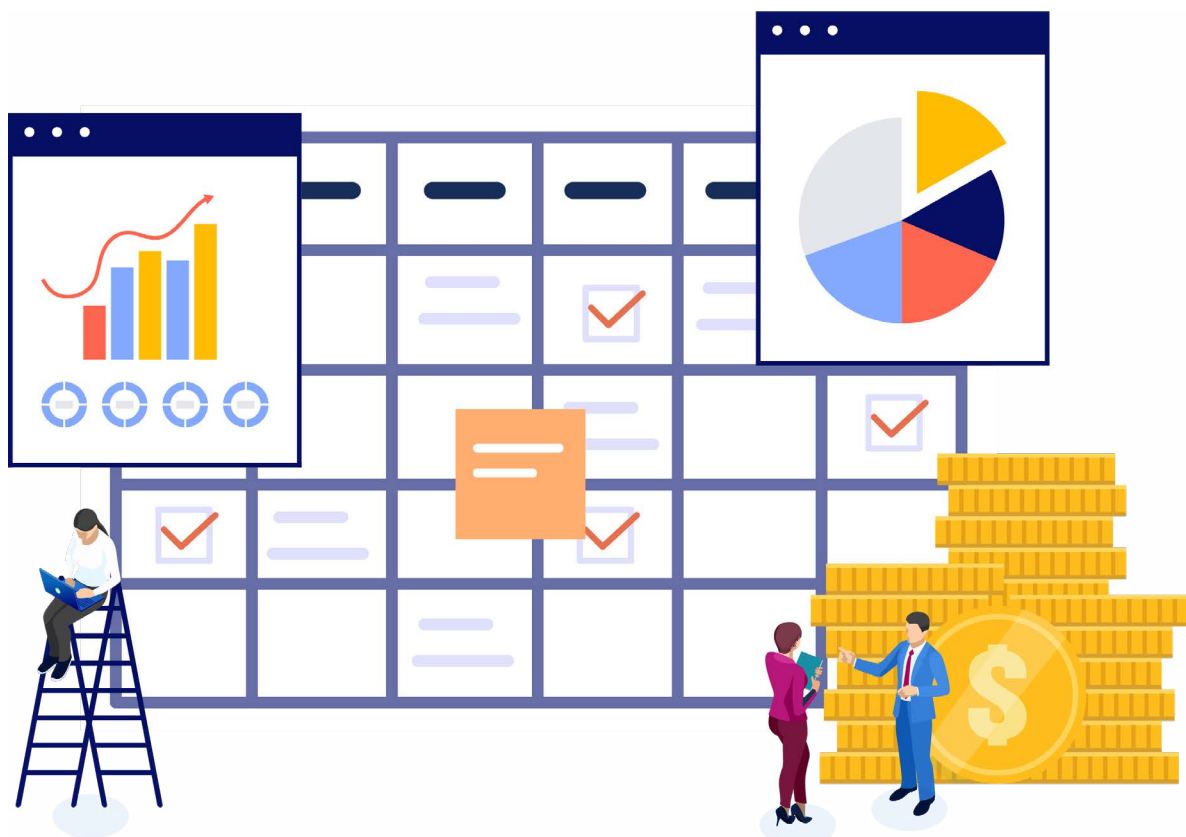
The audit fee for the annual financial statement amounted to 1,330,000 baht and the audit fee for three quarterly financial statements amounted to 1,380,000 baht a total of 2,710,000 baht for the year of 2022. The auditors from Deloitte Touche Tohmatsu Jaiyos Auditing Co., Ltd. are also auditors of Metro Professional Products Co., Ltd., Metro Connect Co., Ltd. and HIS MSC Co., Ltd. which are subsidiaries and associates of the Company. In 2022, the auditors received audit fees from the aforementioned companies in the amount of 1,035,000 baht and the aforementioned auditors are unrelated to and hold no stakes in the Company, subsidiaries, executives, major shareholders or associated of the aforementioned individuals.

Other Service Fees

-None-

Other Services

-None-





Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Key Performance In Corporate Governance

Summary of the performance of directors' duties in the past year

The Board of Directors has established policies and strategies that can lead to enhancing competitiveness, building culture and corporate values, as well as enhancing efficiency, governance, sufficiency of internal control system and risk management of the organization and provide other opinions that are beneficial to the organization's development.

Nomination, Development and Evaluation of the Board's Performance

Nomination and Appointment of Directors

The Company's Articles of Association requires that the Board of Directors to consist of not less than 5 persons but not more than 30 persons and that not less than half of the Directors must reside in the Kingdom of Thailand. The selection of persons to be appointed as directors of the Company must be nominated by the Nominating and Remuneration Sub-Committee in accordance with the selection criteria of the Nominating and Remuneration Sub-Committee, which is based on professional diversity, expertise, no limitation on race, religion, gender and will consider for qualifications as follows:

1. Have the knowledge, skills, experience in the Company's industry a candidate can contribute in finance, accounting, management or others as appropriate in accordance with the Company's strategy and business operations and must not be in conflict with the Company's regulations.
2. Does not have any prohibited criterias in accordance with the law on public limited companies and must not appear to show an inadequacy in qualities to be entrusted with the management of the company from its shareholders in accordance with the criteria set forth by the Securities and Exchange Commission and Stock Exchange of Thailand (SET).
3. Be able to fully devote himself to making important decisions in the interests of the Company.
4. Being a virtuous and ethical person for the Company's management and having good work experiences
5. Not engaging in business, entering into partnerships or holding shares in other legal entities that have the same condition as the Company and compete with the Company's business as well as any other qualifications that may be further stipulated by laws or as deemed appropriate by the Board of Directors

This matter is then presented to the Board of Directors for consideration before presenting it to the Shareholders' Meeting for further considering and electing directors for the position. The rules for the election of directors of the Company under the Articles of Association are as follows:

- 1) Each shareholder shall have one share-one vote.
- 2) Each shareholder shall use all available votes to elect under Clause 1) one or several directors but an individual's votes cannot be split among the candidates.
- 3) Persons receiving the highest votes in descending order shall be elected as a Director of the Board. Directors shall have a casting vote at that meeting if the person elected in descending order has equal votes exceeding the number of directors to be elected. The Chairman shall retain a casting vote.

In every Annual General Meeting, Directors must retire at the rate of one in three if the number of directors to can be divided into three parts, if not possible then the number nearest to 1 in 3.

Directors who are required to retire in the first and second years after the registration of the Company shall be drawn by drawing lots on who will leave office. For the subsequent years, the Directors who were in their office the longest shall retire from the position of Director. Those who vacates office may be re-elected

At the Shareholders' Meeting, any director may be voted out of office before the expiration of their term with the votes of not less than 3/4 of the shareholders present and voting and holding shares amounting to not less than one-half of the shares held by the shareholders present at the meeting and entitled to vote. However, the shareholder whose shareholding is not less than 5 percent of the Company's voting rights, and the conditions can be either a single shareholder or combined shareholders who unceasingly hold the share within defined proportion at least one year and must hold the share on the date of directors' nomination and the date of closing registration book (Record Date), can exercise the rights in the Annual General Meeting. The shareholders who have voting rights can nominate the name of candidates for director nomination from 1 September to 30 November of each year for the Nominating and Remuneration Sub-Committee to consider and screen before proposing to the Board of Directors and the Annual General Meeting for further approval.

In order that, director nomination of the Board of Directors, the Company has specified the qualifications of director of the Board of Directors to be selected in accordance with the Company's business strategies prepared in the form 'Skill Matrix' of the Board of Directors described as follows:

Name of Director	Information Technology	Political Science / Philosophy	Law	Accounting, Finance, and Audit	Business Administration and Management	Good Corporate Governance
1. Mr. Sunpitt Sethpornpong	✓				✓	✓
2. Mr. Tavit Charuvajana	✓				✓	✓
3. Mr. Kitti Techataveekijkul	✓				✓	✓
4. Mr. Narong Charuvajana	✓			✓	✓	✓
5. Mr. Suvij Suvaruchiphorn	✓		✓			✓
6. Wanarak Eakachai	✓	✓				✓
7. Pravit Chattalada	✓					✓
8. Dr. Virach Aphimeteetamrong	✓			✓	✓	✓
9. Assoc. Prof. Phornsiri Thivavarnvongs				✓	✓	✓

Nomination and Appointment of Independent Directors

The Company has defined the definition of Independent Directors which exceeds the requirements of the Securities and Exchange Commission or the Stock Exchange of Thailand as follows, Selection and appointment of Independent Director are determined by the number of Independent Directors in the composition of not less than 1/3 of the total number of directors of the Company. The persons who are selected must not have the prohibited characteristics according to the criteria set by the Securities and Exchange Commission, and then presented to the Board of Directors for consideration before proposing to the shareholders' meeting for consideration of electing directors to hold office. Qualification of the Independent Directors are as follows:

- 1) A person who holds no more than a percent of the shares with voting rights of the Company inclusive of the shares held by related persons of the potential Independent Director as well.
- 2) Not being or having ever been a non-executive director, staff, employee, advisor who receives regular salary, or a person with managing authority of the Company unless he has been discharged from the aforementioned characteristics for at least 2 years.
- 3) Not being a person with a blood relationship with another director, executive director, major shareholder, authorized person, or person to be nominated as a director, executive directors or authorized person of the Company or the subsidiaries.
- 4) Does not or has never had a business relationship with the Company in a manner that may hinder its independent judgment, including not being or having been a significant shareholder or authorized person of a company that the Company has business relationship with, unless it has been discharged from the aforementioned characteristics for at least 2 years.
- 5) Not being or having been the auditor of the company and not being a significant shareholder, authorized person, or partner of the audit firm of the Company's, unless he or she has been discharged from such discharged from that characteristic for at least 2 years.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

- 6) Not being or having been a service provider of any kind, including providing legal advisory or financial advisory services, receiving a service fee of more than 2 million baht per year from the company and not being a significant shareholder, authorized person or partner of such professional service provider, unless he has been discharged from the aforementioned characteristics for at least 2 years.
- 7) Not being a director who has been appointed as a representative of the Company's Board of Directors, major shareholders, or related persons of the major shareholders.
- 8) Do not operate a business of the same nature and in significant competition with the business of the company or subsidiary, or not be a significant partner in a partnership, or be a director who takes part in management, staffs, employees, advisors who receive regular salaries or holding more than a percent of the total number of voting shares of other companies operating business of the same nature and in significant competition with the business of the Company or subsidiary.
- 9) Not having any other characteristics that prevent him or her from expressing independent opinions on the Company's operations, including connection to the parent company, subsidiary company, associated company, major shareholder or authorized person of the Company. In this regard,

All independent directors can express their opinions independently and not be under the influence of any person or group of people. There is no circumstances that will coerce the inability to express their opinions as expected by the Independent Directors, and must be able to participate in decision-making in the form of Collective Decision.

At the annual general meeting of 2022, on the agenda of director elections, the Company directed shareholders to vote and elect directors by using ballots to elect directors individually. Shareholders were directed to use all votes held by shareholders to select from individual director nominees. The three elected directors were Mr. Tavit Charuvajana, Mr. Wanarak Eakachai and Assoc. Dr. Phornsiri Thivavarnvongs

Recruiting of Top Management

The Board of Directors has considered and assigned the Nominating and Remuneration Sub-Committee to consider criteria and methods for recruiting qualified persons to hold the position of the top management and nominating persons deemed appropriate and rationale for the Board of Directors to consider for appointment. The selection criteria are set as follows:

- 1) Have the knowledge, skills, education, experience, and expertise that are consistent with the operations of the company and can help develop the Company further.
- 2) Possess all qualifications and does not have any prohibited characteristics as required by the the laws on public limited company, securities, and other related laws.
- 3) Able to fully devote himself to making important decisions in the interests of the Company.
- 4) Be of virtue, have management ethics and a good track record.
- 5) Not engaging in business, entering into partnerships or holding shares in other legal entities that have the same condition as the Company and are competitive with the Company's business Not engaging in business, entering into partnerships or holding shares in other legal entities that have the same condition as the Company and compete with the Company's business

Then, the Nominating and Remuneration Sub-Committee will present the names and reasons to the Board of Directors for further appointment.

Director Orientation

The Company organizes an orientation for every new director taking new positions to enhance knowledge and understanding of the first-time directors in learning about the business and operations of the Company, with the company secretary taking the lead in presenting documents and information that are useful for the performance of duties of the new director, such as director handbook, corporate governance, code of conduct, company regulations, shareholder structure, company performance, various criteria or related laws, etc.

Director's Knowledge Enhancement

The Company places great emphasis on the development of knowledge and capability by promoting training and continuous knowledge development to the Board of Directors, sub-committees, executive directors, company secretary in order to create new knowledge and ideas for the implementation in their operation. The training and education are conducted internally and also by using the services of external institutions or participating in various activities organized by the Company, the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission (SEC), as well as other leading training institutes in all related courses continuously throughout the year. There were 7 directors who have completed courses related to performing their duties, representing 77.78% of the total number of 9 directors as follows:

List of Directors	Training Courses
Mr. Sunpitt Sethpornpong	Director Certification Program, 2013
Mr. Kitti Techataveekijkul	Director Certification Program, 2013
Mr. Narong Charuvajana	Board Matter and Trends, 2016 Director Accreditation Program, 2003 Director Certification Program, 2003 Role of the Compensation Committee, 2007
Mr. Wanarak Eakachai	Director Accreditation Program, 2016
Mr. Pravit Chattalada	Director Accreditation Program, 2004
Dr. Virach Apimeteetamrong	Anti-Corruption for Executive Program, 2012 Director Accreditation Program, 2003
Assoc. Prof. Phornsiri Thivavarnvongs	Director Certification Program, 2002

Training Courses/Seminar Topics of Directors and Executives in 2022

List of Directors/Positions	Training Courses/Seminar Topics
Mr. Tavit Charuvajana Director/ Chief Executive Committee / CEO	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022
Mr. Kitti Techataveekijkul Vice Chairman	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022 Stock Exchange of Thailand Opportunities and challenges in Thai financial System and Capital Market
Mr. Narong Charuvajana Director	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022 Personal Financial Planning By SCB Stock Exchange of Thailand Opportunities and challenges in Thai financial System and Capital Market
Mr. Wanarak Eakachai Director/ Deputy of CEO/ President of People Group Assoc. Prof. Phornsiri Thivavarnvongs Director Independent Director	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing 2022 Thai Institute of Directors Association (IOD) Advanced Audit Committee Program (AACP)

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

List of Directors/Positions	Training Courses/Seminar Topics
Mr. Arun Tor-ekbandit Executive Director President of Solutions Integration Group	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022 Finding the new S-Curve Amazon Web Services (AWS) AWS Training and Workshop
Mr. Suradet Lertthammajak Executive Director President of Solutions Integration Group	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022 Finding the new S-Curve Meet the executive #4/2022 Topic: Future Trend of MSC Amazon Web Services (AWS) AWS Training and Workshop Thai Institute of Directors Association (IOD) Strategic Board Master Class (SBM)
Mr. Veeraphan Durongsang Executive Director President of Digital Solutions Group	National Institute of Development Administration (NIDA) Strategic Financial Management for Non-Finance Professional
Mr. Thongchai Lumveerakul Executive Director President of Digital Printing Group	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022 Business Strategy Planning and Transformation Epson (Thailand) EPSON Products Training
Mrs. Nittaya Thanaviriyakul Executive Director President of General Administration Group/ President of Corporate Affairs Group/ Chief Financial Officer	Metro Systems Corporation Plc. Digital Transformation Knowledge Sharing, 2022 PDPA Awareness Training Security Awareness Training Conicle Co., Ltd. Future skills for future work online 20 courses Stock Exchange of Thailand SET SMART & Financial & Economic Data Bureau Easy Listening: Accounting Knowledge for AC N.Y.C. Management Company Limited TFRS, 2023 Digital Council for Economy and Society of Thailand 200% tax deduction for SMEs and startups should know Federation of Accounting Professions under Royal Patronage of His Majesty the King Anti-Corruption Working Paper How to Transform to Digital Accounting Root cause analysis and SCs techniques for effective communication of audit results Accounting errors for auditors Thai Listed Companies Association Enhancing the quality of financial reports of Thai listed companies Economic Update for CFO Understanding on digital assets and roles of CFO Improvements of rules on significant transaction and connected transactions of listed companies

Performance Evaluation

The Company establishes a policy to allow the Board of Directors to evaluate their own performances annually, applying the performance evaluation form of the Thai Institute of Directors (IOD) that is suitable for the Company so that the Board of Directors can review performances and work obstacles during the past year. Regarding the evaluation process, the Company Secretary will submit the Board of Directors' performance evaluation form to all directors for evaluating the annual performance as a whole and on an individual basis and collect the results of such evaluation from the Board of Directors to summarize the scores and analyze the results of the Board of Directors' performance evaluation. The Board of Directors' Meeting is informed of the performances and problems. The obtained summary will be applied to further improve the performances of the Board of Directors.

In addition, the Company has the policy to allow the sub-committee to evaluate their annual performances, which are used as a framework for reviewing performances during the past year, in order to correct and enhance work efficiency. The results of the evaluation are presented to the Board of Directors' Meeting for consideration and acknowledgment.

Board of Directors

The evaluation form of the Board of Directors as a whole is divided into 6 main topics as follows:

- 1) Structure and qualifications of the Board of Directors
- 2) Roles, duties, and responsibilities of the Board of Directors
- 3) Board of Directors' Meeting
- 4) Dynamics in the performance of the duties of the Board of Directors
- 5) Relationship with the Management
- 6) Development of directors

Evaluation criteria in each topic define the evaluation level into 4 levels as follows:

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Agree or moderately conducted
- 3 = Moderately agree or well conducted
- 4 = Strongly agree or excellently conducted

Individual Directors

The evaluation form of the individual director is divided into 5 main topics as follows:

- 1) Personal qualifications
- 2) Readiness of performance of duties
- 3) Participation in meetings
- 4) Roles, duties, and responsibilities
- 5) Relationship with the Board of Directors and the Management

Evaluation criteria in each topic define the evaluation level into 5 levels as follows:

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Agree or moderately conducted
- 3 = Moderately agree or well conducted
- 4 = Strongly agree or excellently conducted

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Sub-Committees

The evaluation form of the sub-committee is divided into 4 main topics as follows:

- 1) Structure and qualifications of the member of the sub-committee
- 2) Meetings of the Sub-committee
- 3) Roles, duties, and responsibilities of the Sub-committee
- 4) Reporting of the Sub-committee

The evaluation level is defined into 5 levels, which is the same as the evaluation of individual directors' performances.

The secretaries of each committee collect and process results to be presented to the Board of Directors and each sub-committee on an annual basis. In 2022, mean scores were as follows:

- Results from individual assessment of the Board of Directors showed a mean score of 91.14 %.
- Results from individual assessment of sub-committees showed a mean score of 92.01 %.
- Results from group assessment of sub-committees were as follows:
 - The Audit Committee had a mean assessment score of 100 %.
 - The Nominating and Remuneration Sub-committee had a mean assessment score of 88.23 %.
 - The Corporate Governance Sub-committee had a mean assessment score of 92.92 %.
 - The Risk Management Sub-committee had a mean assessment score of 91.10 %.

Meeting Attendance and Individual Director Remuneration

The Company schedules Board of Directors meetings a year in advance, except in the case of special meetings and notifies every director of the aforementioned schedule at the beginning of every year. Meetings are held for at least five times per year. Sub-committees meetings are scheduled to take place no less than two times per year, except in the case of the Audit Committee and the Risk Management Sub-committee, which meet quarterly. The Company has policy to support each director to regularly attend Board of Directors meetings with attendance at no less than 80% of all Board of Directors meetings for the year. The number of meetings and attendance by directors and sub-committee members is disclosed on the table of meeting attendance by the Board of Directors and sub-committees. In 2022, the Company's directors attended the Board of Directors meetings at an average of 95.06%.

Table of the number of meeting attendance of the Board of Directors and Sub-committees in 2022

Names	Board of Directors	Executive Committee	Audit Committee	Nominating and Remuneration Sub-committee	Sustainable Development Sub-committee	Corporate Governance Sub-committee	Risk Management Sub-committee
Mr. Sunpitt Sethpornpong	5/5						
Mr. Kitti Techataveekijkul	5/5				2/2	3/3	4/4
Mr. Tavit Charuvajana	5/5	12/12					
Mr. Narong Charuvajana	5/5			3/3			
Mr. Wanarak Eakachai	5/5				2/2	3/3	4/4
Mr. Suvij Suvaruchiporn	5/5			3/3			
Mr. Pravitt Chattalada	1/5		1/5	1/3	1/2		
Dr. Virach Aphimeteetamrong	5/5		5/5			3/3	
Assoc. Dr. Phornsiri Thivavarnvongs	5/5		5/5				4/4
Mr. Veeraphan Durongsang		12/12				3/3	4/4
Mr. Aroon Tor-Ekbundit		12/12				3/3	4/4
Mr. Thongchai Lumveerakul		12/12				3/3	4/4
Mrs. Nittaya Thanaviriyakul		12/12				3/3	4/4
Mr. Suradet Lertthammajak		12/12				1/1	

Remarks : Mr. Suradet Lertthammajak was appointed to be a member of the Corporate Governance Sub-committee, which was effective on August 10, 2022.

The Chairman of the Board of Directors and/or Vice Chairman of the Board of Directors and the Chief Executive Officer jointly consider matters to be added to the agenda of the Board of Directors' meeting. Each director is independent to present matters to be added to the agenda. The Company Secretary shall submit the letter of invitation to the meeting and supporting documents to each director at least 5 working days prior to the meeting, which consists of agenda items determined in advance and clearly categorized, e.g., matters to acknowledge, matters to consider, and matters to be approved. The criteria and format of information in the documents to be presented to the Board of Directors are established to be complete, adequate, and appropriate to ensure that the Board of Directors' meeting is carried out smoothly, quickly, and efficiently under the relevant laws and regulations. Each agency can use it for reference and adhere to it as a standard for preparing information before submitting it to the Company Secretary, who collects and presents it to each Board of Directors' meeting so that the Board of Directors has sufficient time to study information before attending the meeting. In the case of necessity or urgency, the documents shall be brief with complete information. For matters that do not wish to be disclosed in writing, the matter shall be discussed in the meeting. For any matter that does not wish to be disclosed in writing, it shall be discussed at the meeting. The Chairman of the Board of Directors shall set aside sufficient time for the executives to propose the matter and for directors to discuss important issues carefully. The Chairman of the Meeting shall give each director the opportunity to express his/her opinions independently. The meeting time shall be allocated appropriately and efficiently. In the event that any director has any interest in any considered matter, the director shall notify the Meeting for acknowledgement and shall not participate in expressing opinions and have no right to vote on such matter. The minimum number of quorums at the time of the Board of Directors' resolutions at the meeting shall be at least two-thirds of the total number of directors. The Company establishes the policy to determine the agenda of the Board of Directors' meeting which requires the report on changes in securities holdings of directors in each quarter.

However, the Company Secretary shall record the minutes of the meeting. The Company has a policy for the Company's executives to hold a meeting monthly in order to summarize and analyze the performance and present it to the Board of Directors at every Board of Directors' meeting. At each Board of Directors' meeting, the Company has a policy for executives to attend such meeting to acknowledge and provide additional information as they relate directly to the issue. The Board of Directors can access additional necessary information from the Chief Executive Officer or the Company Secretary or other designated executives.

In addition, the Company organizes meetings between non-executive directors without the attendance of the Management to discuss various issues and problems relating to management and report the results of the meeting to the Board of Directors.

Remuneration of Directors

The Nomination and Remuneration Sub-committee determines the remuneration of directors by thoroughly scrutinizing the suitability in various aspects. Directors shall receive remuneration based on their experiences, duties and obligations, and scope of roles and responsibilities, which is comparable to the same industry, including the Company's business expansion and profit growth. However, the remuneration of directors shall be in accordance with the principles and policies prescribed by the Board of Directors within the framework approved by the Shareholders' Meeting (for the type of remuneration required approval of the Shareholders' Meeting).

At the 2022 Annual General Meeting on April 1, 2022, a resolution was passed to determine the remuneration of directors, including sub-committees. The remuneration was determined in a form of meeting allowances and gratuities of the Board of Directors as follows:

Remuneration of Directors

Board of Directors' gratuity	Not exceeding	2,700,000	Baht/year
Board of Directors' meeting	allowance	22,000	Baht/person/meeting

In respect of the Board of Directors' gratuity, the Board of Directors shall consider and allocate it as deemed appropriate within such limit.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Remuneration of Members of Audit Committee

Chairman of the Audit Committee	130,000	Baht/quarter
Member of Audit Committee	100,000	Baht/quarter

Remuneration of Executive Directors

Chairman of the Executive Committee	14,000	Baht/meeting
Executive Director	14,000	Baht/person/meeting

However, directors who hold the position of Executive Director are prohibited from accepting the meeting allowances of the Board of Directors' meeting.

Remuneration of other sub-committees

Committee	Chairman		Member of Committee/Sub-committee	
Sustainability Development Sub-committee	17,000	Baht/time	12,000	Baht/person/time
Corporate Governance Sub-committee	17,000	Baht/time	12,000	Baht/person/time
Risk Management Sub-committee	17,000	Baht/time	12,000	Baht/person/time
Nomination and Remuneration Sub-committee	17,000	Baht/time	12,000	Baht/person/time

Summary of Comparison of Director's Remuneration

(Unit: Baht)

Type of Remuneration	Year 2021		Year 2022	
	Number of Person	Amount	Number of Person	Amount
Meeting allowance	14	4,024,000	14	3,919,000
Gratuity	9	2,140,000	9	2,140,000
Total		6,164,000		6,059,000

Summary of Remuneration of Individual Directors in 2022

List	Board of Directors	Board of Executive Committee	Audit Committee	Nomination and Remuneration Sub-committee	Sustainability Development Sub-committee	Corporate Governance Sub-committee	Risk Management Sub-committee	Total (Baht)
Mr. Samart Sethpornpong	450,000							450,000
Mr. Kitti Techataveekijkul	335,000				24,000	36,000	48,000	443,000
Mr. Tavit Charuvajana	225,000	168,000						393,000
Mr. Narong Charuvajana	335,000			36,000				371,000
Mr. Wanarak Eakachai	335,000				24,000	36,000	48,000	443,000
Mr. Suvij Suvaruchiphorn	335,000			51,000				386,000
Mr. Pavit Chattalada	247,000		490,000	12,000	17,000			766,000
Dr. Virach Apimeteetamrong	335,000		430,000			51,000		816,000
Assoc. Prof. Phornsiri Thivavarnvongs	335,000		400,000				68,000	803,000
Mr. Veeraphan Durongsang		168,000				36,000	48,000	252,000
Mr. Arun Tor-ekbandit		168,000				36,000	48,000	252,000
Mr. Thongchai Lumeerakul		168,000				36,000	48,000	252,000

List	Board of Directors	Board of Executive Committee	Audit Committee	Nomination and Remuneration Sub-committee	Sustainability Development Sub-committee	Corporate Governance Sub-committee	Risk Management Sub-committee	Total (Baht)
Mrs. Nittaya Thanaviriyakul		168,000				36,000	48,000	252,000
Mr. Suradet Lertthammajak		168,000				12,000		180,000
Total	2,932,000	1,008,000	1,320,000	99,000	65,000	279,000	356,000	6,059,000

Other remunerations of directors

The Company has no policy to provide other remunerations to directors.

Management of Subsidiaries and Associated Companies

The Company realizes the importance of focus on business investment in its subsidiary and associate companies. The management of the companies should always act in accordance with the principles of good corporate governance and transparency. The Company has set the rules for the supervision of subsidiaries and associated, including measures for monitoring the management of its subsidiaries in order to safeguard the interests of the investment of the Company. The Board of Directors meeting have approved the implementation of a regulatory policy, which this policy has been thoroughly assessed by the Corporate Governance Sub-Committee and approved by the Board of Directors. The management of the subsidiary and associated are treated as a company within the same organization. The Company has prepared the questionnaire form on the compliance with the corporate governance policy of subsidiaries and associated companies and submitted to the subsidiaries and associated companies to use as a review form to see if they have complied with them or not. If any items cannot be complied, specify the cause, in order to lead to the development of good corporate governance as a whole. In order that, the Company has submitted the questionnaire form to its subsidiaries and associated companies to review annually. The policy sets out guidelines for overseeing the management of the subsidiaries and associates in the following four aspects:

1. Management of Subsidiaries and Associated Companies

- Nomination of director in the subsidiaries and associated companies: The Company will send a person approved by the Board of Directors to serve as a director of the Company, at least in proportion to their shareholding in the subsidiary or associate.
- Scopes of Duties and Responsibilities of Subsidiaries' and Associated' Directors: The directors must comply with the regulations of the Company, including the laws governing companies and act in accordance with the policies governing the operations of its subsidiaries and associated companies or other policies of the Company and ensure that internal control systems, risk management systems and fraud prevention systems are applied appropriately. The Directors must provide adequate disclosure of significant transactions and ensure the directors and management of the subsidiaries and associates are able to access information and ensure adequate and appropriate internal controls which allow the Company's internal audit department to access directly.
- Disclosure of directors and executive directors of Subsidiaries and Associates: The directors and executive directors of the subsidiaries must disclose information on their interests and any related parties, or a person related to the subsidiary in any transactions that may pose a conflict of interest to the Company's Board of Directors of subsidiaries and associated, or the person assigned by the Board of Directors of the Company within the time period. The Board of Directors of subsidiaries and associated is responsible for informing the Company of transactions that may cause conflicts of interest, and directors and management of subsidiaries and associated companies must not participate in approving matters that they have interest, stake, conflict of interest, or receive financial benefit out of the usuals.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

- Disclosure of information of subsidiaries and associated: Subsidiaries and associated are responsible for disclosing information on operating results and financial position, transactions between subsidiaries and associated with connected persons, the acquisition or disposition of assets, or the execution of other important transactions of the subsidiaries and associates are. They are also required to provide accurate and complete reports, including reports on business plans, business expansion, large investment projects, as well as joint investments with entrepreneurs to the Company through monthly or quarterly performance reports as necessary and appropriate.
- Intercompany transactions: Directors, executives directors or related persons of subsidiaries and associated companies may enter into transactions with the Company only when such transactions are approved by the Board of Directors or the shareholders' meeting, according to size of the transaction calculated in accordance with the criteria specified in the Announcement on connected transactions, unless it is a transaction that is a commercial agreement in the same manner that an ordinary person would do with the two parties in the same situation or is a formal trade agreement that has been approved by the Board of Directors or in accordance with the principles approved by the Board of Directors.

2. Financial Control of Subsidiaries

The subsidiaries and associated are responsible for submitting monthly or quarterly and annual performance reports, including financial statements approved by executive directors or directors, as well as supporting information for preparing such financial statements, provide a quarterly performance estimate, compare summarized actual operation performance for the quarter, report financial issues when detected or requested by the company.

3. Insider Trading Control of Subsidiaries

Subsidiaries and associated companies must realize the importance of the preservation and Insider Trading Control of subsidiaries and associated companies and the company under the following guidelines.

- Internal information confidentiality: In the event of dissemination of confidential information, prior approval from the Chief Executive Officer of subsidiaries and associated companies is required. The Company's Investor Relations Department is responsible for disseminating such information. If the information concerns an individual, prior consent must be obtained from the third party or stakeholders. Staffs of the subsidiaries and affiliates must not answer any questions or express their opinions to others unless they are obliged or entrusted to answer them.
- Insider Trading: Do not use internal information of the Company that may affect the Company, subsidiaries, and associated companies. Any people privileged to internal information of the company are not to trade shares or securities of the Company, or solicit others to buy, sell, offer for sale of shares or securities of the company, whether in person or through a broker. It is prohibited to disclose material facts that may affect price changes of securities, and which are not publicly disclosed, whether such action is done for the gain of oneself or others. Directors or executive directors of subsidiaries and associated companies are prohibited from trading in securities during the period of a month prior to each Board of Directors meeting.
- Prevention of Insider Trading: The Company has established an internal control system to protect data files or confidential documents. Access to confidential information will only be permissible to top man

4. Exercise of rights in shareholders' meetings of subsidiaries and associated companies

The Company will send a representative to attend the shareholders' meeting of the subsidiaries and associated companies every time there is a meeting and delegate the representatives to vote according to the agenda, including other agendas which are not predetermined in the meeting agenda.

Following up on compliance with corporate governance policies and practices

The Company realizes the importance of good corporate governance by establishing relevant policies and practices, whether it is a corporate governance manual, code of conduct, policies and practices related to good corporate governance. The Company has compiled it in the same form in the corporate governance manual and promotes the application and practice of all stakeholders.

In 2022, the Company has followed up on the implementation of good corporate governance, covering employee care and non-discrimination, anti-unfair competition, environmental awareness, occupational health and safety, safe information security, which the follow-up results showed that the Company has completely followed the guidelines of each issue. In addition, the Company has followed up 4 additional issues of good corporate governance as follows:

1) Prevention of Conflicts of Interest – The Company recognizes the importance of preventing the Company's personnel from seeking personal gain in order to avoid situations with potential conflicts between personal interests and the Company's interests. Therefore, specifications were made in the Corporate Governance Handbook concerning roles, duties, and responsibilities of the Board of Directors with clear guidelines mainly for the benefit of the Company and shareholders overall. Stakeholders are not involved in decision-making and the Board of Directors governs compliance with specifications related to steps of operation and disclose accurate and complete information on significant transactions with potential conflicts of interest. In the case of entry into agreements requiring approval from the shareholder meeting, the aforementioned entry must receive votes in approval in line with specifications of the law and the Company's regulations.

In the past year, it was not found that directors, executive directors, and employees had any case that might create a conflict of interest.

2) Insider Trading for profit The Company gives importance on the use of Insider Trading by specifying the use of Insider Trading in the internal control manual which has been approved by the Board of Directors in order to understand the correct practice.

The Company prohibits directors and executive directors from using the Company's Insider Trading that are crucial and has not yet been disclosed to the public for their own or others' benefits, including trading of the Company's securities. Directors, executive directors, and employees in departments that may have knowledge of Insider Trading are prohibited to trade in the Company's securities during the period of a month prior to the disclosure of the financial statements to the public, whereby the Company will notify the directors and executive directors of the Company of the period trade in securities should

The Company realizes the importance of keeping customers' confidential information by not using such information for the benefit of directors, executive directors, employees, and related persons unless it is required to be disclosed as required by law. It also places great emphasis on data security in the information system by controlling and/or preventing third party access to corporate information and assigning access rights to employees at different levels in accordance with their authority and responsibility. In addition, the Company has a policy for relevant persons to acknowledge only information as necessary for the operation, supervise the use and retention of sensitive information carefully, with any disclosure of information requiring permission from the management of the agency. In the event that a third party participates in the work on the information that has not yet been disclosed to the public and is in the process of negotiating, which is considered Insider Trading that may affect the movement of the securities prices of the respective companies involved, they will have to enter into a confidentiality agreement until information is disclosed to the Stock Exchange and the Securities and Exchange Commission.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

The Company has assigned the Chief Financial Officer, executive directors, and the auditor to prepare and report the change in securities holding of his / her spouse, dependants, and underage child to the company secretary by preparing such information and delivered within 30 working days after taking office. In addition, directors and executive directors must notify about every purchase or sale of the Company's securities by notifying at least 1 day in advance before trading to the Board of Directors or the person concerned. The Board of Directors is responsible to report to the Securities and Exchange Commission when securities are bought or sold within 3 business days, including strictly complying with the Securities and Exchange Act B.E. 2559. In order that, the directors, executive directors, employees who violate the internal information use policy will be subject to disciplinary action and / or legal actions, as the case may be.

In the past year, it was not found that the directors, executive director and employee had traded any securities during the period that the Company had set to refrain from trading

3) Anti-corruption

The Corporate Governance Sub-committee governs, oversees, and monitors the Company's corporate governance and anti-corruption efforts. The Company recognizes the importance of being against corruption and is committed to resist corruption in every form in order for the Company's business operations to be in compliance with corporate governance principles. The Board of Directors approved the anti-corruption policy approved by the Corporate Governance Sub-committee on 24 February 2015 and reviewed the policy's suitability on an annual basis in order to designate clear guidelines for business operations and create a corporate culture. In addition, the Board of Directors communicates the anti-corruption policy to executives and employees at every level including suppliers, customers, and stakeholders in every sector.

The Company continually follows the anti-corruption policy, causing the Company to be confirmed as part of the Thai private sector Collective Action Coalition against Corruption (CAC) on 22 April 2016 and the Company continually passed assessments for renewal of confirmation. Most recently, the Company's confirmation was renewed on 30 June 2021. The Company's employees at every level have participated in monitoring corruption and denying corruption in every form directly and indirectly along with specifying guidelines for reporting tips or complaints concerning corruption in the policy for reporting clues and complaints, which had content allowing people who witnessed misbehavior according to business ethics, involvement in corruption or human rights violations to report tips or complaints to supervisors in the chain of the reporter's command, the Internal Audit Department Manager, an independent director and the Audit Committee. Reporters may choose to not disclose names, addresses, and contact telephone numbers and complaint recipients are required to keep relevant information secret by disclosing only necessary information with consideration given to the safety and damage to the complainer.

The Company has set policies and guidelines on anti-corruption, including preventive measures in the "Anti-Corruption Policy" and disclose it on the Company's website, www.metrosystems.co.th as a guideline for directors, executive directors, and employees to adhere as corporate culture, with 7 chapters, namely

Chapter 1: Definitions related to Anti-Corruption Policy

Chapter 2: Duties and responsibilities of the Board of Directors, Audit Committee, Executive Committee, Chief Executive Officer and Executive Director, Internal Audit Manager

Chapter 3: Practice guidelines for directors, executive directors, employees at all levels

Chapter 4: Requirements and prohibitions on recruitment of personnel, promotion, giving or accepting gifts, entertainment or hospitality, support grants or charitable donations, business relations, and procurement with government sectors

Chapter 5: Whistleblowing and complaints, official notification channels, procedure for receiving leads or complaints about corruption, measures for protection of whistleblowers, complainants or those who gave cooperation in the investigation, and on false leads or complaints

Chapter 6: Penalty for Violation of the Anti-Corruption Policy

Chapter 7: Policy review on a regular basis to ensure consistency with legal requirements and regulations

The Company has clearly defined the definition of corruption in the said policy, including persons involved, such as directors, executive directors, and employees of the Company at all levels, who must work together against corruption. In order to prevent the Company's business operations from being involved in any fraudulent practices, the Company has an internal audit system under the principles of internal control that is in line with the risk of corruption, along with the penalties. The Company also monitors and oversees the anti-corruption policy and reviews the policy at least every year to ensure that such policy is compliant with legal regulations

Actions of the Company to Combat Corruption

In the area of fraud risk assessment, the Company has assigned the Risk Management Sub-Committee to be responsible for assessing the risks of corruption that may occur within the organization by assessing the risks of corruption separately from the other risks, self-evaluation using set principles and methods which clearly define guidelines, monitor, and review the completeness of all processes, carry out regular and continuous risk reviews at both in organizational and departmental levels. The organization and department also monitor progress and determine measures to control risks or various risk factors that have an impact on the Board of Directors for acknowledgment and further corrective action.

In 2022 the company has provided an awareness and understanding to the directors, executive and employees follow the company's policy against corruption by follow this method.

- The company has expanded the scope of action against corruption. by supporting partners to be the Collective Action Coalition Against Corruption (CAC) as well as disseminating the concept of anti-corruption and deal with business partners and customers by made a business letter to cooperate business: There are 5 principles which are 1) Compliance with Business Code of Conduct 2) Anti-Corruption 3) Human Rights 4) Safety and occupational health 5) Environment which has received good feedback from partners, customers.
- The company has campaigned and publicized the National Anti-Corruption Day for everyone in the company to acknowledge the importance of this day and the date is on September 6, 2022. The penalties can be on every officer; If the company found anyone in the company to be involved in corruption. In addition, it has disseminated and communicated to raise awareness about the anti-corruption policy and relevant regulations to all directors, executives, and employees through an online anti-corruption test. This is to demonstrate that all employees in the organization do not support any form of corruption, whether directly or indirectly.

Whistleblowing or Complaints

The Company has provided an opportunity for stakeholders both inside and outside the organization to report leads or complaints to the Company. In order to encourage the Company's personnel to conduct business correctly, transparently, fairly, and can be audited, including to enable stakeholders to participate in effective monitoring of the Company's interests.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Whistleblowing and complaints channels

Any person seeing any suspected acts of corruption, unlawful act, acts of violations of good corporate governance principles, failure to comply with the code of conduct, disrespect of human rights, inaccurate financial reports, or a defective internal control system, inquiry or report can be submitted to the person responsible as follows:

- 1) Supervisors of the department
- 2) Internal Audit Manager
- 3) Independent Director
- 4) Audit Committee

In addition, the Company has assigned the Compliance Department, which is under the operation of the Company Secretary, to act as the complaint handling unit in the event that any behavior or event that may be in violation of compliance with the Company's rules, policies, or any suspected behavior that is contrary to the principles set out by the Company is encountered, which reports on any leads or complaints can be made directly via these channels:



By Mail:

Company Secretary
Metro Systems Corporation Public Company Limited
No. 400 Chalermprakit Rama IX Road,
Nong Bon, Prawet, Bangkok 10250



Telephone:

0-2089-4124



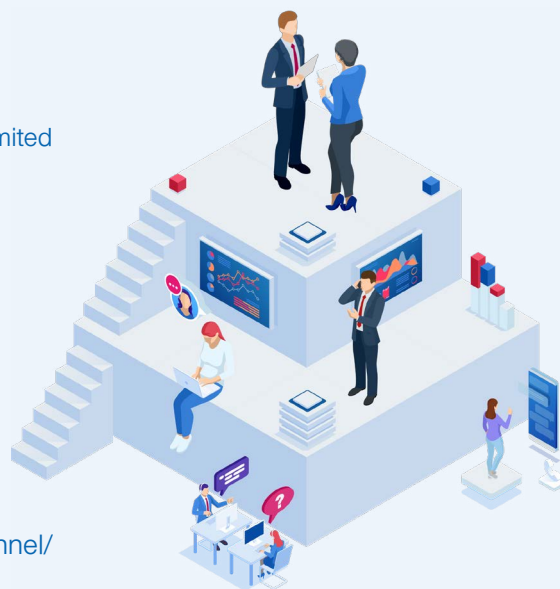
E-mail:

corporatesecretary@metrosystems.co.th



Company Website:

<https://ir.metrosystems.co.th/complaint-channel/>



Complaint Process

1. Fact Gathering

The complaint recipient will gather facts related to corruption or illegal acts, violations of the principles of good corporate governance, non-compliance with the company's code of conduct, violation of human rights, inaccurate financial reporting, or the defective internal control system by themselves.

2. Data Processing and Filtering

The complaint receiver would proceed with data processing and filtering to consider the most appropriate process and method in dealing with each complaint. The person would be allowed to directly proceed with data processing and filtering or assign such duties to the Investigation Committee on his behalf prior to proceeding with data filtering. The Investigation Committee would be appointed by Chief Executive Officer or the Board of Directors depending on situations as appropriate.

3. Investigation

In case where the complaint receiver had investigated the facts and found that an alleged person was truly guilty: in case of being an employee of the Company, he would be subject to disciplinary action in accordance with the regulations of the Company. However, in case of being an external person causing any type of damage to the Company, the Company would be allowed to proceed with legal prosecution against such person.

4. Reporting

The complaint receiver would be responsible for reporting of an investigation result to the employee in case where he was considered the whistleblower. In case where it was an important issue and had caused direct impact to the Company, it is suggested to report to the Top Management of the Company, the Audit Committee, or the Board of Directors, while seeking ways to prevent reoccurrence of the said case.

Measures for Protection of Complainant and Investigator

The complainant, those who cooperate in investigation, and investigator would be offered protection in accordance with the following criteria:

- 1) The complainant or the person cooperating in the investigation can choose not to disclose themselves if they believe that disclosure would cause any insecurity or damage. The company can report its progress, clarify facts to know or mitigate the damage more conveniently and quickly.
- 2) On the whistleblower or the person cooperating in the investigation, the company will not disclose the name, surname, photograph, or any other identifier information of the informant and will conduct an investigation of the truthfulness.
- 3) The complaint recipient must keep the relevant information confidential and disclose it as necessary, taking into account the safety and reputation of the complainant or the person cooperating in the investigation, the source of the information, or the related person.
- 4) In cases where the whistleblower, the complainant or the person cooperating in the investigation think that they may be unsafe or troubled by any possible damage, the whistleblower, the complainant or the person who cooperates in the investigation may request the Company to prescribe appropriate protection measures with consideration of the Chief Executive Officer, or the Company may prescribe protection measures without request if it is deemed that a matter may likely cause damage or insecurity.
- 5) Those suffering the damage will be alleviated through appropriate and fair procedures through review of the Investigative Committee.
- 6) The complainant, person involved in investigation, or those denying violations of the Code of Conduct or corruption will be protected by the Company and will not cause or constitute a reason for demotion, termination of employment, punish, give negative effect or take any action that is harmful to such persons.

False Reporting

If the Company finds that any whistleblowing or complaint with evidence proving to be an act of dishonest, false, and intent to cause damage, in the case of being an employee of the company, he will be disciplined according to the Company's regulations. If it is a third party who has acted to cause damage to the company, the Company will consider legal action against that person as well.

Penalty

The employees, who violate this policy, will be subject to disciplinary action in accordance with the company's regulations and there may be violations of the law, regulations, or other relevant requirements.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

The results of whistleblowing or complaints in 2022

In the past year, from the review of fraud detection results and the notification system of the Company's whistleblowing or complaints channels, there was no material fraud issue and no reported any violations of the code of conduct.

However, if the Company receives whistleblowing or complaints, the Company will have a process to manage by investigating the cause and effect of the offense and using the complaints to assess the risk. In order to find a way to protect prevent the same mistake by improving the practice and determining preventive measures and make operations and corporate governances more effective. In addition, there is an assessment of the risks of corruption and non-compliance with rules, regulations, and codes of conduct, with the Internal Audit Department responsible for overseeing and internal auditing and regularly reporting to the Audit Committee. The Company also raises awareness among employees. and instilled into the organization's culture, with directors and executives acting as good role models.

In order that, the Company has tested the notification system in the whistleblowing or complaint on the company's website to ensure that the notification system is still functioning properly.



Report of Audit Committee for the year 2022

Dear Shareholders

The Audit Committee of Metro Systems Corporation Public Company Limited consists of the following qualified independent directors listed below:

No.	Directors	Position	Qualifications	Attendance
1	Dr. Virach Aphimeteetamrong	Chairman of Audit Committee	Knowledge of Accounting & Finance	5/5
2	Mr. Pravith Chattalada	Audit Committee	Knowledge of Information Technology	1/5
3	Assoc.Prof. Phornsiri Thivavarnwongs	Audit Committee	Knowledge of Accounting & Finance	5/5

and Miss Varangkana Sadudipreasertsud, Internal Audit Manager and Audit Committee Secretary.

In 2022, Audit Committee attended every meeting which consisted of 5 meetings between the Audit Committee and internal auditors, 4 meetings were jointly held with the certified public accountant, in which the 1st time was a meeting without management and held one meeting with non-executive directors. In order to govern major parts of work and acknowledge the information. Significant results from consideration are summarized as follows:

- Review to ensure that the Company's quarterly financial statements, the financial statement of 2022 and the consolidated financial statement are accurate and reliable in order to have sufficient disclosure of significant information to benefit investors or financial statement users.
- Review and consider connected transactions with potential conflicts of interest for compliance with laws and specifications of the Stock Exchange of Thailand along with disclosing accurate connected transactions to the Stock Exchange of Thailand at specified times.
- Govern internal controls and operations of internal auditors by assessing sufficiency of the Company's internal control systems to determine the sufficiency and suitability for business operations. Consideration of auditing plans with coverage of operations, information technology and internal audit results of 2022 did not find significant issues and results from recommendations and improvements to deficiencies were monitored in order for operations to have appropriate internal control systems.
- Good governance, reviews of compliance with the law, regulations, business ethics, company policies and regulations including reviews of anti-corruption audits and systems for enabling warning and warning systems of channels for reporting tips or complaints on the website. In 2022, the Company did not have significant corruption issues.
- Risk management was reviewed with the Risk Management Sub-committee sharing responsibility with the management in order to manage risks with effects on the Company's performance and be prepared to manage unexpected situations.
- Consider selection and appointment of auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. for the Board of Directors to consider. In addition, the Audit Committee reached a resolution approving the request for approval from the shareholder meeting to appoint Mrs. Wilasinee Krishnamra, Certified Public Accountant License No. 7098, and/or Miss Nisakorn Songmanee, Certified Public Accountant License No. 5035, and/or Mr. Yongyuth Lertsurapibul, Certified Public Accountant License No. 6770, and/or Mr. Kasiti Ketsuriyork, Certified Public Accountant License No. 8833, and/or Mr. Bodin Laprangsirat, Certified Public Account License No. 10985, as the Company's auditors in the year of 2022.

27 January 2023

One behalf of the Audit Committee,

Dr. Virach Aphimeteetamrong
(Dr. Virach Aphimeteetamrong)
Chairman of Audit Committee

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Report of the Nominating and Remuneration Sub-Committee for the year 2022



Dear Shareholders,

The Nominating and Remuneration Sub-committee Originally, the Board of Directors has appointed two separate sets; the Nominating Sub-committee and the Remuneration Sub-Committee. Both Committees was first appointed on 8 May 2006, the Board of directors has resolution to merge both Sub-Committees to be one Sub-Committee called “Nominating and Remuneration Sub-Committee” with a term of two years. In 2022, Board of Directors Meeting No. 3/2022 held on 12 May 2022 has a resolution to extend the Nominating and Remuneration Sub-Committee’s term by another term from 1 June 2022 to 31 May 2024.

The Nominating and Remuneration Sub-Committee members are listed below:

No.	Committee Member	Position	Attendance
1	Mr. Suvij Suvaruchiphorn	Chairman of Nominating and Remuneration Sub-committee	3/3
2	Mr. Narong Charuvajana	Vice Chairman of Nominating and Remuneration Sub-committee	3/3
3	Mr. Pravitt Chattalada (Independent Director)	Nominating and Remuneration Sub-committee	1/3

The Nominating and Remuneration Sub-committee consists of at least three directors with one independent director and two directors not involved in management with a term of two years in office.

The Sub-committee performed assigned duties with caution, thoroughness and transparency with priority given to the ultimate benefit of all shareholders and stakeholders. The Sub-committee studied more information on relevant topics thoroughly and specified scopes of authority and duties involving the specification of recruitment criteria and policy including remuneration setting for the Board of Directors and Sub-committee members. Directors were recruited by considering appropriate individuals for director positions in order to nominate candidates for the Board of Directors to approve and/or request for the shareholder meeting to approve. The Sub-committee considered recruiting suitable individuals for the position of the Chief Executive Officer in cases where a position becomes vacant including criteria for high-ranking executives’ succession. The Sub-committee prepared criteria and policies for setting remuneration for the Board of Directors and the Chief Executive Officer to propose to the Board of Directors for approval and/or proposed for the shareholder meeting to set necessary and appropriate remuneration in order to motivate and maintain the Board of Directors, sub-committees and the Chief Executive Officer in each year. The Nominating and Remuneration Sub-committee has responsibilities to the Board of Directors and duties to provide explanations and answers concerning recruitment and remuneration of directors and high ranking executives at shareholder meetings including reporting and disclosing nominating and remuneration policies in the annual report.

In 2022, the Nominating and Remuneration Sub-committee met thrice to consider various topics. Every director attended the meetings in order to monitor and consider major assignments from the Board of Directors. Main content of meetings is as follows:

1. Consideration to recruit directors to replace directors whose terms expired in the year of 2022 and presentation to the Board of Directors in order to request approval from the shareholder meeting.
2. Consideration of director and sub-committee member remuneration in 2022 and presentation to the Board of Directors in order to request approval from the shareholder meeting.
3. Consideration of the Nominating and Remuneration Sub-committee Charter of 2022 and presentation to the Board of Directors for consideration of approval.
4. Consideration of director nominating and remuneration policies, nominating and remuneration policies for high-ranking executives and presentation to the Board of Directors for consideration of approval.
5. Consideration the progress of recruitment the person who will be Chief Executive Officer and present to the Board of Directors for acknowledgement.
6. Consideration to recruit Audit Committee, whose term will expire in August 2022 and present to the Executive Committee for further consideration.
7. Consideration to recruit the Managing Director Group from internal personnel and present to the Executive Committee for consideration of appointment.
8. Consideration to merge the Corporate Governance Sub-committee and Sustainable Development Sub-Committee to be one group and namely Corporate Governance Sub-committee, also a consideration to recruit one more sub-committee and present to the Board of Director for consideration.
9. Acknowledgement the management structure for the year 2023 and succession the position in each business and work group.

The Nominating and Remuneration Sub-committee has the opinion that, in 2022, the Nominating and Remuneration Sub-committee's operations were consistent with plans and the Board of Directors' assignment. Recruitment and remuneration of directors and executives was appropriate, which will help the Company in maintaining the Board of Directors, sub-committees and executives who have knowledge and capabilities to create benefit for the organization and develop toward the future with sustainability.

27 January 2023

On behalf of the Nominating and Remuneration Sub-committee

Suvij Suvaruchiphorn
(Mr. Suvij Suvaruchiphorn)

Chairman of nominating and Remuneration Sub-committee

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Report of the Corporate Governance Sub-Committee for the Year 2022



To Shareholders,

The Corporate Governance Sub-committee was previously appointed and divided into 2 sub-committees by the Board of Directors, namely, the Corporate Governance Sub-committee and the Sustainability Development Sub-committee. Both sub-committees were first appointed by the resolution of the Board of Directors' Meeting No. 5/2558 on 6 November 2015, with a term of office of 2 years.

In 2022, the Board of Directors' Meeting No. 4/2565, which was convened on 10 August 2022, passed the resolution to merge the Corporate Governance Sub-committee and the Sustainability Development Sub-committee into the Corporate Governance Sub-committee. The Sustainability Development Sub-committee was abolished from 10 August 2022, onwards. The Corporate Governance Sub-committee shall hold office for the remaining term of office of the Corporate Governance Sub-committee, which is due on 30 November 2015.

The list of the Corporate Governance Sub-committee is as follows:

No.	Director	Position	Number of Meeting
1	Dr. Virach Apimeteetamrong (Independent Director)	Chairman of the Corporate Governance Sub-committee	3/3
2	Mr. Kitti Techataveekijkul	Member of the Corporate Governance Sub-committee	3/3
3	Mr. Wanarak Eakachai	Member of the Corporate Governance Sub-committee	3/3
4	Mr. Arun Tor-ekbandit	Member of the Corporate Governance Sub-committee	3/3
5	Mr. Veeraphan Durongsang	Member of the Corporate Governance Sub-committee	3/3
6	Mr. Thongchai Lumveerakul	Member of the Corporate Governance Sub-committee	3/3
7	Mrs. Nittaya Thanaviriyakul	Member of the Corporate Governance Sub-committee	3/3
8	Mr. Suradet Lertthammajak	Member of the Corporate Governance Sub-committee	1/3

Remarks : Mr. Suradet Lertthammajak has been appointed to be the member of the Corporate Governance Sub-committee from 10 August 2022, onwards.

8 members of the Corporate Governance Sub-committee consist of 3 directors and 5 executives. There is an independent director or director who is not involved in the management acting as the Chairman. The scope of authority of the Corporate Governance Sub-committee is to propose good corporate governance practices and recommend good practices in accordance with the ethical framework and Code of Conduct of the Company to the directors, executives, employees, and workers of the

Company appropriately and continuously, including consider, review and improve the corporate governance policy regularly to ensure that the corporate governance policy of the Company is up-to-date and consistent with the practices based on the international standards. The Corporate Governance Sub-committee shall fully perform its duties in accordance with the Charter of the Corporate Governance Sub-committee and as assigned by the Board of Directors, as well as the laws, criteria, rules, and regulations of the listed company regulatory authorities, monitor and evaluate the performance of directors and the Management in accordance with good practices and prepare the annual report on corporate governance assessment to present to the Board of Directors, and propose necessary opinions and recommendations, and perform duties as assigned in each period by the Board of Directors.

In 2022, the Corporate Governance Sub-committee carried out its role and duties and held 3 meetings to consider matters, which can be summarized as follows:

1. Proposing good corporate governance practices and supervising the compliance of regulations and laws to the Board of Directors, suggesting guidelines for compliance with the ethics and Code of Conduct of the Company's directors, executives, and employees, and considering important issues on corporate sustainability for the year 2023 in order to improve the quality of the Company to become an organization with sustainable business operation, which is the tool for managing the expectations of stakeholders
2. Proposing the regular preparation, review and update of policies in order to comply with the laws, criteria, rules, and regulations to the Board of Directors for approval with the following improvements:
 - Good Corporate Governance Manual, which deems that the Good Corporate Governance Policy section should be reviewed and updated to be suitable for current situations so that directors, executives, and employees can adhere to this approach in practical way correctly.
 - Manual for Director, which deems that the contents of the general chapter and the practices of the directors should be reviewed and updated to be suitable for the current situations so that the directors can apply it as a guideline correctly and completely according to the laws
 - Code of Conduct, which deems that the Code of Conduct Policy and penalties sections should be reviewed and updated to be suitable for current situations so that directors, executives, and employees can adhere to this approach in practical way correctly
 - Related policies and regulations, which deems that the contents of the related policies and regulations should be reviewed and updated in accordance with the current situations and the principles of good corporate governance

In addition, the Company has prepared online publications to publicize policies and regulations and conducted anti-corruption tests to promote the Company's anti-corruption policy and regulations and raise awareness of the National Anti-Corruption Day, as well as the test on the Company's Code of Conduct, policies, and regulations to be used as communication channels and test whether employees have accurate knowledge and understanding of the Company's policies, rules and regulations. The goal is set to allow 80% or higher of regular employees to pass the test. In 2022, regular employees passed the test, representing 81.34% of the total number of regular employees, and contract employees passed the test, representing 35.29% of the total number of contract employees.

3. Supervising and educating directors by continuously providing training courses and encouraging directors to attend various courses of the Thai Institute of Directors (IOD), the Stock Exchange of Thailand, and the Securities and Exchange Commission to develop knowledge, ability and expertise in performing duties



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

4. Providing advice on the plan for preparing the Annual Registration Statement/Annual Report (Form 56-1 One Report) and organizing the annual general meeting of shareholders, supervising the annual general meeting of shareholders to be in accordance with the laws and practices under AGM Checklist to ensure that the meeting is organized efficiently and transparently according to good corporate governance principles, establishing safety standards for meeting attendance under the COVID-19 pandemic, resulted in the Company receiving scores of 98% from the assessment of the quality of the annual general meeting of shareholders for the year 2022 conducted by the Thai Investors Association
5. Supervising the establishment of criteria for allowing minority shareholders to propose the agenda of the Annual General Meeting of Shareholders in advance and nominate persons to be elected as directors in advance prior to the 2023 Annual General Meeting of Shareholders from 1 September 2022 to 30 November 2022 in accordance with the rules prescribed by the Company

However, according to such opportunity allowing shareholders to propose agenda items and nominate candidates to be elected as directors in advance, after the end of the prescribed period, no minority shareholders proposed such matters to the 2023 Annual General Meeting of Shareholders.

6. Providing advice on the implementation under the CGR Checklist, which the Company participated in the 2022 Corporate Governance Report of Thai Listed Companies (CGR) project supervised by the Thai Institute of Directors (IOD), resulting in the Company receiving an excellent average score of 91%, higher than the overall average score of listed companies, equivalent to 85%
7. Preparing a report of the Corporate Governance Sub-committee to report the operating results for the year 2022 to the Board of Directors

The Corporate Governance Sub-committee is committed to supervising the Company to strictly comply with the good corporate governance policy and Code of Conduct and developing good corporate governance and Code of Conduct continuously, transparently, and fairly with traceability, and promoting sustainable business operations so that the Company gains the confidence of stakeholders and meets international standards.

27 January 2023

On behalf of the Corporate Governance Sub-committee

Virach Aphimeteetamrong
(Dr. Virach Aphimeteetamrong)

Chairman of Governance Sub-committee

Report of Risk Management Sub-Committee for the Year 2022



Dear Shareholders,

The Risk Management Sub-Committee (RMC) is first appointed on December 8, 2015 with a term of two years to supervise and manage enterprise risks for achieving company's objectives and goals. According to good corporate governance, the RMC consists of an independent director, an executive director and a non-executive director.

The Risk Management Sub-committee members are listed as follows:

No	Committee Member	Position	Attendance
1	Assoc. Prof. Phornsiri Thivavarnvongs	Chairman of Risk Management Sub-Committee	4/4
2	Mr. Kitti Techathaveekijkul	Risk Management Sub-Committee	4/4
3	Mr. Wanarak Eakachai	Risk Management Sub-Committee	4/4
4	Mr. Thongchai Lumveerakul	Risk Management Sub-Committee	4/4
5	Mr. Aroon Tor-Ekbundit	Risk Management Sub-Committee	4/4
6	Mr. Veeraphan Durongsang	Risk Management Sub-Committee	4/4
7	Mrs. Nittaya Thanaviriyakul	Risk Management Sub-Committee	4/4

In 2022, the RMC has governed and supported risk management in an appropriate and timely manner in addition to recognizing new risks with potentially significant effects on business operations. Therefore, the Company has assessed significant issues and analyzed risks in core businesses including supporting operation that were assessed for issues with effects on core business. The enterprise risks and key issues have quarterly reported to the RMC for consideration and the following main content was summarized.

1) Significant enterprise risks are in four areas

- (1) Product & Service: New products and services including intellectual property (IP) developed by the Company are able to meet future market demand. In term of competition, these products and services aren't differentiate from competitor or created competitive advantage.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

- (2) Transformation in Digital Era: Transforming in both business model and business process may not be able to keep up with technology changing rapidly. Moreover, key challenge is preparing and developing personnel to meet new business model or customers' need.
 - (3) Information Security Management: the Company's infrastructure may cause leakage both from internal factors and external threats such as Cyber Attack. Confidential data of the Company and personal data are important information to protect and ensure that the organization's operations are complied with the standard and Personal Data Protection Act (PDPA).
 - (4) Financial Growth: the Company's direction and business strategy are the significant key to organization's sustainable growth. The strategy of human resource management is an important mechanism to drive the business. Developing business model and new solution are another strategy that the Company focused to meet future customers' business trends. Moreover, internal operation is prepared for the new business model.
-
- 2) Review and revise the Risk Management Sub-Committee charter, risk management policy and risk management framework (at the RMC meeting No. 1 on January 28, 2022)
 - 3) Prepare the Report of Risk Management Sub-Committee for reporting annual performance in 2022 as planned.

The Risk Management Sub-committee has an opinion that the Risk Management Committee's operation in 2022 achieved the Company's goals in preparing an enterprise risk management system and received good cooperation from the Executive Committee and employees.

February 13, 2023

On behalf of the Risk Management Sub-Committee

Phornsiri Thivavarnvongs
(Assoc. Prof. Phornsiri Thivavarnvongs)
Chairman of Risk Management Sub-Committee

Report of the Board of Directors' Responsibility for Financial Reports

The Board of Directors is responsible for the consolidated financial statements of the Company and its affiliated companies, the financial information that appears in the annual report, and the information on the Internet. Such financial statements were prepared in accordance with generally accepted accounting standards in Thailand, used appropriate and consistent accounting policies, and used careful judgment and the best possible estimate in the preparation and with adequate disclosure of important information in the notes to the financial statements.

The Board of Directors maintains an effective internal control system to reasonably be assured that accounting records are accurate, complete, and comprehensive to maintain assets, and to identify weaknesses to substantially prevent fraudulent or unusual conduct

The Board of Directors has appointed Audit Committee that consisted of independent directors to oversee the quality of the financial reports and the internal control system. Opinions of the Audit Committee on this matter is as in the annual report.

The Board of Directors is of the view that the overall internal control system of the Company is of satisfactory and able to build rational confidence in the reliability of the financial statements of the Company and its Affiliates as of 31 December 2022.

Sunpitt Sethpornpong
(Mr. Sunpitt Sethpornpong)
Chairman of the Board

Tavit Charuvajana
(Mr. Tavit Charuvajana)
Chief Executive Officer



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Internal Control and Related Transactions

Internal Control

The Board of Directors has focused on and supported the internal control system by defining the organizational structure and chain of command, roles and responsibilities of committees and the Management to supervise the businesses, rules for supervising subsidiaries, measures on monitoring the management of subsidiaries to maintain the interests of the Company's investments in subsidiaries, including transactions with persons with potential conflicts of interest. The Company has complied with the Office of the Securities and Exchange Commission (SEC) and completely disclosed its information. In addition, the Audit Committee is assigned to review the duties of the Internal Audit Department, which inspects the operating system and the information technology system according to the annual audit plan approved by the Audit Committee and directly reports to the Audit Committee to reasonably ensure that the Company has adequate internal control system and sufficient personnel to perform such operations effectively, including the reliability of financial reporting and compliance with the laws and related regulations. The Board of Directors also assigns the Audit Committee to review and approve the results of the internal control system adequacy assessment for the year 2022 in accordance with the control framework of COSO 2013, which is in accordance with the assessment form of the Office of the Securities and Exchange Commission (SEC) at the Audit Committee's Meeting No. 1/2566 on 27 January 2023. The Audit Committee gives opinions that the Company's internal control system was suitable enough for business operations, the overview can be summarized as follows:



Control Environment:

The Company encourages the Management and employees at all levels to have a positive attitude towards internal control, awareness, integrity, ethics, assigned responsibilities, and importance of effectiveness of internal control. Policies and regulations are established and used, including Code of Conduct, structure, report line, also determine suitable duty and responsibility, in the management of the Company, which are reviewed annually. Furthermore, Employees are required to take an on-line test regarding the business ethics, policy and all regulations of the Company to communicate and provide accurate understanding. There are rules for the employee performance evaluation process and the policy on career progress development and management, which are applied as the same standard for any changes. Promotions are provided to allow employees to acknowledge career opportunities and progress as well as support each person's skills to the maximum competence.



Risk Assessment:

The Company recognizes and pays attention to risk assessment by specification from consideration the business and the institution in any levels in the overall structure, also any processes related with internal and external factors. Moreover, the Company will analyze the risk and consider the opportunities of corruption in risk assessment. There is the assessment of changing which may be effect to the internal control system significantly. Besides, there is Risk Management Sub-committee is responsible for the risk management of the Company and establishes the risk management policy, assesses risks, provides suggestions and guidelines, including follows up risk management results and reports to the Board of Directors.



Control Activities:

The Company has a policy, regulations and procedures of each business process, also there is a technology to support the business process so that the activities can be controlled automatically. Moreover, the Company is committed to develop the management system and maintaining quality standards continuously, which its quality is accredited in accordance with ISO 9001:2015, ISO/IEC 20000-1:2011 and ISO/IEC27001:2013. The adequacy of the internal control system is assessed by the Board of Directors so that the Company will have the appropriate and sufficient internal control system to efficiently supervise the operations to be in accordance with the goals, objectives, laws, and relevant requirements, prevent assets from corruption, and prepare accurate and reliable financial reports.



Information & Communication:

The Company provides channels for communications within the organization, such as communication via intranet, e-mail, Microsoft Team, Youtube, providing important information to new employees through orientation, providing useful knowledge for operations through e-learning system, and meetings or online conferences. In addition, sufficient important information is also provided to report performances regularly to the Board of Directors and the Executive Committee for supporting their decision-making by preparing comparative analytical reports, troubleshooting, and performance follow-up together with the factual documentation. Regarding channels for external communications, such as websites Facebook, e-mail, Microsoft Team, and Youtube, they are used to organize activities relating to the presentation of information and performances to investors, shareholders and stakeholders for acknowledgement and allow all stakeholders to safely inform information relating to corruption.

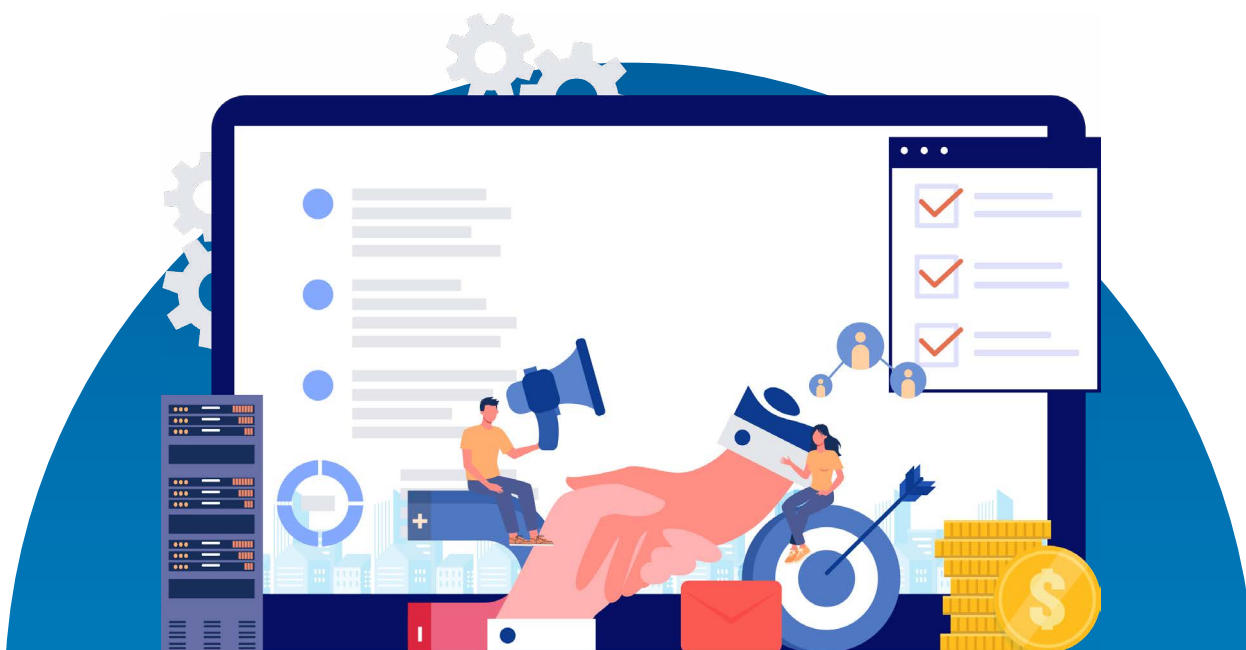


Monitoring Activities:

The Company uses the system to support the assessment continuously by consideration the relation whether it is consistency / inconsistency with the receiving information so that we can assess their efficiency and effectiveness. Also, the Company regularly monitors the performances according to the strategic plan, which covers all important activities, and also follow up potential solutions to adjust the operational plan to be consistent with the situations. It is the duties and responsibilities of directors, employees and supervisors at all levels, including the Internal Audit Department, to follow up through the inspection of internal control system and corruption investigations to support that the Company intends to take action to combat corruption and independently report the results to the Audit Committee.

Details about the head of the internal auditor

The Company has assigned Miss Vanisara Tangjittlerkit to be acting of the Internal Audit Manager until 30 August 2022 and assigned Miss Warangkana Sadudeeprasertsud to assume the position of Internal Audit Manager with effect from 1 September 2022 onwards to perform the duty of supervising the operation in accordance with the Company's working procedures, rules, regulations, and other laws related to the Company Qualifications 3.





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Related parties transactions

At present, the Company has complied with the policy on Related parties transactions according to the resolution of the Board of Directors No.2/2023 on 20 February 2023 in accordance with rules of the Securities and Exchange Act B.E. 2535 (amendment) which is effective from 31 August 2008 onwards (Section 89/12). The Securities and Exchange Commission (SEC) is required to set details and supervise connected transactions of listed companies to be in accordance with good corporate governance principles and with other relevant laws for transparency in the decision to enter into the transactions to be of no conflict of interest and is in the best interest of the Company and the shareholders, which for the transactions the following details must specified:

- The Related person should clearly specify the name, nature of their relationship, such as their shareholding, relationship with directors, executives, or major shareholders; and if the Related person is a legal entity, information of such legal entity should be specified, for example, group of major shareholders, nature of business, etc.
- For nature of the transaction, it should be clearly stated the type of transaction, for example, a business transaction that is an ordinary business transaction of the company, a transaction involving assets, or other services (such as acquisition or disposition of assets, granting of assets, granting of property rights, giving or receiving of services) or providing financial assistance (e.g. loan of money or other assets, providing property as collateral, acting as guarantee, debt removal), etc.
- Prices and conditions: Should be clearly compared when given to the Related persons for shareholders to have sufficient information to support their decision making. Information on prices and conditions should be specified in accordance with the nature of the transaction, such reference to price list for the case of goods or services traded in ordinary business which has market price as reference; in other cases, the price may be compared with external parties along with opinion from an independent expert (e.g., real estate appraisal using independent appraisers). However, in the case of contract price, as follows:
- Directors, executives, or related persons may enter into transactions with the company or Subsidiaries only after the transaction is approved by the shareholders' meeting of the company, unless it is a trade agreement in the same manner as a normal person would do with a common counterparty in the same situation, with a commercial bargaining power without influence of his or her status as a director, executive, or other related person as the case may be, and is a formal agreement approved by the Board or in accordance with principles approved by the Board. Reasons, assumptions, and factors for consideration of the transaction should also be included.
- Opinion of the Board of Directors If a Related transaction, the company must seek approval from the shareholders' meeting along with opinion from the Board. In a Board meeting, related person for the related transaction should not attend the meeting. The Board's opinion should include the following points:
 1. The reasonableness of how it is in the best interest of the Company, including risks to the Company such as on lending of money or guaranteeing loans to affiliates.
 2. Whether or not and why the criteria used to set prices and conditions is fair to the Company; and are the same criteria when doing transactions with third parties used for the related transaction.
 3. Protection measures to ensure that there is a random review of the transactions to be genuine and proper according to the contract or the specified policy.
 4. The Company must notify the Board of Directors' resolution on related transactions as soon as the Company agrees to enter into the transaction (usually the date that the Board of Directors approves it), i.e., within the date of the Board of Directors' resolution or at latest by 9 o'clock of the next business day via SETLink system.

Transactions between the Company and the Subsidiaries with the Related Persons



Transactions between the Company and the Subsidiaries and the related Persons, 2022, are divided into 4 major categories, consisting of ordinary business transactions, ordinary business support transactions, short-term real estate rental transactions, and transactions relating to assets or services. For transactions between the Company and its subsidiaries or associated companies, the financial statements of the Company in the notes to the financial statements should be examined, with details of each related transaction are as follows:

1) Relationship: Major Shareholders (More than 10%)

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
MC Bakery Co., Ltd. Juristic person No. 1 holds 12.89% of the shares in MSC.	Normal business	MSC Revenues: • Other revenues	82,000	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties and it is subject to normal business conditions

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

2) Relationship: Some directors of MSC are directors in related juristic persons.

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
Center Container Co., Ltd. United Silo & Service Co., Ltd. Siam Arun Group Co., Ltd. N.I.M. Co., Ltd. MC Foods Co., Ltd. MCF Products Co., Ltd. MCF Marketing Co., Ltd. United Flour Mill Plc. Samut Transport Co., Ltd. SP LEGACY Co., Ltd.	Normal business	MSC Revenues: • Selling products • Revenues from service • Other revenues	855,134 (697,788) 1,652,454	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties and it is subject to normal business conditions
Juristic person No. 1 has 2 co-directors, namely Mr. Kitti Techataveekijkul and Mr. Narong Charuvajana.				
Juristic person No. 2-8 have 2 co-directors, namely Mr. Sunpitt Sethpornpong and Mr. Suvij Suvaruchiporn.				
Juristic person No. 9 have 1 co-di-rector, namely Mr. Suvij Suvaruchiporn.				
Juristic person No. 10 have 1 co-director, namely Mr. Sunpitt Sethpornpong.				

3) Relationship: Some directors of MSC are major shareholders (more than 10%) in related juristic persons.

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
Metro Co.,Ltd. Juristic person No. 1 has 1 director of MSC, who is the major shareholder, namely Mr. Sunpitt Sethpornpong, holding 15.45% of shares.	Normal business	MSC Revenues: • Selling products • Other revenues	228,330 253,821	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties and it is subject to normal business conditions.

4) Relationship: Related person is the child of the director of MSC.

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
Tippawan Charuvajana Is the child of Mr. Tavit Charuvajana, who is the director of MSC.	Short-term Rental/Leasing of Real Estate	MSC Expenses: • Rental fee of document storage	480,000	It is according to normal course of business. The rental fee rate is subject to the standard rate specified by the Company. The Company has implemented the same practices as transactions with third parties.

5) Relationship: Related person of the director of MSC is a shareholder or executive in related juristic persons.

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
Intelction Co., Ltd Pang Sayam (2555) Co., Ltd United Flour Trading (2555) Co., Ltd Juristic person No. 1 has Mr. Suvij Suvaruchiporn, who is the director of MSC and has a child who is the director of the company. Juristic person No. 2-3 has Mr. Sunpitt Sethpornpong, who is the director of MSC and has a sibling who is the director of the company.	Normal business	MSC Revenues: • Selling products • Other revenues MSC Expenses: • Purchasing services	238,760 583,000 850,000	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties and it is subject to normal business conditions.



Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

6) MSC's major shareholders are major shareholders (more than 10%) in related juristic persons.

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
Roj-Anant Consultant Co., Ltd. UFM Fuji Super Co., Ltd. UFM Food Center Co., Ltd. Siam Flour Trading Co., Ltd. MC Plastic Co., Ltd. MC Industrial Chemical Co., Ltd. Treemit Marketing Co., Ltd. Rich Products Manufacturing (Thailand) Co., Ltd. Juristic person No. 1- 7 has Metrophos Co., Ltd., the major shareholder of MSC, as the major shareholder of the company. Juristic person No. 8 has MC Bakery Co., Ltd, the major shareholder of MSC, as the major shareholder of the company.	Normal business	MSC Revenues: - Selling products - Revenues from service - Other revenues MSC Expenses: - Other expenses - Purchasing services	2,285,842 1,646,056 282,200 3,407,069 10,658	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties and it is subject to normal business conditions.

7) Relationship: Subsidiaries with related juristic persons of MSC

7.1) Metro Professional Products Co., Ltd.

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
MDEC International (1991) Co., Ltd. Center Container Co., Ltd. Metro Co.,Ltd. Roj-Anant Consultant Co., Ltd. UFM Food Center Co., Ltd.	Assets/ Services	MSC Expenses: Purchasing assets	6,000	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties
Juristic person No. 1 has Mr. Sunpitt Sethpornpong and Mr. Suvij Suvaruchiporn, who are the director of MSC, as the director of the company. Juristic person No. 2 has Mr. Kitti Techataveekijkul and Mr. Narong Charuvajana, who are the director of MSC, as the director of the company. Juristic person No. 3 has Mr. Sunpitt Sethpornpong, who is the director of MSC, as the shareholder of the company. Juristic person No. 4-5 has Metrophos Co., Ltd., which is the major shareholder of MSC, as the major shareholder of the company.	Business Support	MPP Expenses: - Other expenses - Premium	16,075 73,623	It is according to normal course of business. The service fee rate is subject to normal business conditions and the Company has implemented the same practices as transactions with third parties.

7.2) Metro Connect Company Limited

Related parties/juristic person	Type of transaction	Nature of transaction	Value of transaction (Baht)	Necessity and Reasonableness
Inteltion Co., Ltd. UFM Food Center Co., Ltd.	Normal business	MCC Revenues: • Selling products • Revenues from service	6,861,845 1,376,800	It is according to normal course of business. Regarding the trading price and service, the Company has implemented the same practices as third parties and it is subject to normal business conditions.
Juristic person No. 1 has Mr. Suvij Suvaruchiporn, who is the director of MSC and has a child who is the director of the company. Juristic person No. 2 has Metrophos Co., Ltd., which is the major shareholder of MSC, as the major shareholder of the company.	Business Support	MCC Expenses: • Other expenses	197,690	It is according to normal course of business. The service fee rate is subject to normal business conditions and the Company has implemented the same practices as transactions with third parties.





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Necessity and reasonableness of related transactions

On the Company and its subsidiaries' related transactions with the related persons for the fiscal year 2022, according to the resolution of the Board of Directors No. 2/2023 on 20 February 2023, in which the Audit Committee attended the meeting, the said transaction is necessary, reasonable, and is in the best interest of the Company. Currently, the 4 types of related transactions are transactions with the same trade agreement as an ordinary person would do with the general counterparty in the same situation.

Policy or trends in related transactions in the future

The Company has set policies and trends in related transactions in the future as follows:

The Company will stipulate the terms and conditions of the related transactions to be in accordance with normal commercial conditions and according to the market price which can be compared with the price incurred with third parties. However, the Audit Committee or the Company's auditor or independent expert, as the case may be, will review and give opinions on the suitability of the price and the reasonableness of the transaction.

The Board of Directors is responsible for ensuring that any future transactions that may occur is in accordance with the law on securities and exchange, regulations, announcements, orders, or regulations of the Stock Exchange or related agencies, as well as disclosure requirements for information on related transactions and the acquisition or disposition of important assets of the Company.

If the Company has transactions between persons who may have conflicts in the future, the Audit Committee must give opinions on the suitability of such transactions. If it is found that the Audit Committee does not have expertise in considering related transactions, there must be a person with special expertise such as the Company's auditor or an independent expert to comment on that particular related transactions.

The opinion of the Audit Committee or the person with special expertise will be used in the decision-making of the Board of Directors or shareholders, as the case may be, and the Company has to disclose such related transactions in the notes to the financial statements.



03

SUSTAINABILITY REPORT





Business Overview



Corporate Governance



Sustainability Report



Financial Statements



Attachments



Driving for Sustainability Business



Vision

The Company will be a model organization for sustainability in business operations along with economic, social and environmental concerns.



Mission

The Company is committed to becoming a sustainable company in the digital economy era as well as developing a learning society.

Strategy

The Company will perform operations according to the framework of the corporate social responsibility by strengthening the engagement of all stakeholders



Scope of Reporting

The Company prepares and reports the operating results of Metro Systems Corporation (Public) Company Limited for the year 2022 from January 1, 2022 to December 31, 2022, with respect to sustainability management. The Sustainability Development Sub-committee and the Good Corporate Governance Sub-committee are responsible for screening policies, activities, action plans, and annual budgets and presenting them to the Board of Directors, which are shown in the Annual Registration Statement (Form 56-1 One Report) and the Company's website annually in accordance with the rules of the Stock Exchange of Thailand.

Guidelines for Report Preparation

The 2022 Sustainability Report is subject to the reporting framework based on key sustainability issues by using the Materiality Matrix in order to respond to the UN's Sustainable Development Goals (SDGs).

Sustainability Management Policy and Goal

The Company has established sustainability implementation by supporting policies in accordance with the expectations of stakeholders, including the rules of the Stock Exchange of Thailand, which are in line with the Company's business direction and strategy, to reflect its intention and commitment to drive the business. The Company takes into account environmental and social issues that cover the respect for human rights and good corporate governance. However, the Company has set goals for sustainability management of the organization by establishing its major sustainability issue to respond to the UN's Sustainable Development Goals (SDGs), which are aligned with the Company's business strategy, so that shareholders and investors can compare and monitor its performances.

In the past year, the Company reviewed the policies relating to sustainability management to ensure that the contents were in accordance with the current situation under the corporate social responsibility practices, including:

- Principles of Good Corporate Governance and Fair Business Operation
- Anti-corruption, whistleblowing or complaint reporting, and fair procurement
- Respect for human rights in accordance with the principles of equality and fair treatment of labor, responsibility to consumers
- Environmental stewardship and raising of awareness for employees to use resources efficiently
- Community and social development through appropriate activities and provision of new technological knowledge to students
- Innovation and dissemination of innovation: The Company encourages employees to innovate and develop innovations relating to business operations to develop potential and improve technological innovations to drive the organization toward sustainability.

However, there is no any material content changed. The details are shown in the Corporate Governance Manual on the Company's website, <https://ir.metrosystems.co.th/corporate-governance-th/>, to ensure that all investors or stakeholders understand and it can be used as a guideline to further monitor the direction of the Company's business operations.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

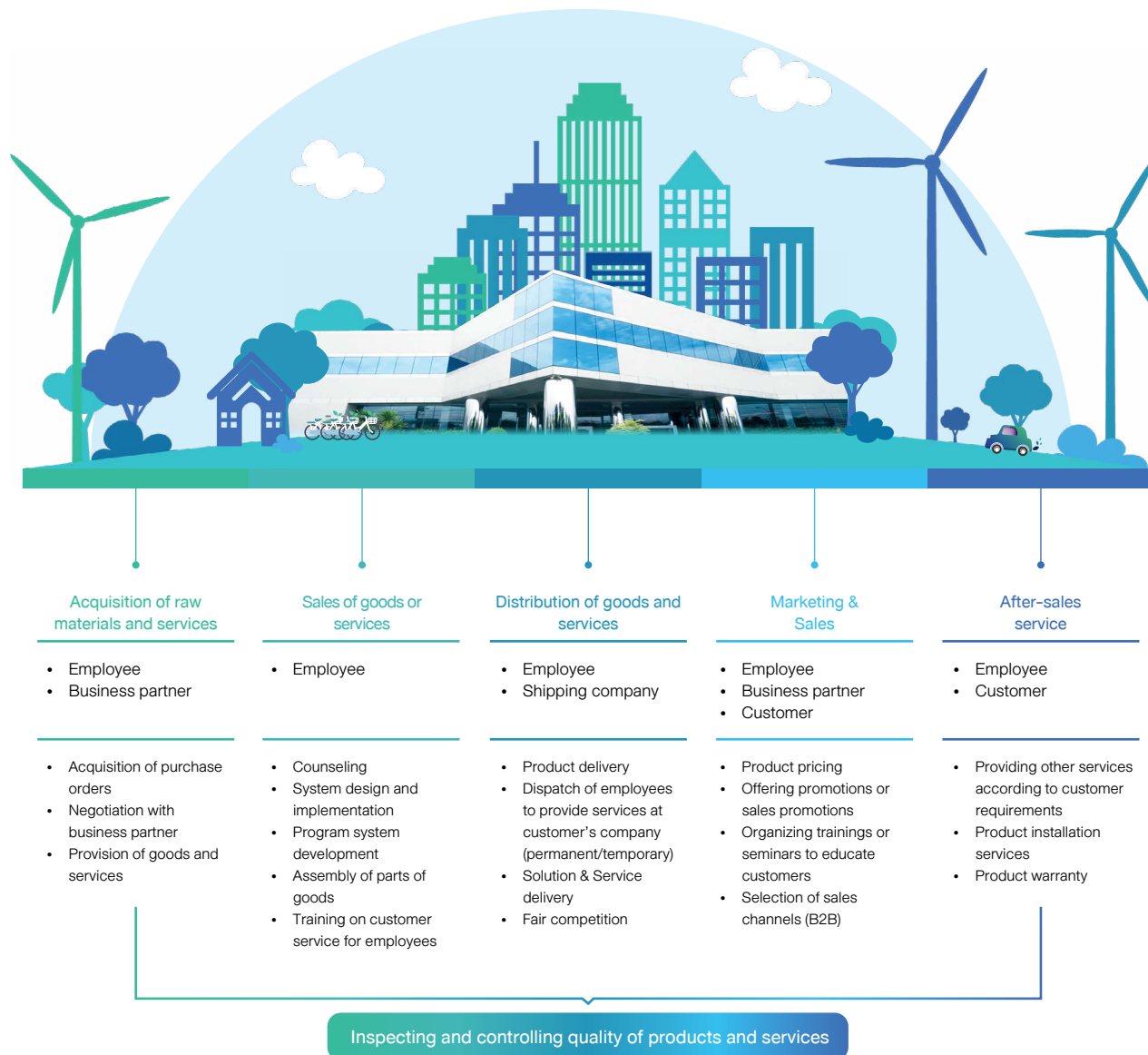
Attachments

Management of Impact on Stakeholders in Business Value Chain

Value Chain of Business

The Company recognizes and pays attention to sustainable value chain management to meet the expectations of all stakeholders. The Company has defined two types of activities of the value chain as follows:

1) Main activities



2) Supporting Activities

The Company has the Direction of creating long-term mutual growth. Therefore, policies, goals and strategies are established in line with sustainable development principles at all stages of its main operation from upstream to downstream, including the sourcing of environmentally friendly products or raw materials meeting the needs of the market, the development of technologies for quality products and services, and the management of human resources of the Company to be competent in order to support the main activities of the value chain to achieve the Company's goals.

Analysis of Stakeholders in Business Value Chain

The Company establishes the supply chain management plan by using data of stakeholders' engagement in all sectors. Such data is obtained from the assessment of stakeholder expectations at least once a year through the process of opinion hearings, satisfaction surveys, meetings, or other engagement channels. This is to know the related positive and negative impacts and issues between the Company and stakeholders in order to determine the approach to engagement suitable for the needs, expectations, and concerns of stakeholders, and to define indicators for continuously monitoring performances to ensure the good management, the transparent and traceable operating processes as well as respect for the equal rights of shareholders and responsibility to stakeholders. The relevant agencies are responsible for constantly reporting directly to the Management, Good Corporate Governance Sub-committee, and Executive Committee as follows:

Stakeholders	Stakeholder Expectations	Response to Stakeholder Expectations
Internal Stakeholders		
Employee	• Providing fair compensation and benefits comparable to the same industry business and consistent with the Company's short-term and long-term performances • Increment of annual wages and provident fund • Fair and equitable treatment • Fostering compliance with the framework of the Employee Code of Conduct • Encouraging employees to develop their potential, increasing knowledge and abilities to perform operations and career path • Good working environment • Operational safety • New technology & new solutions supporting and assisting operations • Profitable operations and sustainable growth • Organization's goals and direction of future business operations	• Reviewing the remuneration structure annually to ensure that the policy on employee remuneration is in line with the Company's short-term and long-term performances • Developing and promoting employees to have knowledge and expertise in works, developing the potential of employees in various fields in accordance with the growth of the organization, and fostering organizational values and operational ethics • Treating employees fairly and equitably, avoiding discrimination against employees, regardless of origin, race, religion, language, gender, age, physical condition, and political opinions; All employees have the right to career paths based on their knowledge and abilities by using moral principles. • Providing other benefits, such as medical expenses for employees and their families, allowances • Creating a good work environment by providing sufficient and modern workplace, work equipment, and meeting room to facilitate employees • Adjusting the Company's scenery by providing green areas surrounding the building, and encouraging employees to use bicycles instead of cars for transport around each building of the Company to reduce pollution • Providing protective devices for occupational safety, a first-aid room to take care of staff with mild illnesses, and first aid during work hours
Shareholder	• Providing higher dividends/returns to shareholders and increasing value for shareholders in the long run • Profitable operations and sustainable growth • Organization's goals and direction of future business operations • The Company conducts business transparently, accurately, and fairly in accordance with the related rules, regulations, and laws • Disclosing accurate and equitable information • Technology and solutions that meet the needs of the market	• Treating shareholders equally, and respecting the rights of shareholders as specified by the Securities and Exchange Commission (SEC), and the Stock Exchange of Thailand • Adhering to good corporate governance; it is evident that the Company received many awards and standards which guaranteed its performance with adherence to good governance principles, such as a certificate of membership of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) project from the Thai Institute of Directors.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Stakeholders	Stakeholder Expectations	Response to Stakeholder Expectations
Business Partner	- Performing operations under reasonable business conditions and in accordance with industry practices, complying with the terms of trade and contracts equitably, fairly, and legally, without exploiting the parties, never using fraudulent means or concealing any important information or facts that may cause damage to creditors - Respecting the rights of others, never demanding or accepting any assets or benefits from business partners - Not purchasing goods with business partners who infringe the intellectual property or violate human rights - Not doing business with business partners who act unlawfully - Refraining from creating commercial bargaining power in reciprocal means or conditions forcing compliance, and being honest in joint business operations - The Company pays for products and services in accordance with the terms. - Profitable operations and sustainable growth - Organization's goals and direction of future business operations - Conducting business with quality standards - Conducting business that is environmentally friendly and in accordance with environmental laws - Protecting information or maintaining sensitive data stored at the organization	- Adhering to the principles of transparency, fairness, and equality in contacting/treating business partners - Establishing policies and procedures on procurement to ensure fairness to business partners, and apply to the management of the Company Group for performing operations in the same direction, including the provision of products and services for sales to customers, selection of business partners with the process of screening business partners according to the criteria, defining clear business partner groups, procurement, appointment of import-export agents, audits of business partners, incoming inspection, and terms of incoming inspection, and preparation of the Code of Conduct and guidelines of the Company's business partners to ensure professionalism, transparency, and fairness - Disclosing the anti-corruption policy to business partners, including the Code of Conduct of the organization - Complying with terms and conditions of the sales contract, requirements, or Code of Conduct of business partners
Customer	- Selling products and services at a fair price - Quality products based on international standards - Fast and accessible service, including after-sales service - Employees have knowledge and expertise in products and services. - Profitable operations and sustainable growth for confidence and reliability in the continuous use of the service - Updating new technology & new solution - Being a consultant and able to modernize and improve the existing product of customers in replace of purchasing a new one - Providing a one-stop service call center, including quick response to problems - Protecting information or maintaining sensitive data stored at the organization - Complying with contracts transparently, completely, and accurately, and maintaining good and sustainable relationships between customers and the Company - Good corporate governance and fair treatment, ethical employees - Products and services are in accordance with environmental laws, including environmentally friendly business operations.	- Providing strict training and inspection to ensure that employees comply with the rules and code of conduct - Reviewing the service system regularly to ensure that the existing system meets the needs of customers - Conducting surveys of customer satisfaction in terms of reliability in product/service, satisfaction with the service of the sales officers, regularly obtaining information on products and services, personnel with knowledge and understanding of products/services, accuracy and speed of the ordering procedures, accuracy and speed of product delivery, and overall satisfaction in each business group, and applying the results of the survey to conduct workshops with relevant departments to jointly find solutions to develop and improve products and services for increasing customer satisfaction

Stakeholders	Stakeholder Expectations	Response to Stakeholder Expectations
External Stakeholders		
Community	• Providing assistance that is beneficial to society and the community • Supporting tools and equipment for education • Refraining from causing pollution to the environment and society • Cultivating awareness and encouraging employees and stakeholders to behave as good citizen who is responsible for and provides benefits to society and the community	• Committed to supporting activities that are beneficial to society and the community • Supervising the business operation so that it does not cause pollution to the environment and society • Encouraging employees and stakeholders to behave as good citizen who is responsible for and provides benefits to society and the community • Providing knowledge, study tour, and lecture on IT • Fostering awareness of social and environmental responsibility to employees through various activities
Competitor	• Conducting business and treating competitors fairly under the framework of trade competition and having a transparent code of conduct, avoiding the use of dishonest means to destroy competitors • Not performing any acts that infringe on the intellectual property of competitors • Not seeking confidential information improperly or dishonestly • Not damage the reputation of competitors by making derogatory accusations without truth • Providing cooperation in competition to create good market conditions, such as providing information about the product or creating new products or services, and entering into any agreements with competitors or any persons that reduce or limit trade competition	• Adhering to good corporate governance; it is evident that the Company received many awards and standards which guaranteed its performance with adherence to good governance principles, such as a certificate of membership of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) project from the Thai Institute of Directors.
Government	• Cooperation in performing the duty of good citizens, and complying with the provisions of the law in business operations • Correct accounting and taxation to the government according to the nature of the business • Conducting business honestly and fairly • Refraining from bribing civil servants to facilitate its business operations • Refraining from supporting actions of civil servants with the intent to commit corruption in any methods, and not allowing civil servants to misbehave in its businesses • Profitable operations and sustainable growth	• Summarizing regulations to convey to employees so that they acknowledge and comply with them in time • Summarizing regulations for the Board of Directors to acknowledge on an ongoing basis
Creditor	• The Company has debt repayment or interest payment in accordance with the terms of contracts. • Profitable operations and sustainable growth	• Complying with the loan terms • Being responsible for any guarantee conditions with integrity in order to create trust and fairness for creditors; If the Company fails to comply with the conditions, the Company will notify and negotiate with creditors in advance to jointly find preventive and corrective approaches for any damages.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Identification of Key Issues on Sustainability

The Company has identified key issues in this report as follows:

Step 1 Identification of key issues

Key issues affecting the Company's sustainability are identified, including internal and external economic, social, and environmental dimensions. Risks and opportunities to the Company's business are considered as well as the expectations of internal and external stakeholders of the Company. In addition, data is collected from the Company's departments responsible for matters relating to such key issues.

Step 2 Prioritization of key issues

Each sustainability issue is prioritized. Strategies and short-term and long-term goals are established to assess the level of importance that affects the Company's business operations in terms of economy, social, and environment and the level that influences stakeholder's decision-making. The Materiality Matrix tool is used to prioritize corporate sustainability issues.

Step 3 Preparation of action plan and determination of responsible departments

The results of the assessment of key issues are collected. The consistency among issues is identified in order to prepare a summary of issues that are important to the Company for analyzing the management approach of each issue and determining the departments responsible for work and presenting it to the Executive Committee for approval of important sustainability issues, including the scope of reporting.

Step 4 Monitoring and evaluation

The results of the assessment of key issues are reviewed. The implementation is regularly monitored, supervised, and inspected to achieve the Company's sustainability strategy.

Results of assessment of key sustainability issues



Key Sustainability Issues

The Company has adopted its priority issues as a sustainability management strategy and set targets for each issue in line with its strategies. The Company performs operations in economic, social, environmental, and technological dimensions in order to support the ongoing achievement of the UN's sustainable development goals (SDGs).



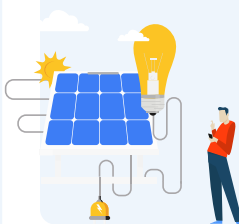
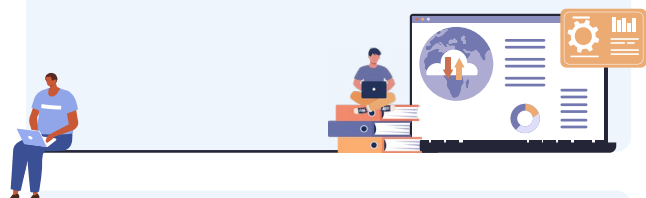
- Project of financial planning, investment, personal tax management, and post-retirement financial planning



- Fitness, saltwater swimming pool, sauna room
- Fitness clubs, such as yoga, football, badminton
- Annual health check-up
- MSC Virtual Step Challenge Project



- University Networking Project
 - MSC Academy, the in-house educational activities
 - Smart Classroom Project
 - METRO Gen Project
- It is open to visit the Company's technology center.



- Installation of solar panels for power generation
- EV Charger



- In-house Innovation Promotion Project
- METRO Gen Project

- Promotion of safe and stable working environment for all workers
- Employment of outsourcing employees and interns
- METRO Gem Project



- Mangrove planting activities



- Selection of products meeting the quality and standards from leading organizations
- METRO Green Clean Office Project



- Anti-Corruption Campaign
 - Policy on Human Rights
- Providing training and tests on Code of Conduct, policies, and regulations of the Company





The results of the assessment of 10 key sustainability issues were evaluated. The Company has initially adopted the top 4 key issues, which cause the most impact on/ importance to stakeholders and businesses, as the Company's sustainability management strategy. For other issues, the Company continuously applies them to formulate a plan for developing and controlling it to be a guideline for effective operations. The top 4 issues the Company has evaluated the priority, which cause impacts on/ importance to stakeholders and businesses are as follows:



Quality of Products and Services

The Company has a policy to be a leader in the distribution of IT products and services, including technology consultation. A wider variety of products are provided by offering an integration of products to support and meet the needs of customers in each industry group and aiming to select new technological products from product owners with international standards, including hardware, software solutions or consumables. Regarding

products that are consumables, the Company takes into account environmentally friendly materials with non-thermal technology. It has no dust, smell and smoke from devices. It also helps customers reduce the cost of devices and ink, and electricity bills. The Company has established procurement regulations as a framework for ordering and importing products for sales to customers. The Company focuses on the procurement process to ensure that quality products are obtained and must be from product owners or dealers only to guarantee legal products without any piracy. This is to ensure fairness in conducting business with customers and business partners. Operators and related parties must strictly comply with the Code of Conduct and the Code of Conduct of Business Partners in order to increase customer confidence. The Company performs operation under the international standard, ISO 9001:2015. Products are guaranteed by product owners. In addition, the Company protects and retains information, which is

trade secret, in accordance with the Personal Data Protection Policy that is in line with the Personal Data Protection Act B.E. 2562 (PDPA) of Thailand and the General Data Protection Regulation (GDPR) of European Union. This is to ensure that the service is in accordance with the standards and in line with expectations and requirements agreed with customers under the business philosophy of "Customer success is our business".



Good Corporate Governance

The Company promotes a peaceful society for sustainable development. All persons are treated fairly. The Company builds an effective and responsible organization with the transparent, fair and efficient management system under the supervision of the Good Corporate Governance Sub-committee. There is no intellectual property infringement and no other benefits that may be derived from improper operations. The Company is

committed to tax management in accordance with international standards and related laws, including the correct use of tax benefits without tax avoidance by adhering to the principles of accuracy, transparency, and accountability in order to maximize effectiveness for all stakeholders. In addition, the Company establishes guidelines for tax planning in line with the Company's direction, including tax management in each country in which the Company operates businesses under the Company's tax policy that is disclosed



on its website, <https://ir.metro systems.co.th/tax-action-th/>. Plus, the Company has also been certified as a coalition of Thai Private Sector Actions Against Corruption under the policy on anti-corruption. The Company is committed to creating a corporate culture to reject corruption in all transactions with the public and private sectors. Executives and employees at all levels of the Company participate in overseeing

corruption actions and rejecting corruption in all forms, directly or indirectly. As a result, the Company received a 5-star rating from the Corporate Governance Report of Thai Listed Companies project from the Thai Institute of Directors Association with



continuous support from the Stock Exchange of Thailand. This reflects the potential of good corporate governance management and sustainable business operations under good corporate governance principles, while taking into account all stakeholders.



Promotion of Innovation

The Company's business operations emphasize on the promotion of innovation development that differentiates and causes competitive advantages. As advancements in information technology and customer behavior change rapidly, innovation is the key to lead the organization to make a progress and grow sustainably. The Company encourages employees to be creative and able to develop new technologies and services that

meet the needs of the market by creating a community as a hub for all generations through the MSC Community Project under the name of "Metro Gen". In addition, a Metro Working Space is built on an area of over 500 sq.m. with an investment budget of over 10 million Baht to be used as a space for creating ideas and a working atmosphere supporting modern innovative ideas and seeking for new businesses. In addition, the Company also supports the technological innovation promoting strategy relating to business operations to create new innovative value in the future. These innovations can help drive and support the long-term economic and social development of the nation. The innovations that enable the creation of social and/or environmental benefits or values and the strengthening of capabilities to drive the organization to become a business leader in the future are as follows:

Product Innovation

The Company encourages the development of intellectual property (IP) in order to meet its goals in the future and to reduce the risk of termination of partnerships. This year the Company invest more than 23 million Baht to create its products.

- **MEGATHINGS** is an IoT Solution platform that improves overall operational processes to enhance the organization's efficiency to increase efficiency and provide automatic data analysis and notifications to prevent damages. It consists of 3 solutions as follows:

Solutions of Megathings

SMART UTILITIES



Capabilities

- Issuing public utility bills, connecting to electricity meters, water meters and gas meters.
- Efficiently reducing the cost of unnecessary energy consumption

PRODUCTION EXPERT



Capabilities

- Providing overall real-time performance measurements
- Adjusting formulas according to the situation at any time

ASSETS INSIGHT



Capabilities

- Reducing down time and machine damages
- Connecting and submitting function results of each machine and each type of devices

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

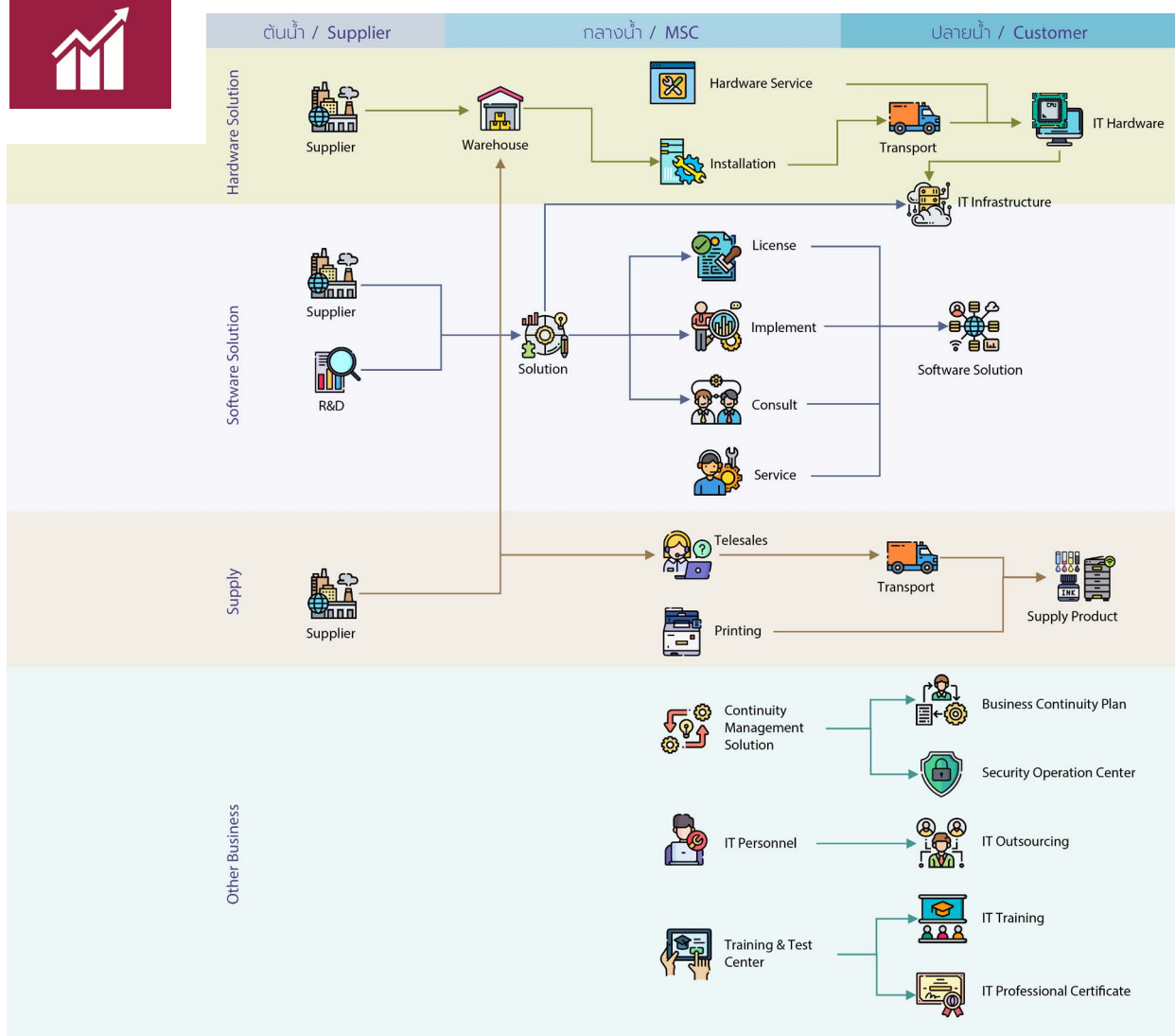
- The Superapp CRM is a software for management Sales and Marketing to achieve the goals. It can supervise all operational processes of the Sales Department, including seeking for customers, monitoring sales, forecasting revenue, closing deals, and payment collection. An overview of customers, can be viewed, such as past activities, what should be offered to increase revenue, and persons to be contacted in order to build good relationships with customers and sustainable engagement with the organization.

Process Innovation

The Company develops new operational approaches and processes by applying key processes to the system and implementing RPA (Robotic Process Automation) tools to reduce procedures for rapidness. All processes throughout the system can be viewed in real time (Visualization System).



Creation of growth throughout the value chain



Under the vision of “We will provide excellent service to customers with the best IT solutions”, the Company has formulated a business strategy covering the supply chain as follows:



The Company has the strategy to adapt its business operation model according to the trends of information technology to be in line with the digital transformation age. The Company understands customers' businesses so it can provide assistance and support customers by delivering quality products with standards, offering and providing services suitable for the various needs of customers in each organization, such as consultation, design, installation of systems, and maintaining information security, organizing seminars to provide knowledge on technologies and products to customers and related parties, paying attention to after-sales service, and regularly monitoring and evaluating customer satisfaction. In addition, the Company focuses on sustainable business development along with social and environmental responsibility by organizing social activities, such as supporting instruction and learning equipment, educating students in information technology, providing study tour at the organization to interested educational agencies, customers, or external organizations, allowing all employees to participate in social activities, and organizing activities to communicate the direction of the organization's operations and strategies to employees at all levels.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

Sustainability Management in Environmental

Environmental Policies and Practices

The Company establishes environmental policies and plans as part of its business operations from the process of procurement, production, product and service delivery to waste disposal. The Board of Directors is committed to reducing the negative impact on the environment. Therefore, the Corporate Governance Sub-committee is appointed to be responsible for scrutinizing the action plan and annual budgets for sustainability management and promoting activities throughout the Company's supply chain. The working group prepares the action plan in accordance with the business strategy and implements the activities according to the specified action plan, including electric power, water, garbage, waste, pollution, and management to reduce greenhouse gas problems in order to meet the standards of environmental and energy conservation in accordance with the environmental policy framework specified by the Company. According to the revision of the Company's environmental policy, the Sustainability Development Sub-committee is of the opinion that this year the environmental policy and practices can also be used as practices in the current situation (For more information, see the Company's website, <https://www.metrosecurities.co.uk/home-th/>). As the work environment is an office building, the Company has set the short-term environmental goal of reducing the consumption of water resources within the organization by 10% compared with the previous year, including the long-term goal of recycling water used in the organization to contribute to the most efficient consumption of water.

The Company regularly invests in and develops the environment to develop the efficient consumption of clean and alternative energy, including the use of waste sorting bins, the use of fertilizer from food waste machines, the use of Led lamps or the installation of air purifiers in the office for employees and the installation of an EV charger as an alternative replacing the consumption of gas or oil causing pollution, which is clean energy reducing carbon dioxide emissions. It ensures providing reliable, sustainable, and up-to-date energy accessible to all persons free of charge to facilitate employees, customers, and business partners who visit the organization. In addition, the Company has campaigned for everyone in the organization to strictly comply with the environmental policy and provided training courses relating to environment and occupational health and safety for personnel within the organization continuously to make everyone aware of the importance and enhance knowledge and the guidelines so that they can perform operations in accordance with the environmental policy



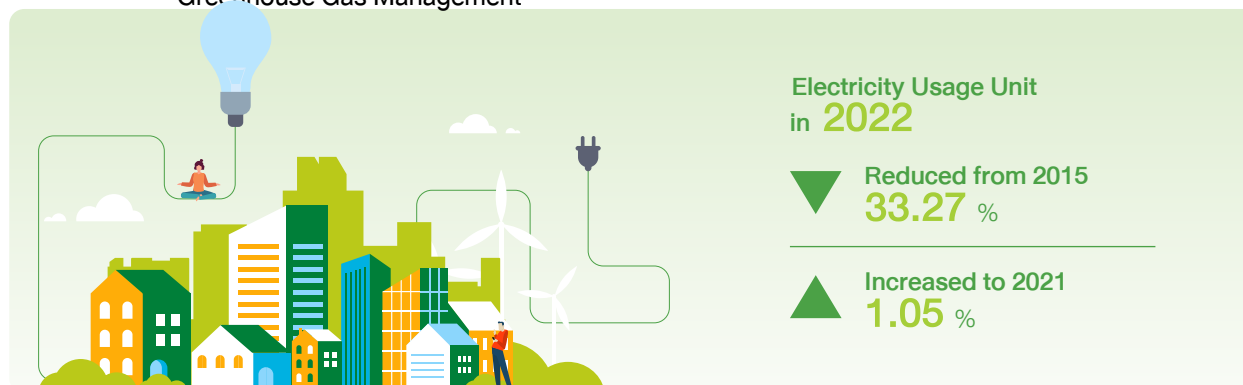
Environmental Performance



Electricity / Energy Efficiency

The Company has set a goal to reduce electricity costs at least 1% every year through installation of solar cell panels on the roof and car park buildings to save electricity and create an environmentally friendly image, including implementing various projects such as set timer to turn on and off the air conditioners between 12.00-13.00 hrs., separate switches for specific lights, and organizing campaigns for employees to save electricity through various channels by stickers campaigning to turn off the lights when not in use, and unplugging every time after using electrical appliance. starting from modifying their own behaviors such as turning off the lights. As a result, the cost of electricity in 2022 decreased from the base year of 2015, accounting for 33.27 percent and increase of 1.05 percent from the year 2021 because the company has moved the branch employees to work at the head office, also provided Co-Working Space and offered more facilities to the employees to work or welcome the clients. The Company is still determined to reduce the amount of electricity continuously by installation more solar cells in the year 2023, and conveying from public relations to employees through the Company's portal every quarter for 1 week.

Greenhouse Gas Management



The Company has attended the training on greenhouse gas management reporting guidelines to prepare in being a model for sustainability reports preparation according to the draft manual of Sustainability Reporting Guide of the Stock Exchange of Thailand which is the basis for the GHG Emissions Report. This thus enables the Company to produce the 2022 Corporate Greenhouse Gas Emissions Report to save as guidelines for the Company's greenhouse gas management. is divided into 2 types as follows: Type 1 Direct Emission amounting 253 tCO₂e. Type 2 Energy Indirector Emissions amounting 1,570.51 tCO₂e. The focus is on increasing energy efficiency and using renewable energy as well as to monitor performance of energy efficiency and greenhouse gas emission reduction according to the target set to reduce the amount of carbondioxide emission and reduce the amount of energy using by 1% compared to the previous year. This year, the Company has achieved to reduce carbondioxide emission and energy using as the target, details are as follows:

Table of Greenhouse Gas Management Result comparing between year 2021-2022

Greenhouse Gas Management	2022	2021	Reduction	Percentage
Reduce of Carbondioxide Emission (kgCO ₂ /year)	372,734.20	328,869.05	43,865.15	13.34
Reduce of energy using (kWh/year)	664,410.34	586,219.34	78,191.00	13.34

*Remarks : Calculating from using the solar cell energy for whole year.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments



Efficient use of water

Since the Company operates, as a distributor and does not operate in the manufacturing industry, it is an establishment that mainly requires the use of water. As a consequence, the cost of water did not differ much. Therefore, a quantitative goal was set to reduce the use of water resources within the organization by 10 percent compared to the previous year. However, based on the Company's water usage data collection, the number of water supply units in 2022 reduced from the previous year of 2021 at 9.81 percent. Due to moving the employees at the branch office to work at Head Office, also allocated Co-Working Space and create facilities to the employees for working and welcome the customers. However, the company still aware for giving knowledge to all people in the organization about using the resource to be the highest benefit. This year, we campaigns for water saving in the organization through public relation to all employees for their acknowledgement and follow the METRO Green Clean Office project by closing the water to save water and using the water worthy.



Management of noise pollution in accordance with the standards

The Company has always maintained its generations and accessories to be in good condition, has annual noise measurements in the working area every year, and is ready to take corrective actions in the event that the noise levels are higher than the standards according to the law.



Measuring the brightness in the office to be in accordance with the standard

The Company has arranged to measure intensity of light and analyze the working conditions according to the nature of the work and the use of light intensity in the work in accordance with the environmental by conducting annual measurements where the measurement were within requirements according to the standards set by law.



Reducing waste from business processes

The Company considers its customers and partners because they are in the group of stakeholders that the Company gives importance to and are in the supply chain of the business. The Company has a process to dispose used toner cartridges by sending back 138 cartridges to Hewlett-Packard (Thailand) for further use in the last year. The Company did not have any industrial waste from the business processes, thus no unused electronic devices were put into the treatment and disposal process.



Campaign for waste separation

In order to be an environmentally friendly organization (green office) and in accordance with the Company's environmental policy, as well as campaigning and creating a waste management system that is appropriate for the organization to ensure good hygiene for employees and realize the importance of proper waste separation, the Company had campaigned to raise awareness for all employees to separate garbage before discarding every time, which the Company has arranged separated trash bins by colors according to the type of waste in the organization. Waste separation is according to the principle of 3R: Reduce Reuse Recycle by using each solid waste to use for highest benefits as follows:

- Organic solid waste : Using leaf waste for producing compost for corporate use
- Recycled solid waste : Putting recycled paper into the paper shredder to be used as a cushioning for the products
- General solid waste : The Company brings wet waste that is properly sorted through the process of making fertilizer from food waste composter machine.

The Company has set a quantitative target to reduce waste within the organization by at least 100 kg from the previous year. The waste separation resulted in a decreased of 7,590.59 kg as compared to 2021.

Table for Solid Waste Quantity compared between the year 2021-2022

Types of garbage	Year		Decreasing (Kg)	Percentage
	2022	2021		
Organic waste	633.60	723.90	90.30	14
Recycling waste	931.61	6,389.92	5,458.31	586
General waste	4,980.07	7,022.05	2,041.98	41
Total	6,545.28	14,135.87	7,590.59	116



Mangrove Planting

The Company considers its business operations along with social and environmental responsibility by being committed to driving and supporting any operations in accordance with the framework of environmental policy and sustainable development guidelines. This year, there is a volunteer activity to plant a mangrove forest at Ban Khlong Khon led by a management team and more than 200 volunteering employees and families. The team organized the Ban Khlong Khon mangrove planting volunteering activity under the concept of “We Care We Volunteer” at Khlong Khon Mangrove Forest Conservation Center & Phuyai Chong Homestay Resort, Khlong Khon Sub-district, Mueng Samut Songkhram District, on Saturday, November 5, 2022, to restore and conserve mangroves, one of the important marine ecosystems. The benefits of mangroves are not only to prevent coastal erosion, but it is also the habitat of aquatic animals, such as shrimp, shellfish, crabs, fish, and the oxygen production source, which help reduce the amount of carbon dioxide, the major cause of global warming.

Regarding to this activity, the management team, employees, and families participated in the lecture from the speakers, took a scenic cruise to experience the atmosphere of the mangroves on both banks, fed the crab-eating macaques, planted mangroves, and engaged in local recreational activities, such as collecting cockles, water skiing, to build good relationships among colleagues from joint activities.





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Sustainability Management in Social

Social Policy and Practice

The Company recognizes and places importance on respecting human rights which is a fundamental right under the Human Rights Policy (see details at the website <https://www.metrosystems.co.th/home-th/>), which is consistent in line with the Universal Principles of Human Rights and the United Nations Guiding Principles on Business and Human Rights by treating all stakeholders, employees, communities, and society around them with respect for their human values. This takes into account equality, does not discriminate in terms of employment, compensation, promotion, training and employee potential development without discrimination of gender, age, educational institution, race, and religion. This also includes communicating human rights policy to employees at all levels to be aware and strictly follow, while for new employees it is communicated via orientation with e-learning system every month, as for current employees it is communicated through intranet and online quiz which was conducted last October. In the past, the Company has established a process to monitor and supervise the company's business operations, including the performance of employees to prevent them from being involved in human rights violations such as child labor, sexual harassment. etc., as well as reporting the follow-up results to the Board of Directors for acknowledgment.



Social Performance



Employees

The Company is committed to creating excellence in the workplace for the stars in the national IT business. It has a brand commitment to performing excellent operations in terms of opportunities to work with leading IT and technology businesses in Thailand, opportunities for intensive learning and development, opportunities for professional growth, and opportunities for overall remuneration and quality of life that can compete and motivate colleagues. The Company clearly establishes the strategy on people Excellence to create a high-performance organization to grow into the 4th decade of business operations in Thailand's IT industry. The policy emphasizes on attracting, developing, maintaining, and promoting the progress of colleagues to achieve professional success according to their individual potential, which is in line with the organization's philosophy of "customer success is our business".

Recruitment

The Company has a policy to recruit good employees with high standards, and the success factors of the organization are leadership, creativity, and problem-solving skills, good communication, teamwork skill, with professional competence for high-efficiency performance. Staff recruitment will be based on the necessity and suitability of the work according to the Company's manpower plan. The employee to be hired must be equipped with qualifications, experience, and competence appropriate for the position. Such recruiting is not limited by gender, race, and religion or other disadvantaged groups. Staff recruitment is carried out in a number of channels, such as social media advertising, organizations and vacancies public relations projects (MSC University Networking, Jobs Fair) including recommendations from executives or employees in the organization to gain widespread awareness in the labor market which helps to make recruitment more effective.

The number of company's employment in 2022

Description	Age	Male	Female
Employees	Under 30 years	255	132
	30-40 years	217	177
	41-50 years	96	105
	Over 50 years	49	61
Disabled/Disadvantaged Employees	-	-	-
Total		617	475



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Employee's Potential Development

The Company has an MSC Academy unit with a strategy to build human resource potential to develop and upgrade the knowledge and abilities of personnel, focusing on all employees to develop knowledge, skills and personal characteristics consistent with the individual development plan and professional development path (Training Roadmap) through the search for courses from training institutions of interest classified by categories in business operations for continuous self-learning and self-development, as such of Master Class, which has high efficiency and at the international level.



MSC ACADEMY



The Company supports the creation of technology innovation within the organization to inspire people to create new innovations and to encourage employees at all levels of potential to present results and action plans to High-level management to train leadership and ownership skills based on organizational values, which not only builds organizational engagement but also makes employees willing to explore their potential to create quality and value of work and be ready to create results for the organization continuously. This is because personnel is the most important factor in business that will increase competitiveness.



In addition, the Company has continually provided training and development for employees at all levels through a variety of learning styles through blended skills development, starting with organizing an orientation for new employees so that employees can learn and adjust, in line with the corporate culture and basic knowledge of social responsibility, business ethics, anti-corruption, and provide internal training (In-house Training), external training (Public Training), self-learning (E-Learning), On the Job Training, Coaching-Feedback, Project Assignment, Online Learning, and encourage employees to gain experience abroad.

This year, the Company aims to improve its employees by providing at least 6 hours of training with no less than 50% of the year 2022 to employees. The cost of such implementation is approximately 2.5 million Baht. The total number of courses is 168 courses (48 in-house courses / 120 public courses), consisting of hard skill and soft skill trainings as well as trainings from product owners to enhance the skills, knowledge, and expertise of domestic and international employees. 881 employees, representing 88% of the total number of employees, were trained for at least 6 hours, 67 employees passed the expert test from product owners for the career progress of employees.

Training for career advancement of employees in 2022

Target



trained staff

Completed at least 6 hours of training

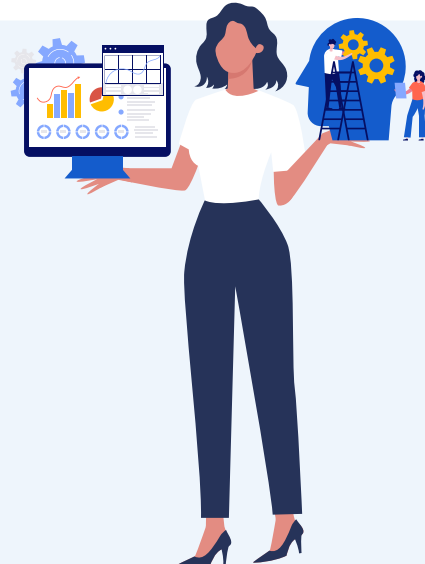
Total	Percentage
881 Person	88

Passed the proficiency test from the product owner

Total
67 Person

Training course

Consisting of hard skill and soft skill trainings as well as trainings from product owners to enhance the skills, knowledge, and expertise of domestic and international employees.



Notes: In 2022, due to COVID-19 situation, the Department of Skill Development adjusted its target for employers to provide training to employees from 50% to 30%.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

The Company has reviewed learning plans and develop that the Company has set up to develop skills, knowledge, and abilities of employees, which is divided into learning levels as follows:

1

**Individual
level**

The Company encourages employees to learn basic courses such as the practice of new employees, Code of Conduct for Employees, Quality Management System ISO9001, Risk Management System, Awareness of information technology, safety, occupational health and working environment, self-leadership, Growth Mindset, Performance Management (Metro PRO), Metro Success Factors, and Code of Conduct for Core Values (METRO Way), etc.

2

**First Line Manager
level**

The Company encourages employees to learn leadership development courses such as Leadership Development Program, Performance Appraisal, Coaching and Feedback, People Management, Growth Mindset, The 7th Habits of Highly Effective People, The 8th Habits, Design Thinking, 3C Program (Creativity / Critical thinking & analysis / Complex problem solving), Situational Leadership, etc.

3

**Middle Management
level**

The Company encourages employees to learn and develop skills at the executive level such as Mini MBA, Finance for Non Finance, The 7 Habits of Highly Effective People, Director Accreditation Program (DAP), 3C Program (Creativity/Critical thinking & analysis/Complex problem solving), Situational Leadership, Successful Formulation & Execution of Strategy (SFE) and various Strategic Management courses, etc.

4

**Top Management
level**

The Company encourages employees to learn and develop skills in the form of senior management such as courses on Corporate Culture, Advanced Management Program for Executive, Enterprise risk management, Director Accreditation Program (DAP), Director Certification Program (DCP) and other courses organized by The Thai Institute of Directors Association, etc.

In 2022, the Company promoted 12 percent of the total number of full-time employees, increasing 4% from the previous year.

Development of Human Resource Management

The Company has conducted annual performance evaluation through performance management system (Metro PRO), in order to develop employees' performance, reward, and opportunity to grow in certain professional line, emphasizing on 2-ways communication between supervisor and employee, on prescription of Individual KPIs, Work Plan and Update, Coaching-Feedback, Career Path, Individual Development Plan, Training Need, and so on.

In addition, the Company also places importance on IT development for Human Resource Management (HRIS) comprehensive on working, starting from request of employment, probation evaluation, leave request, time keeping, transfer, promotion, request for part-time work, request for overtime pay and overtime allowance, employee's annual Performance Appraisal (PA), Request for Approval of Training and Testing, employee's personal data record, and processing of data analysis capable of supporting equipment work, including communication equipment, in order to response to digital transformation.

Employee Retention

Providing Welfare Committee : The Board of Directors has appointed the Welfare Committee to provide opportunities for employees to discuss welfare, benefits, or changes in regulations that may affect the Company's employees by defining guidelines of employment and compensation issues that show that the Company does not discriminate and provide equal opportunities for all. This includes women with disabilities or other disadvantaged groups to incentivize talented and experienced workers in the company and to retain employees who have the ability to work with the Company in the long term, as well as stipulating measures in the event of termination of employment in the employee handbook to demonstrate the intention and approach to treating the Company's employees fairly and giving importance with the best health care and welfare of personnel because the Company believes that personnel is an important part that will drive the organization towards sustainable success.

Labor and Human Rights Practices : The Company recognized and gives importance in respecting human rights principles that take into account society, communities, as well as customers, business partners and employees in order to not violate human rights and to give equal rights from the process of recruiting employees to work until up until employee dismissal. The Company has disclosed its human rights policy and practices on its website as well as organized activities to educate on respecting human rights to reduce risks of human rights violations including giving employees the opportunity to express opinions, report suspicious or complaints about unfair practices, wrong acts in the Company, corruption, human rights violations, acts that are against the law or principles of corporate governance, or not in compliance with the Company's code of conduct by having monitoring process and reporting the follow-up results to the Board of Directors for acknowledgement.

This year, there were no complaints or been notified about human rights issues. In case of violations, the Company will provide remedy according to the Company's work regulations to alleviate the impact of human rights violations as well as to protect employees who express their opinions, report clues, or submit complaints directly to the management through the complaints channel on the Company's website.

Provision of Training Courses to Employees The Company focuses on retaining its employees throughout their employment through assignments to perform their duties according to their specific potential, developing skills and abilities in line with professional goals, and paying attention to the balance of work and life in order to take care of the quality of life of all employees to create motivation and engagement with the organization, which is the important part of creating sustainability in all processes of the growth. The Company focuses on the strategy of retaining employees by providing solutions for giving advice on learning courses for individual self-development through the MSC Academy project. This is to encourage employees to grow and make progress during their employment with MSC Group. This year, Human Resources Department launched a "Future skills for Future work online 20 course" program in the form of Micro Learning, where employees can learn anytime, anywhere. The courses were selected in accordance with the guidelines of MSC 5 Success Factors to develop the current job potential and support future skills for everyone.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments



MSC 5 Success Factors

- Leadership
- Thinking, Initiative and Problem Solving
- Communication
- Collaboration
- Functional Knowledge and Professionalism

In addition, the Company has intervened in human resource development through learning processes and activities organized, such as enabling employees to participate in corporate social responsibility programs in order to promote work ethics and develop psychologically and emotionally, and generosity to society and the environment, financial planning, investment, organizing funds for savings with experts from financial institutions to regularly educate employees about saving money to create long-term financial stability. The Company has also designed training programs for mid-level managers to learn strategies and tools for managing finances, asset and wealth management, investment decisions, finance and business management, as well as projects to promote health of employees (Wellness Program).

Fair Compensation and Welfare for Employee : The Company has clear strategies and practices on welfare and compensation, considering on the Company's performance, Key Performance Indicators (KPIs), along with economic trends. However, for such compensations (Salary, gratuity, bonus, non-monetary compensation), the Company has compared with payment of market in the same group of business industry, in order to motivate joining of quality personnel, and to retain the capable employees with the Company in long term. Every position of the employees has salary structures divided into levels, according to the key groups. Each level is clearly defined with lowest and highest salary rates as framework for salary management under the same standard of practices, generating corporate fairness. Since salary structures have been defined through the survey from labor market in the same industry, this confirms competitiveness of the Company salary payment. Figures of salary in same level may differ in accordance with performance rating and years in position.



Other benefits and welfares have been defined under consideration of comprehensiveness across the organization, and adjusted to conform with transformation of economic conditions, such as off-days, uniform, health center, insurance, nursing room, and generic drugs for primary illnesses, lactation room, gift set for new born to welcome new member of employee's family, housing/emergency loans, in accordance with work position, function and ability. In addition, the Company has set up a welfare committee. The resolutions or opinions of the Welfare Committee will be sent to the Human Resources Department for the benefit of reviewing various welfare benefits in accordance with the needs of the employees.

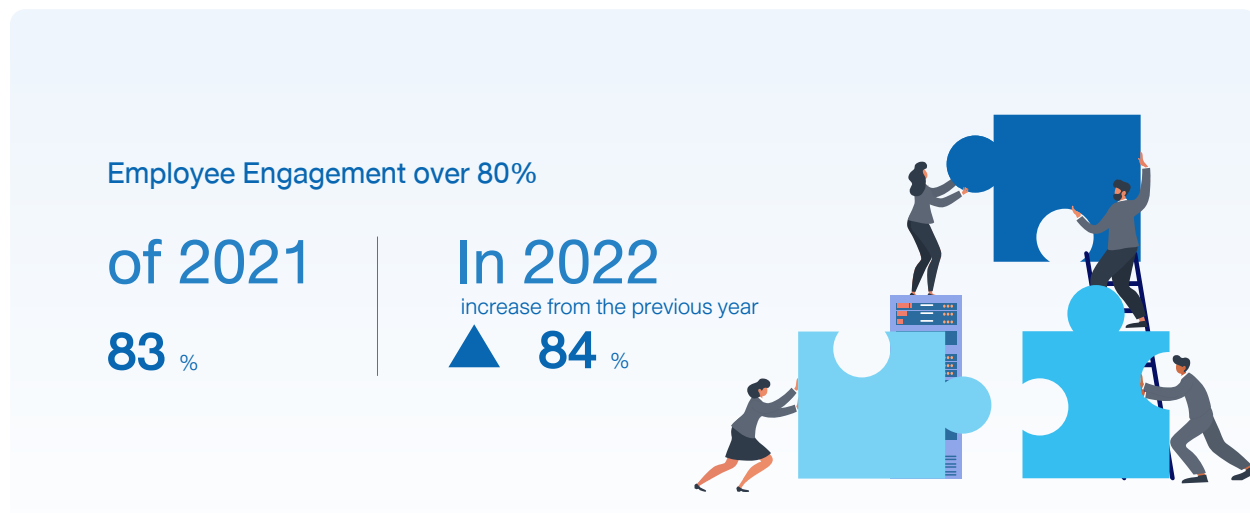


This year, the Company received the trophy of “Model Establishment for Outstanding Social Security Fund Contribution” for the year 2022 from the Social Security Office, reinforcing its position as an organization that values fair treatment of employees in accordance with the government's policy. The Company is ready to be a part of driving the nation towards sustainable development of labor welfare in order to guarantee a stable livelihood, protect and improve the quality of life, and provide appropriate welfare and benefits to all employees.

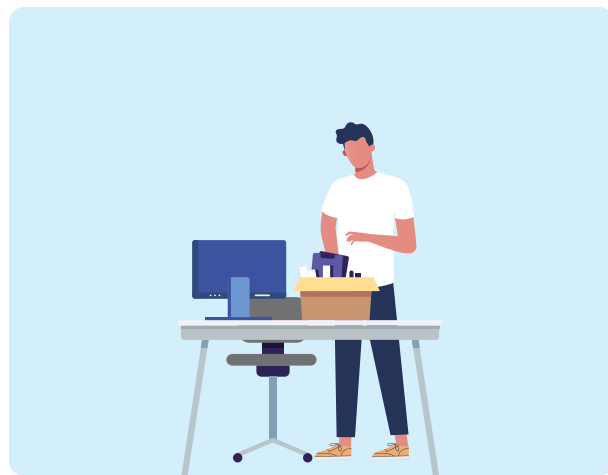
Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Employee Engagement In the last year, the Board of Directors has formulated a plan to develop employee engagement in order to make employees feel connected to the Human Resources Management System Development Plan starting from recruitment, training, development, and care continuously to create employee engagement because we believe that when employees have love and commitment to work for the organization, it will result in highly effective employee performance as well. The average employee engagement score target is not less than 80%. In 2021, engagement score was 83%, while in 2022 it was 84%, an increase of 1% from the previous year.



The Company and its subsidiaries have never had a labor dispute in the past 3 years, and in the past year, the employee turnover rate was about 11%, and increase of 1% from the previous year which the target set is turnover rate of less than 10 percent.



อัตราการลาออกของพนักงาน

อัตราการลาออก
ประมาณร้อยละ

11

เพิ่มขึ้นจากปีก่อน
ร้อยละ

1

Admiration The Company attaches great importance to recognizing employees who have performed excellence and acting as role models for corporate values, which in return encourages consistent with corporate values and builds an organizational culture with positive energy to attract and unite employees in the MSC way. Employee recognition programs were implemented for both their contributions and role models through a variety of commendation programs, such as the METRO Way Awards, MSC Superstar Award, Recognition Card, which executives and employees can use to write to express their admiration and appreciation to colleagues in the organization who express corporate values, or METRO Way to strengthen morale of colleagues and create a work environment that supports and encourages each other, etc.



In the annual Commendation Ceremony, the Management and Human Resources Department organized the annual METRO Way Award to recognize individuals who are role models for outstanding contributions and express corporate values clearly in a Hall of Fame and Role Model Award to create pride and pass on corporate culture as a way of living together happily and sustainably. Last year, the Company presented the METRO Way X Excellence Award to 17 outstanding employees, which was a good example of how to behave and act in accordance with the Core Values, chosen by the executives of each business group.



Safety, Occupational Health and Work Environment The Company has provided training course on “Safety, Occupational Health and Work Environment for general employees, and new employees under the Safety Act B.E. 2554 (2011) with the objective of raising awareness of safety supervision and to create together a good working environment that is suitable for working properly according to the rules set forth in an online training format to provide new employees with knowledge and understanding of work safety such as office environment management, office fire prevention control, and ergonomics to prevent office syndrome. There was also course on prevention and reduction of risk of illness or injury in the workplace and in the daily life of employees as well.



In addition, the Company has arranged primary firefighting course training to the employee to aware about fire, fire category, using utensil / equipment and other prevention methods both theory and practical, also arranged fire evacuation drills as guideline for employees to know how preventions during such incidence, and in order to comply with the Ministry of Interior’s notification on fire prevention and suppression in the workplace for safety at work for employees. The employer shall arrange for fire drills and evacuation drills at least once a year.



Business
Overview

Corporate
Governance

Sustainability
Report

Financial
Statements

Attachments

In addition to providing training, the Company has also taken care of the health of its employees by providing annual health checks for all employees annually to assess their health conditions and risks of diseases, including organizing the MSC Virtual Step Challenge activity for employees to be conscious of their health and to educate them about the practice of taking care of health and working posture to suit the workers to work properly and quickly reduce mistakes in work. This also include developing safety, reducing stress and fatigue from work, and preventing problems from office syndrome, especially sitting for a lone time without moving or adjusting posture which consequently leads to muscle inflammation and aches in various body parts which is considered the most common symptom.



The Company has a fitness club to encourage employees to maintain regular physical health and a variety of interest-based exercise options to manage stress outside of work, such as the badminton club, football Club, yoga club, aerobics club, table tennis club. The Company also consistently work to provide suitable working environment by regularly measuring and assessing light, sound, indoor air quality, humidity, and working room temperature.

In 2022, the Company has set target for accidents of not more than 2%, as a result of which the statistics rate of accidents is 0% and the rate of unemployment caused by work-related illnesses is 0%.



Allocation of Working Spaces The Company focuses on employees who are driving the organization to success by supporting ideas of employees and promoting them to a practical way. This year, a group of employees proposed the idea of creating a community that would be the center of all generations. Therefore, the Company has expanded the concept for employees and created a new community under the name of “METRO Gen”. The Metro Working Space is constructed on an area of more than 500 square meters with an investment budget of over 10 million Baht to be used as a space for creating ideas. The working environment supporting innovative ideas and innovations is created. New businesses are sought to support sustainable business operations. This project is as a hub to drive the organization to become a leader in information technology business. Metro Gen through Gen U(EX) consists of Gen U (University), a group of students participating the project to strengthen the organization, Gen E (Employee), a group of employees to create unity and engagement with the organization, aiming to encourage employees to work happily and grow together with the organization, and Gen X (Executive), a group of executives to increase intimacy with employees at all levels through the transfer of experiences and cultivation of new era of corporate culture.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments



Promotion of Person with Disabilities The Company is aware of the importance of improving the quality of life for persons with disabilities. This is to encourage persons with disabilities to have the opportunity to demonstrate their abilities in order to generate income, become self-reliant, and reduce the burden on families and society to support them. In addition, the Company encourages persons with disabilities to be an important force in further strengthening the economy of families and the nation, especially persons with disabilities in working age. In 2022, the Company contacted the TAB Foundation, the National Center for the Blind, to donate money and allow 5 visually impaired persons to provide the massage service to employees at the Company in the activity of MSC Virtual Step Challenge Project.



Business Partners

Relationship with Business Partners

The Company focuses on performing its duties in accordance with the Code of Conduct, principles of good corporate governance with transparency, integrity and fairness to all stakeholders, complying with the laws, rules, and regulations of the public sector, and having no involvement in any form of corruption. The Code of Conduct for Business Partners is established for all business partners to use as a business practice in accordance with the Company's laws and Code of Conduct, operating businesses with transparency, taking into account human rights, and treating labors with fairness, health and safety, occupational health of employees, and the environment. The Company expects that the Code of Conduct for Business Partners will lead to operations that build confidence and long-term value to all stakeholders. However, the Company has published the Code of Conduct for Business Partners on its website, <https://ir.metrosystems.co.th/corporate-governance-th/>.

Customer

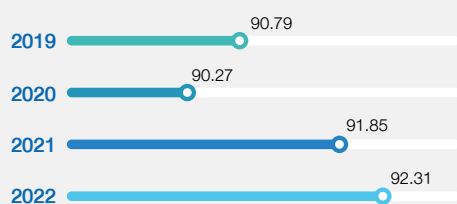
Results of Customer Satisfaction Survey

The Company is committed to continuously developing products and services to satisfy customers with responsibility, integrity, and ethics. In 2022, the Company set the goals for the survey of customer satisfaction with the Company each year which must not be less than 80% from the assessment of customer satisfaction with the Company in terms of confidence and trust in products and/or services, satisfaction with services provided by the sales officers, regular receipt of information about products and services, personnel possessing skills, knowledge, and understanding of products/services, accuracy and speed of the ordering process, accuracy and speed of goods delivery, and satisfaction with each business group. This year, the overview was in the very satisfaction level. There were no serious complaints from customers against the Company. However, the Company applied the results of the survey to discuss with relevant departments in order to analyze the survey results and jointly find solutions to develop, improve products and services, and monitor solutions for customers to increase long-term satisfaction.

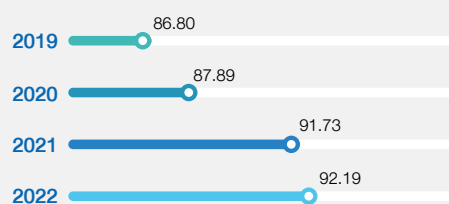
Results of Customer Satisfaction Survey

(%)

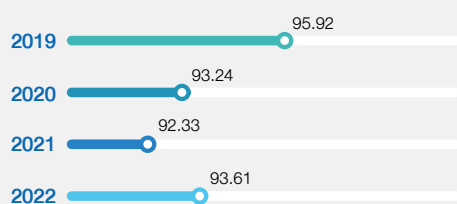
MSC



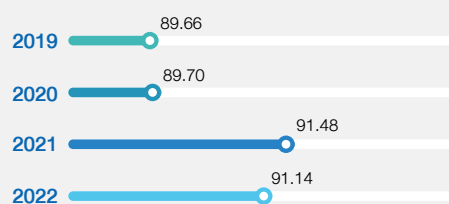
Business Group SIG



Business Group DPG



Business Group DSG





Business Overview

Corporate Governance

Sustainability Report

Financial Statements

Attachments

Contact channels for customers or consumers

In addition to customer satisfaction surveys, the Company has policies and practices for communicating information on the impact of products and services that customers or consumers should be aware of through the channels below. The Company will apply such complaint to further formulate a solution.



02-0894242



crc@metrosystems.co.th



www.metrosystems.co.th

Cybersecurity and personal data security

Human Resources Department
Metro Systems Corporation Public Co., Ltd.

MSC Academy

อบรมและสัมมนาเรื่อง PDPA Awareness

DATA SUBJECT RIGHT

- สิทธิในการเข้าถึงข้อมูลส่วนบุคคล
- สิทธิในการขอระงับการใช้ข้อมูลส่วนบุคคล
- สิทธิในการแก้ไขข้อมูลส่วนบุคคลให้มีความถูกต้องและสมบูรณ์
- สิทธิในการโอนข้อมูลส่วนบุคคล
- สิทธิในการคัดลอกความยินยอม
- สิทธิที่จะลบหรือทำลายข้อมูลส่วนบุคคล
- สิทธิในการต่อต้านการเก็บรวบรวม ใช้ หรือเปิดเผยข้อมูลส่วนบุคคล

ผู้ควบคุมข้อมูลส่วนบุคคล จะสามารถรวบรวม ใช้ หรือเปิดเผย ข้อมูลส่วนบุคคล
ฐานในการประมวลผลข้อมูลที่เหมาะสม RULES OF PROCESSING

- CONSENT** ได้รับความยินยอมจากเจ้าของข้อมูล
- CONTRACT** มีความจำเป็นต้องใช้เพื่อปฏิบัติตามหน้าที่ตามกฎหมายหรือสัญญา
- VITAL INTERESTS** เพื่อป้องกันหรือระงับอันตรายต่อชีวิต
- LEGITIMATE INTERESTS** มีความจำเป็นต้องดำเนินการเพื่อประโยชน์ของบุคคลหรือองค์กรตามกฎหมายหรือสัญญา แต่ต้องไม่ก่อให้เกิดการละเมิดสิทธิและเสรีภาพอันเป็นสาระสำคัญของข้อมูล
- LEGAL OBLIGATION** เป็นการปฏิบัติตามกฎหมายของภาครัฐหรือข้อมูล
- PUBLIC TASK** มีความจำเป็นต้องดำเนินการเพื่อประโยชน์สาธารณะของสังคมหรือเพื่อวัตถุประสงค์อื่นที่เกี่ยวข้องกับการบริหารราชการแผ่นดิน

(มาตรา 24)

Personal Data Protection

The Company is aware of the importance of collecting personal data of all stakeholders. Therefore, the personal data protection policy is established to meet the standards prescribed by the Personal Data Protection Act B.E. 2562 (2019) in order to support any action related to personal data with safety and efficiency under the Company's supervision. In addition, the online training in "PDPA Awareness" course is provided through Microsoft Teams system. Its objective is to promote all executives and employees to acknowledge and be aware of the Personal Data Protection Law, which is the law that relates to the current lifestyle of personnel and corporate business operations. It is the guideline for compliance with the Personal Data Protection Law, which reduces the potential risk of such issues. As a result, there is no customer data leak causing damages this year.

- **Treatment of Customer's Personal Data**

The Company establishes the information technology security policy to ensure that the Company's information technology system is appropriate, efficient, stable, and able to carry out business activities continuously and to prevent problems that may arise from the abuse of technological systems and various threats. The Company establishes measures to inform its customers on issues related to data storage and privacy protection guidelines on any issues, covering the nature of customer data collected by the Company, use of stored customer data, providing customers with the right to make decisions in the case of the personal data used by the Company, notification of the period for which the data will be stored by the Company, and determining the Company's operational guidelines in the case of such data used by third parties. In addition, the practices on information security and information systems are prepared in accordance with the policy so that the employees can them as operational guidelines. The Information Technology Department is responsible for directly supervising and managing information technology security at the operational level. For more information, please visit <https://www.metrosystems.co.th/privacy-policy-th/>.

- **Protection Against Cyber Threats**

As the business world needs to change from working at the office to working anytime, anywhere, access to IT resources is no longer limited to the office because some employees have to work from home or work from remote locations. The Company, as a cyber security expert, selects to use security systems from leading organizations to reinforce their security shields and build strength from the inside out to help secure a hybrid work environment and prepare for dealing with all threats in the digital world.

In addition, the Company is aware of the importance of data in conducting business operations against cyber threats, to which many organizations pay attention. Therefore, the Metro Intelligent Cyber Security Center (MiCSC) is launched by using the Security Incident & Event Management (SIEM) technology with international standards to meet the information security requirements of the public and private sectors and increase the security of personal data protection. There is personnel with skills and knowledge in security monitoring and responding to threats in a timely manner 24 hours a day. Customers can track the progress of their solutions through the Ticket Management system. MiCSC team will give advice on basic solutions to customers so that the threat does not affect their business operations, which helps organizations conduct business efficiently and reduce expenses of organizations. This year, customers visited the Metro Intelligent Cyber Security Center in the form of WFH as well.

- **Training on Information Technology Awareness**

The Company organizes training on information technology awareness for its employees. This year, there were 2 training courses conducted by external speakers as follows:

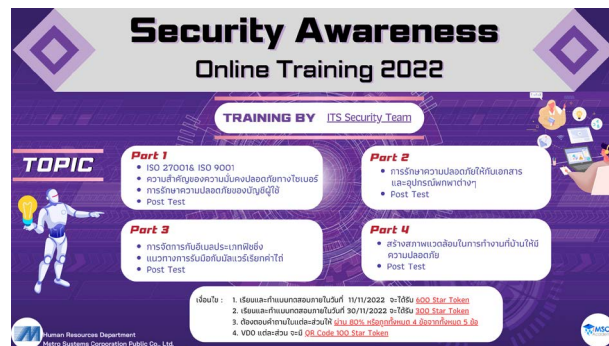
- “Security Awareness for ISO 27001:2013” Course through Microsoft Teams aims to help employees understand the requirements of IOS 27001:2013 standard, including guidelines for managing and conducting audit activities within the organization. The speakers are from Bureau Veritas Thailand Ltd.



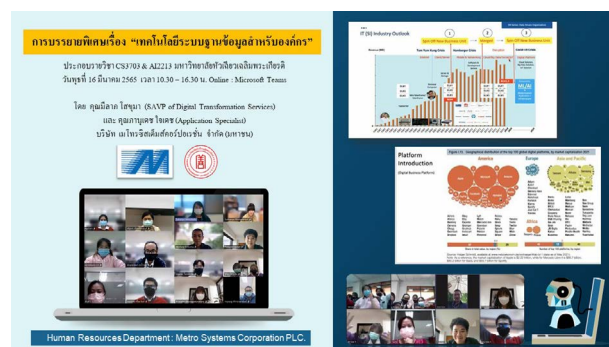
- “ISO 27000:2018 Awareness & Interpretation” Course aims to help employees learn the contents and principles of the information security management system, interpretation of requirements, and improvement of existing systems in accordance with requirements of international standards. The speakers are from ISET (Thailand) Company Limited.



Regarding in-house training, the Information Technology Department prepares online learning materials for the training and test under the topic of “Security Awareness Training 2022” in accordance with the ISO27001 system requirements. All employees of the Company are required to be educated and aware of the security of the use of information resources within the organization as well as any forms of potential cyber threats so that they can avoid those attacks. There are 83.77% of the total number of employees trained, which the goal is set for 80% of employees trained.



In addition to raising awareness for everyone in the organization, the Company still considers the community and society. Therefore, the University Networking Project is organized with the aim of enhancing academic cooperation and providing information technology knowledge to students in both public and private universities. There is a special lecture in the topic of “Database System Technology for Enterprises” to be used in university courses.



Community and Society

The Company focuses on community and social development as it must be coupled with the Company’s business operations. The budget of over 1 million Baht has been allocated for activities to allow employees to participate in the development of the community and society. This year, the Company aims to support education through Smart Classroom project, University Networking project, and learning channels on online platforms, and also communicate with employees to raise awareness and engage with such activities and/or projects to encourage all employees to participate in doing good deeds, repay and contribute to society and the community continuously.

In 2022, the Company carried out various social activities with an emphasis on community and social development along with the Company’s business operations. The Company established the policy to support educational activities and projects and communicate to employees to raise awareness and engage with such activities and/or projects. This year, the Company has carried out social activities as follows:

• MSC Jobs Fair

This year, the Company organized an event to create opportunities for students to work with their knowledge and abilities in leading organizations. This year onsite events were organized at Bangkok University, Rangsit Campus and virtual online events were held at Sirindhorn International Institute of Technology, Thammasat University, Thai-Japanese Institute of Technology, Mae Fah Luang University, and Huachiew Chalermprakiat University.



- **MSC University Networking**

Msc University Networking is a project that the Company aims to build partnerships with leading universities in Thailand. There are 14 target universities in the Department of Computer Engineering and Computer Science. The objectives are to prepare students before entering the IT and digital professions in the labor market and to recruit a new generation of outstanding employees who are committed and motivated to grow and thrive in the country's leading IT business.

Currently, this project supports cooperation in three areas: Collaboration on IT knowledge exchange and digital business trends, Collaboration on internship opportunities, and Collaboration on offering opportunities to work with MSC business group, with target universities. This is to enhance the professional relationship with universities and educational institutions. In addition, knowledge sharing activities is also organized to transfer knowledge on information technology, business, and preparation for real-world work to students by knowledgeable, skillful, and expert internal speakers of the Company. This increases opportunities for students to access to cutting-edge digital technology and enhance their knowledge, understanding, skills and direct experience to be a part of improving the quality of personnel in society and creating qualified information technology personnel for society and the nation. However, due to the COVID-19 outbreak, the organization of MSC University Networking project emphasizes on virtual online form. In the past year, the Company organized such project in collaboration with universities and educational institutions as follows:

1. Chulalongkorn University
2. Thammasat University
3. Mahidol University
4. Kasetsart University
5. Bangkok University
6. Huachiew Chalermprakiat University
7. King Mongkut's University of Technology Thonburi
8. King Mongkut's University of Technology North Bangkok
9. King Mongkut's Institute of Technology Ladkrabang
10. Rangsit University
11. Burapha University
12. University of the Thai Chamber of Commerce
13. Mae Fah Luang University
14. Rajamangala University of Technology Thanyaburi, etc.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments



- **MSC welcomes students to visit the technology demonstration center in the company**

The Company offers students and professors the opportunity to visit the technology demonstration centers in the company in order to provide knowledge to higher educational institutions requiring their students to have the opportunity to learn and study tour as well as participate in lectures on modern IT technology from expert speakers in such field.



- **Opportunities to work with MSC Group**

As the Company has continued growing over the past three decades, it provides opportunities to those interested in the IT and management professions to work with the business group. The selection criteria emphasize on qualifications, knowledge, skills, and experiences suitable for the vacant positions, including the suitability of 5 success factors, which are as follows: Leadership, communication, strategic thinking, cooperation, and professional capabilities, in order to recruit young colleagues with the ability and potential to contribute to the success of MSC Group in the 4th decade and further develop the excellent workplace.



- **Metro Systems Channel**

According to the Company's policy emphasizing on education to strengthen the learning society, in addition to the smart classroom project, the Company, as a leading technology company, has provided learning channels on its online platform to share knowledge with students or interested persons and updated new technology trends for its customers through its company's YouTube channel. The learning category is divided into 5 topics as follows:

- METRO Trending, updating trends and introducing technologies
- METRO Product, introducing the Company's products
- METRO CSR, activities and projects in accordance with the Company's corporate social responsibility policy
- METRO Event, presenting annual general meeting, seminars with leading organizations, and corporate events
- METRO Library, promoting learning organizations to support technology fundamentals

- **Survey of the Company's Operational Impact**

The Company has surveyed the impact of the Company's current and upcoming operations, directly or indirectly, to monitor, correct, or improve them if the community and society are found to be affected. According to the survey, it was not found that the community and society surrounding the Company were negatively affected by its operations. However, if the Company is informed of the impact on the community, the Company will take urgent corrective action by focusing on taking care of the community and society continuously in order to improve the quality of life of people in society sustainably. The Company has established social quantitative goals by providing assistance to communities and society at the rate of not less than 80% of the community and society that has contacted the Company to request for assistance on education through the Company's projects.

- **Activities for assisting society and community**

The Company aims to continuously support education and sports equipment for schoolchildren in the community and society with a budget of more than 1 million Baht. This year, the Company organizes various projects and activities based on the support of executives and the collaboration of employees in conducting social assistance activities, such as:



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments



- METRO Donation Project**

It is the project to donate computer devices with peripherals and unused electrical appliances in the “Metro Donation” project to the Association of Persons with Physical Disability International to be recycled and sold to provide consumer assistance to people with mobility disabilities on Monday, June 13, 2022, at Head Office Building.



- Activity of Donation of old calendar to be used as a braille code material for the visually impaired**

The Company contributed to the “Donation of Old Calendar” project for the 6th consecutive year by accepting donations of old and unused calendars from employees within the organization, collecting them and passed them on to the Foundation For The Blind in Thailand under the Royal patronage of H.M. the Queen to produce braille code materials for the visually impaired on February 14, 2022.



- Children’s Day Activity**

The Company provided gifts and instruction materials for the 2022 National Children’s Day activities to representatives from 3 schools, namely, Phra Khanong Pittayalai School, Surao Thap Chang School, and Wat Khanikaphon School on Thursday, January 6, 2022, at Head Office Building, to create motivation of students due to the COVID-19 pandemic. This year, each school is hosting an online Children’s Day event on Friday, January 7, 2022.



- **Blood Donation Activity**

The “Blood Donation, One For Lives” project is part of a joint charity to deliver blood to the blood bank of Siriraj Hospital on Monday, September 12, 2022, at the Head Office.

- **Fund Support to Community and Society**

The Company supports the “Acc Club Case CAMPetition” project, which is a business plan competition organized by the Assembly of the Department of Accountancy, Chulalongkorn University. The project’s objective is to promote the development of the potential of undergraduate students in accounting programs of the Faculty of Commerce and Accountancy so that they can develop skills in critical thinking and communication and apply knowledge obtained in the classroom to businesses in daily life as well as future careers. Such activity was held from January 16 to February 18, 2022.

- **Business Management in the COVID-19 Pandemic Crisis**



- **Outbreak prevention measures**

As this year the Covid-19 pandemic still continues from last year, the Company has announced preventive measures to reduce the risk of taking care of employees by assigning employees to work from home. This is the flexibility of working hours and workplaces. The Company also provides ad hoc agencies for taking care of employees to facilitate operations, such as technological equipment, applications for online working, etc.

On October 1, 2022, the Ministry of Public Health announced the relaxation of the severity of COVID-19 from a dangerously contagious disease to a communicable disease. However, the Company continues requiring all employees to wear face masks while working and clean their hands with alcohol as well as keep social distancing when it is necessary for gatherings. The Company sprays virus disinfectant within its office and branch offices to reduce the risk of spreading and infection with the COVID-19 virus as well as regularly cleans common areas and office supplies. A robot for temperature measurement or Nong Dinsor is provided to check the body temperature of employees and external persons who will enter the office on a daily basis as well.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Participation in assisting, caring for, and mitigating impacts on stakeholders through the Company's business processes during the COVID-19 outbreak



Business partners

Organizing online meetings, webinars



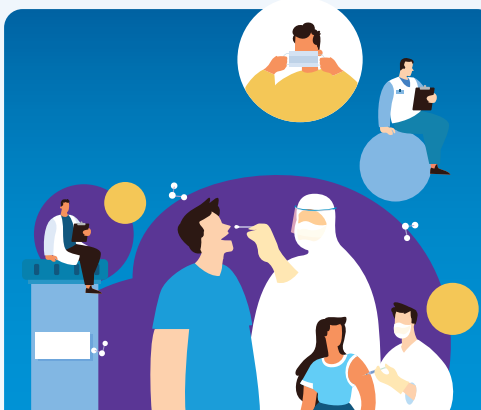
Customer

Increasing online sales channels,
extending the loan period



Investor, Analyst

Organizing online meetings



Employees

Providing vaccines and monitoring employees' vaccinations to assess risks in managing the outbreak and the operating methods of employees; For employees being exposed to COVID-19, the Company provides medical facilities to send employees to test for infection and provides medical treatment for them. Antigen test kits (ATK) are also provided to employees who want to perform self-test in the case of being at risk for COVID-19 or if there is a request for ATK testing from customers or business partners before entering the premises of customers or business partners. This year, the Company has provided and encouraged employees to administer COVID-19 vaccinations, of which approximately 9.81% of employees of the Company and its affiliates are administered.



Community and Society

Providing assistance under
the COVID-19 outbreak

Please Fill in Your Primary Information

1. Please Fill in Your Primary Information

Gender ☐ Female ☐ Male

Age ☐ under 30 years old ☐ 30-45 years old ☐ old over 45 years old

2. Stakeholder Group that you Belong to

- ☐ Employee ☐ Customer ☐ Shareholder/Investor ☐ Partner
☐ Financial Institution/ Creditor ☐ Analyst/Academic Official ☐ Government Agency
☐ Mass Media ☐ People/CommunityNearby ☐ Other (Please identify.....)

3. The Channel You Have Obtained This Sustainability Report From

- ☐ Company's Website ☐ Annual General Meeting of Shareholders ☐ Company's Employee
☐ Other Website ☐ Seminar ☐ Other (Please identify.....)

4. Objectives to Read this Report

- ☐ To Fine Data for Making Investment Decisions ☐ To Study/Research ☐ To Know the Company
☐ To Use as Guidelines for an Arrangement of Sustainability Work in Your Organization
☐ Other (Please identify.....)

5. Satisfaction With this Report

- | | | | | | |
|--------------------------------------|------|---------------------------------|----------------------------|--------------------------------|----------------------------|
| • Completeness of Content | Very | ☐ Very High | ☐ High | ☐ Moderate | ☐ Poor |
| • Main Point in the Report | Very | ☐ Very High | ☐ High | ☐ Moderate | ☐ Poor |
| • Interesting Content/Sequence | Very | ☐ Very High | ☐ High | ☐ Moderate | ☐ Poor |
| • Comprehensibility of Communication | Very | ☐ Very High | ☐ High | ☐ Moderate | ☐ Poor |
| • Overall Satisfaction | Very | ☐ Very High | ☐ High | ☐ Moderate | ☐ Poor |

6. The Content that You Interest the Most (Please identify the reasons.....)

7. The Content that You Interest The Least (Please identify the reasons.....)

8. Whether Material Issues of Corporate Sustainability are Completely Identified in this Report

- ☐ Completely
☐ Not completely (Please identify the issues to be added.....)

9. Additional Suggestions for Development of Sustainability Report for Next Year

(Please identify.....)



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Please fill in and send back to Company Secretary Department

Metro Systems Corporation Public Company Limited
400 Chaloem Phrakiat Ratchakan Thi 9 Rd., Nong Bon, Prawet, Bangkok 10250
Email: CSR@metrosystems.co.th Tel: 02-0894124



04

FINANCIAL STATEMENTS





Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments



REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Metro Systems Corporation Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Metro Systems Corporation Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Metro Systems Corporation Public Company Limited and its subsidiaries and of Metro Systems Corporation Public Company Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is this matter that, in our professional judgment, was of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	Audit Responses
Recognition of revenue from sales and revenue from rendering of services Revenue from sales and revenue from rendering of services represent significant amounts in the financial statements and directly affect profit or loss of the Group. In addition, the Group has entered into agreements with many customers, which have different terms and conditions for each customer. Therefore, the key audit matter is occurrence of the revenue recognition from sales and rendering of services that manual recording through journal vouchers and post to general ledger whether they have been recorded in accordance with Thai Financial Reporting Standards. Accounting policies of the revenue recognition were disclosed in the Note 3.14 to the financial statements.	Key audit procedures included: • Understanding the revenue recognition process related to sales and rendering of services and related internal control procedures • Testing the design and implementation of the internal control procedures around revenue recognition process related to sales and rendering of services • Performing substantive testing as follows: - Classification data to identify sales and rendering of services transactions which exhibited characteristics of manual recording through journal voucher in general ledger, selected the sample of revenues from sale and rendering of service transaction occur during the accounting period, examining the related supporting documents of those revenues to examine irregularities in the revenue recognition from sales and rendering of services throughout the period for accounting transaction made through journal vouchers. - Performing analytical procedures relating to the revenue from sales and rendering of services.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BANGKOK

February 20, 2023

Wilasinee Krishnamra
Certified Public Accountant (Thailand)
Registration No. 7098

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



STATEMENTS OF FINANCIAL POSITION

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	88,642,813	127,160,832	57,188,282	83,077,226
Trade and other current receivables	7	2,255,256,468	1,438,862,608	1,439,723,926	1,244,936,736
Contract assets	8	4,012,897	10,632,954	-	-
Current portion of lease receivables	14	178,799,813	177,965,700	111,191,587	109,992,855
Inventories	9	909,663,175	372,363,252	515,750,249	318,343,138
Financial assets measured at fair value through profit or loss	10	226,411,016	205,788,755	226,320,816	101,901,200
Other current financial assets		572,365	5,490,896	572,365	5,478,043
Other current assets		9,442,456	37,021,913	8,279,686	14,639,393
Total Current Assets		<u>3,672,801,003</u>	<u>2,375,286,910</u>	<u>2,359,026,911</u>	<u>1,878,368,591</u>
NON-CURRENT ASSETS					
Deposits at financial institutions used as collaterals	11	21,290,000	39,290,000	14,290,000	14,290,000
Investments in subsidiaries	12	-	-	64,898,570	64,898,570
Investments in associates	13	6,923,301	5,481,000	1,998,800	1,998,800
Lease receivables	14	145,457,004	164,978,375	73,727,367	109,441,997
Property, plant and equipment	15	380,002,404	405,334,495	367,838,815	395,477,423
Right-of-use assets	16	29,408,603	23,670,085	27,631,679	21,889,337
Other intangible assets	17	49,689,650	41,211,426	49,629,637	41,089,154
Deferred tax assets	18	45,318,798	48,839,161	42,553,602	46,886,025
Withholding tax deducted at source		214,340,272	197,810,630	206,815,303	187,166,204
Other non-current assets		2,236,597	3,001,759	2,214,931	2,952,481
Total Non-current Assets		<u>894,666,629</u>	<u>929,616,931</u>	<u>851,598,704</u>	<u>886,089,991</u>
TOTAL ASSETS		<u>4,567,467,632</u>	<u>3,304,903,841</u>	<u>3,210,625,615</u>	<u>2,764,458,582</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments



STATEMENTS OF FINANCIAL POSITION (CONTINUED)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2022	2021	2022	2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions	19	591,793,572	100,000,000	-	100,000,000
Trade and other current payables	20	1,630,753,302	940,680,603	1,266,235,734	759,517,118
Short-term borrowing from other party	21	-	9,630,000	-	9,630,000
Current portion of long-term borrowings from other parties	22	-	4,296,943	-	4,296,943
Current portion of lease liabilities	23	11,978,583	18,133,032	10,930,189	12,047,424
Current provisions for employee benefits	24	10,791,062	11,867,480	10,791,062	11,867,480
Dividend payable		2,473,297	2,745,857	1,396,717	1,354,276
Current income tax payable		5,698,876	-	-	-
Current financial liabilities		23,738,182	4,513,921	23,671,703	4,445,513
Other current liabilities		115,400	-	115,400	-
Total Current Liabilities		2,277,342,274	1,091,867,836	1,313,140,805	903,158,754
NON-CURRENT LIABILITIES					
Lease liabilities	23	23,721,110	14,797,476	22,792,619	13,970,363
Non-current provisions for employee benefits	24	189,233,048	218,535,780	170,911,189	200,696,417
Deferred tax liabilities	18	1,573,495	1,674,225	-	-
Other non-current liabilities		348,697	545,613	348,697	545,613
Total Non-current Liabilities		214,876,350	235,553,094	194,052,505	215,212,393
TOTAL LIABILITIES		2,492,218,624	1,327,420,930	1,507,193,310	1,118,371,147
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital	25				
360,000,000 ordinary shares of Baht 1 each		360,000,000	360,000,000	360,000,000	360,000,000
Issued and paid-up share capital					
360,000,000 ordinary shares of Baht 1 each, fully paid		360,000,000	360,000,000	360,000,000	360,000,000
PREMIUM ON ORDINARY SHARES		234,221,748	234,221,748	234,221,748	234,221,748
RETAINED EARNINGS					
Appropriated					
Legal reserve	26	47,900,000	47,900,000	47,900,000	47,900,000
Unappropriated		1,430,075,418	1,332,381,414	1,061,310,557	1,003,965,687
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		2,072,197,166	1,974,503,162	1,703,432,305	1,646,087,435
NON-CONTROLLING INTERESTS		3,051,842	2,979,749	-	-
TOTAL SHAREHOLDERS' EQUITY		2,075,249,008	1,977,482,911	1,703,432,305	1,646,087,435
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,567,467,632	3,304,903,841	3,210,625,615	2,764,458,582



STATEMENTS OF COMPREHENSIVE INCOME

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Revenue from sales	30	7,792,739,489	5,929,119,706	6,142,469,352	5,101,029,049
Revenue from rendering of services	30	1,506,178,358	1,201,646,959	1,323,172,671	1,108,184,161
Rental revenue	30	69,456,070	67,810,095	37,081,643	43,029,769
Cost of sales	27	(7,025,878,506)	(5,267,954,731)	(5,512,779,429)	(4,529,692,871)
Cost of rendering of services	27	(1,106,190,816)	(838,656,932)	(919,591,295)	(747,306,049)
Rental costs	27	(33,541,508)	(31,945,025)	(26,347,914)	(25,816,586)
Gross profit		<u>1,202,763,087</u>	<u>1,060,020,072</u>	<u>1,044,005,028</u>	<u>949,427,473</u>
Other income		83,443,844	63,958,697	93,061,407	75,354,075
Distribution costs	27	(145,341,349)	(132,777,948)	(132,308,823)	(120,180,513)
Administrative expenses	27	(802,019,314)	(787,502,631)	(724,748,750)	(714,859,693)
Other gain (loss)	27	(24,553,291)	11,583,789	(24,412,996)	11,632,531
Profit from operating activities		<u>314,292,977</u>	<u>215,281,979</u>	<u>255,595,866</u>	<u>201,373,873</u>
Finance costs	27	(9,803,053)	(6,399,643)	(4,876,277)	(4,140,124)
Reversal of impairment loss determined in accordance with TFRS 9	27	475,879	41,585,777	475,879	41,585,671
Share of gain (loss) of associates accounted for using equity method	13	<u>1,667,516</u>	<u>(1,338,351)</u>	<u>-</u>	<u>-</u>
Profit before income tax		<u>306,633,319</u>	<u>249,129,762</u>	<u>251,195,468</u>	<u>238,819,420</u>
Income tax expenses	18	<u>(61,687,156)</u>	<u>(53,551,643)</u>	<u>(46,226,345)</u>	<u>(44,701,533)</u>
Profit for the years		<u>244,946,163</u>	<u>195,578,119</u>	<u>204,969,123</u>	<u>194,117,887</u>
Other comprehensive loss					
Items that will not be reclassified subsequently to profit or loss					
Losses on re-measurements of defined benefit plans	24	(12,693,594)	-	(13,530,458)	-
Share of other comprehensive loss of investments in associates		(225,215)	-	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss		<u>2,538,719</u>	<u>-</u>	<u>2,706,091</u>	<u>-</u>
Total items that will not be reclassified subsequently to profit or loss		<u>(10,380,090)</u>	<u>-</u>	<u>(10,824,367)</u>	<u>-</u>
Other comprehensive loss for the years, net of tax		<u>(10,380,090)</u>	<u>-</u>	<u>(10,824,367)</u>	<u>-</u>
Total comprehensive income for the years		<u>234,566,073</u>	<u>195,578,119</u>	<u>194,144,756</u>	<u>194,117,887</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments



STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

			CONSOLIDATED		SEPARATE	
		NOTE	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
			2022	2021	2022	2021
PROFIT ATTRIBUTABLE TO:						
Owners of the Company			244,873,977	197,286,384	204,969,123	194,117,887
Non-controlling interests			72,186	(1,708,265)	-	-
PROFIT FOR THE YEARS			244,946,163	195,578,119	204,969,123	194,117,887
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the Company			234,493,890	197,286,384	194,144,756	194,117,887
Non-controlling interests			72,183	(1,708,265)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEARS			234,566,073	195,578,119	194,144,756	194,117,887
BASIC EARNINGS PER SHARE	28	Baht	0.68	0.55	0.57	0.54
WEIGHTED AVERAGE NUMBER						
OF ORDINARY SHARES	28	Shares	360.000.000	360.000.000	360.000.000	360.000.000



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2022

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS							UNIT : BAHT
		Shareholders' equity attributable to owners of the Company							
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings	Unappropriated	Legal reserve	Total shareholders' equity attributable to owners of the Company	Non-controlling interests	
Balance as at January 1, 2021		360,000,000	234,221,748	47,900,000	1,243,095,030		1,885,216,778	4,688,320	1,889,905,098
Change in shareholder's equity	32	-	-	-	(108,000,000)		(108,000,000)	-	(108,000,000)
Dividends to shareholders of the Company		-	-	-	-	-	-	(102)	(102)
Dividends to shareholders of the Company's subsidiaries paid to non-controlling interests		-	-	-	-	-	-	(204)	(204)
Changes in ownership interest in subsidiaries		-	-	-	197,286,384		197,286,384	(1,708,265)	195,578,119
Total comprehensive income for the year		-	-	-	89,286,384		89,286,384	(1,708,571)	87,577,813
Total change in shareholder's equity		-	-	-	1,332,381,414		1,974,503,162	2,979,749	1,977,482,911
Balance as at December 31, 2021		360,000,000	234,221,748	47,900,000	1,332,381,414		1,974,503,162	2,979,749	1,977,482,911
Balance as at January 1, 2022		360,000,000	234,221,748	47,900,000	1,332,381,414		1,974,503,162	2,979,749	1,977,482,911
Change in shareholder's equity	32	-	-	-	(136,799,886)		(136,799,886)	-	(136,799,886)
Dividends to shareholders of the Company		-	-	-	-	-	-	(90)	(90)
Dividends to shareholders of the Company's subsidiaries paid to non-controlling interests		-	-	-	-	-	-	(90)	(90)
Total comprehensive income for the year		-	-	-	234,493,890		234,493,890	72,183	234,566,073
Total change in shareholder's equity		-	-	-	97,694,004		97,694,004	72,093	97,766,097
Balance as at December 31, 2022		360,000,000	234,221,748	47,900,000	1,430,075,418		2,072,197,166	3,051,842	2,075,249,008



STATSTATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT						
	NOTE	SEPARATE FINANCIAL STATEMENTS				Total Shareholders' equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Appropriated	Unappropriated	
Balance as at January 1, 2021		360,000,000	234,221,748	47,900,000	917,847,800	1,559,969,548
Change in shareholder's equity						
Dividends to shareholders of the Company	32	-	-	-	(108,000,000)	(108,000,000)
Total comprehensive income for the year		-	-	-	194,117,887	194,117,887
Total change in shareholder's equity		-	-	-	86,117,887	86,117,887
Balance as at December 31, 2021		360,000,000	234,221,748	47,900,000	1,003,965,687	1,646,087,435
Balance as at January 1, 2022		360,000,000	234,221,748	47,900,000	1,003,965,687	1,646,087,435
Change in shareholder's equity						
Dividends to shareholders of the Company	32	-	-	-	(136,799,886)	(136,799,886)
Total comprehensive income for the year		-	-	-	194,144,756	194,144,756
Total change in shareholder's equity		-	-	-	57,344,870	57,344,870
Balance as at December 31, 2022		360,000,000	234,221,748	47,900,000	1,061,310,557	1,703,432,305

UNIT : BAHT



STATEMENTS OF CASH FLOWS

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	NOTES	2022	2021	2022	2021
Cash flows from operating activities					
Profit for the years		244,946,163	195,578,119	204,969,123	194,117,887
Adjustments for					
Income tax expenses		61,687,156	53,551,643	46,226,345	44,701,533
Depreciation	15, 16	64,577,363	84,797,217	61,530,265	80,448,551
Amortization of intangible assets	17	8,346,061	8,875,199	8,283,802	8,809,933
Interest received		(11,994,033)	(11,705,312)	(11,891,139)	(11,637,026)
Dividend received	12	-	-	(19,999,910)	(23,999,898)
Gain on write-off of dividend payable		(365,288)	(287,190)	(50,287)	(89,190)
Expected credit losses (reversal)		607,082	(30,462,105)	607,082	(36,047,998)
Finance costs		9,803,053	6,399,643	4,876,277	4,140,124
Loss on values in inventories adjustment (reversal)	9	(290,486)	198,512	(290,486)	198,512
Gain from sale financial assets measured at fair value through profit or loss	10	(1,282,760)	(584,244)	(900,744)	(323,974)
Loss (gain) on fair value adjustment		24,553,291	(11,583,789)	24,412,996	(11,632,531)
Loss (gain) on disposals and write-off of property, plant and equipment and intangible assets		3,395,981	(105,412)	3,396,167	(103,359)
Written off withholding tax deducted at source		233,889	-	233,889	-
Loss (gain) from cancellation contract		813,739	109,323	821,332	(2,194)
Unrealized gain on exchange rate		(8,366,544)	(508,046)	(8,158,095)	(484,829)
Gain from the payback of investments in a dissolved subsidiary		-	-	-	(901,690)
Share of gain on non-controlling interests of subsidiary dissolution		-	(621)	-	-
Share of (gain) loss of associates accounted for using equity method	13	(1,667,516)	1,338,351	-	-
Provision for employee benefits	24	18,657,322	16,903,330	17,108,629	15,244,795
Other adjustments that impact gain balances		240,000	-	240,000	-
Cash provided by operation before changes in operating assets and liabilities		413,894,473	312,514,618	331,415,246	262,438,646
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(816,618,801)	(181,394,100)	(194,992,331)	(154,083,821)
Contract assets		6,620,057	3,650,602	-	-
Finance lease receivables		17,016,889	20,678,028	32,845,529	1,889,510
Inventories		(535,282,708)	(44,182,420)	(195,389,896)	(89,715,225)
Other current assets		27,579,457	(29,668,323)	6,359,707	(7,813,937)
Other non-current assets		765,162	40,000	737,550	-

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments



STATEMENTS OF CASH FLOWS (CONTINUED)

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	NOTES	2022	2021	2022	2021
Cash flows from operating activities (continued)					
Operating liabilities increase (decrease)					
Trade and other current payables		700,277,268	162,685,147	516,674,944	82,217,197
Other current liabilities		115,400	-	115,400	-
Other non-current liabilities		(196,916)	175,016	(196,916)	175,016
Cash provided by (used in) operating activities		(185,829,719)	244,498,568	497,569,233	95,107,386
Employee benefit paid	24	(61,730,066)	(11,094,844)	(61,500,733)	(11,094,844)
Income tax refunded		72,014,576	40,360,863	68,684,678	40,044,665
Income tax paid		(139,048,035)	(127,145,468)	(127,995,497)	(110,804,450)
Net cash provided by (used in) operating activities		(314,593,244)	146,619,119	376,757,681	13,252,757
Cash flows from investing activities					
Interest received		11,971,429	11,765,022	11,848,735	11,661,699
Decrease in deposits at financial institutions used as collaterals		18,000,000	-	-	-
Cash received from disposal of equity or debt instruments of other parties	10	650,300,000	515,180,000	345,000,000	172,000,000
Cash paid for purchase of equity or debt instruments of other parties	10	(670,050,000)	(576,880,000)	(468,800,000)	(170,000,000)
Cash received from returned of the capital of subsidiary dissolution		-	-	-	3,401,540
Cash received from disposal of property, plant and equipment and intangible assets		969,250	508,683	969,063	506,627
Cash paid for purchases of property and equipment	5.1	(30,926,839)	(46,730,017)	(26,566,445)	(45,512,079)
Cash paid for purchases of intangible assets	5.2	(16,870,407)	(13,214,548)	(16,870,407)	(13,218,012)
Dividend received		-	-	19,999,910	23,999,898
Net cash used in investing activities		(36,606,567)	(109,370,860)	(134,419,144)	(17,160,327)
Cash flows from financing activities					
Finance costs paid		(9,850,407)	(6,506,548)	(4,883,839)	(4,213,562)
Cash received (paid) for short-term borrowing from financial institutions	5.4	491,793,572	(43,897,648)	(100,000,000)	11,701,309
Cash paid for short-term borrowings from other party	5.4	(9,630,000)	-	(9,630,000)	-
Cash paid for long-term borrowings from financial institutions	5.4	-	(4,420,000)	-	(4,420,000)
Cash paid for long-term borrowings from other parties	5.4	(4,296,943)	(4,498,049)	(4,296,943)	(4,498,049)
Cash paid for lease liabilities	5.3	(18,627,182)	(28,145,359)	(12,709,541)	(13,814,555)
Dividend paid		(136,707,248)	(108,182,527)	(136,707,158)	(108,182,426)
Net cash provided by (used in) financing activities		312,681,792	(195,650,131)	(268,227,481)	(123,427,283)
Net decrease in cash and cash equivalents		(38,518,019)	(158,401,872)	(25,888,944)	(127,334,853)
Cash and cash equivalents as at January 1,		127,160,832	285,562,704	83,077,226	210,412,079
Cash and cash equivalents as at December 31,		88,642,813	127,160,832	57,188,282	83,077,226



NOTES TO THE FINANCIAL STATEMENTS

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Notes	Contents
1	General information and operations
2	Basis of preparation and presentation of the financial statements
3	Significant accounting policies
4	Use of management's judgments and key sources of estimation uncertainty
5	Additional cash flow information
6	Cash and cash equivalents
7	Trade and other current receivables
8	Contract asset
9	Inventories
10	Financial assets measured at fair value through profit or loss
11	Deposits at financial institutions used as collateral
12	Investments in subsidiaries
13	Investments in associates
14	Lease receivables
15	Property, plant and equipment
16	Right-of-use and lease
17	Other intangible assets
18	Deferred tax assets (liabilities) and income tax expenses
19	Short-term borrowings from financial institutions
20	Trade and other current payables
21	Short-term borrowing from other party
22	Long-term borrowings from other parties
23	Lease liabilities
24	Provisions for employee benefits
25	Share capital
26	Legal reserves
27	Expenses by nature
28	Basic earnings per share
29	Related parties transactions
30	Operating segment
31	Provident fund
32	Dividends paid
33	Financial instruments
34	Fair value measurement
35	Commitments and contingent liabilities
36	Litigations
37	Events after the reporting period
38	Approval of the financial statements

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments



NOTES TO THE FINANCIAL STATEMENTS

METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

1. GENERAL INFORMATION AND OPERATIONS

Metro Systems Corporation Public Company Limited (the “Company”) is incorporated in Thailand and the Company’s registered office is located at 400 Chalermprakiat Rama IX Road, Nong Bon, Prawet, Bangkok 10250. There are 2 branches located as follows:

Branch 1 141/15-18 Skulthai Tower, Surawong Road, Suriyawong, Bangrak, Bangkok 10500
Branch 2 979/27-31 SM Tower Condominium, Phahonyothin Road, Samsennai, Phayathai, Bangkok 10400

The Company was listed on the Stock Exchange of Thailand in 1996.

The Company’s major shareholders were Metro Value Creation Company Limited, Metrophose Company Limited and MC Bakery Company Limited which were incorporated in Thailand. The Company’s ultimate shareholder is Metro Value Creation Company Limited, which was incorporate in Thailand.

The principal businesses of the Company and its subsidiaries, together referred to as the “Group”, are involved in trading computer and equipment, software, supplies, office equipment, and related services.

Details of the Company’s subsidiaries as at December 31, 2022 and 2021 were as follows:

Subsidiaries	Type of business	Incorporate country	Ownership interest (%)	
			2022	2021
Metro Professional Products Company Limited	Sale and service of computer and computer software	Thailand	99.99	99.99
Metro Info Tech Company Limited	Sale and maintenance service and other service relating to computer software	Thailand	70.00	70.00
Metro Connect Company Limited	Sale and service of computer and computer software	Thailand	99.99	99.99

The Company has extensive transactions and relationships with its related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2022 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated December 26, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 The consolidated and separate statements of financial position as at December 31, 2021, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Group and the Company for the year then ended which had been previously audited.
- 2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phrase 2. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

- 2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Group are as follows:



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Thai Accounting Standard No.37 “Provisions, Contingent Liabilities and Contingent Assets”

The amendments specify that the “cost of fulfilling a contract” comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Financial Reporting Standard No.3 “Business Combinations”

The amendments update TFRS 3 so that it refers to the Conceptual Framework which is currently effective. In addition, they also add to TFRS 3 a requirement that, for obligations within the scope of TAS 37, an acquirer applies TAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of TFRIC 21 “Levies”, the acquirer applies TFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Thai Financial Reporting Standard No.9 “Financial Instruments”

The amendment clarifies that in applying the “10 per cent” test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The English version of the consolidated and separate financial statements have been prepared from the Thai version of the consolidated and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version consolidated and separate financial statements in accordance with the Thai law is superseded.

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

3.1 Basis of preparation of consolidation financial statements

The Consolidated financial statements comprise the Company and its subsidiaries' financial statements and the Group's interest in associates.

Transactions eliminated on consolidation

Significant intra-group balances and transactions have been eliminated in the preparation of the consolidated financial statements. The consolidated financial statements for the years ended December 31, 2022 and 2021 were prepared by using the financial statements of its subsidiaries and associates as of the same date.

3.2 Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized as profit or loss in statement of comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, all deposits at financial institutions with the original maturities of three months or less and highly liquid short-term investments, excluding cash at banks used as collateral.

3.4 Trade and other current receivables

Trade receivables and other current receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.6.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

3.5 Inventories

Inventories are stated at lower of cost or net realizable value. Cost is calculated by the weighted average method.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.6 Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Group may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- The Group may irrevocable designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

(i) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognized in profit or loss and is included in the “finance income - interest income” line item.

(ii) Debt instruments classified as at FVTOCI

The corporate bonds held by the Group are classified as at FVTOCI. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognized in profit or loss. The amounts that are recognized in profit or loss are the same as the amounts that would have been recognized in profit or loss if these corporate bonds are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

A financial asset is held for trading if;

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the “other income” line item in profit or loss.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item. Fair value is determined in the manner described in Note 34.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expect credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with TFRS 16 "Leases".

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if;

- It has been acquired principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and TFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the "other gains and losses" line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective date is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts and options.

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

3.7 Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

An associate is an entity which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate equals or exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statement of profit or loss and other comprehensive income in the period in which the investment is acquired.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. No re-measurement upon such changes in ownership interests is required.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held-for-sale.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss for the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest in the statement of profit or loss and other comprehensive income if that gain or loss would be reclassified to profit or loss upon the disposal of the related assets or liabilities.

When the group entity transacts with an associate, profits and losses resulting from such transactions are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statement of comprehensive income.

If the Group disposes of a partial of its holding investment, the deemed cost of the sold investment is determined using the weighted-average method applied to the carrying value of the total holding of the investment.

3.8 Property, plant and equipment

Recognition and measurement

Property is measured at cost less allowance for impairment losses, if any.

Land improvements, plant and equipment are measured at cost less accumulated depreciation and allowance for impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use. The cost also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for separately by major components.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net as profit or loss in the statement of comprehensive income.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in statement of comprehensive income as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	20	years
Buildings	5 - 30	years
Furniture and fixtures	5	years
Office equipment	3 - 5	years
Vehicles	5	years
Other fixed assets	5	years
Assets held for lease	3 - 5	years

No depreciation is provided on land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.9 Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses, if any.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use.

The estimated useful lives are as follows:

Software license	1 - 15	years
------------------	--------	-------

Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Intangible assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

3.10 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized as an expense in the statement of comprehensive income unless it reverses a previous revaluation credited to equity and it subsequently impairs in which case it is charged to statement of comprehensive income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the higher of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized as an expense in the statement of comprehensive income.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

3.11 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges in relation to the liabilities. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized as an expense in the statement of comprehensive income over the period of the borrowings.

3.12 Provision

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.13 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statement of comprehensive income.

The Group recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the statement of comprehensive income when the plan amendment is effective.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.14 Recognition of revenues

Revenue from sale of goods

Revenue from sale of goods is recognized in the statement of comprehensive income when control of the goods is transferred to customers, generally on delivery of goods. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Revenue from sales are measured at the amount of consideration received or expect to be received for delivered goods after deduction of discounts, excluding value-added tax.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

For sale with warranties to assure that the goods complies with agree-upon specifications, the Group recognize the warranty according to TAS 37 “Provisions, Contingent Liabilities and Contingent Assets” consistent with its previous accounting treatment.

The service-type warranties provided customers with a service in addition to the assurance that the product complies with agree-upon specifications is recognized as revenue over the period in which the service is provided.

Revenue from installation of software

The Group provides an installation of various software products for specialised business operations. Such installation are recognized as a performance obligation satisfied over time. Revenue is recognized for these installation over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred from work performed to date relative to the estimated total contract costs. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under TFRS 15.

Revenue from rendering of services

Revenue from rendering of services is recognized over time when services have been rendered considering the stage of completion. The stage of completion is assessed by reference to cost of services incurred. When the outcome of a service rendering contract cannot be estimated reliably, service revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

Sales of services - maintenance relating to electronic equipment

The maintenance service is considered to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and available for customers from other providers in the market. A portion of the transaction price is therefore allocated to the maintenance services based on the stand-alone selling price of those services.

Revenue relating to the maintenance services is recognized over time. The transaction price allocated to these services is recognized as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Rental income from operating lease contracts

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Income from finance lease contracts

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group’s net investment outstanding in respect of the leases.

Dividend received

Dividend received is recognized on the date the Group's right to receive payments is established.

Interest income and other income

Interest income and other income are recognized in the statement of comprehensive income on an accrual basis.

3.15 Expense recognition

Expenses are recognized on an accrued basis.

3.16 Finance costs

Finance costs comprise of interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in statement of comprehensive income using the effective interest method.

3.17 Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the years presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

The Group as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance lease or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group’s net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies TFRS 15 to allocate the consideration under the contract to each component.

3.18 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expense in the statement of comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction in the consolidated financial statement that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period when such a determination is made.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.19 Basic earnings per share

The calculations of basic earnings per share for the year are based on the profit for the year attributable to equity holders divided by the weighted-average number of ordinary shares held by outsiders outstanding during the year.

3.20 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4. USE OF MANAGEMENT'S JUDGMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

4.1 Management's judgements in applying accounting policies

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

4.1.1 Impairment

The Group's balance assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. The asset balances with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

4.1.2 Classification of leases

In determining whether a lease should be classified as an operating lease or finance lease, the Group's management has to use judgement to determine whether significant risks and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

4.1.3 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group's considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related obligations. Additional information is disclosed in Note 24.

Past service cost related to the plan amendment is recognized as an expense in the statement of comprehensive income when the plan amendment is effective.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

4.1.4 Significant increase in credit risk

As explained in Note 3.6, expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. TFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

4.2 Key sources of estimation uncertainty

The Group have estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.2.1 Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors of the Company has set up a valuation committee, which is headed by the Chief Financial Officer, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 34.

4.2.2 Calculation of recoverable amount

In the calculation of recoverable amount, the Group's management estimated the future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

4.2.3 Allowance for obsolete and slow-moving inventories

The Group has provided allowance for obsolete and slow-moving inventories based on management's best estimate of net realizable value of damaged, obsolete or deteriorated inventories and review of the aging analysis at the end of each reporting period.

5. ADDITIONAL CASH FLOW INFORMATION

5.1 Non-cash transactions occurred from property and equipment for the years ended December 31, are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Payable for purchases of property and equipment brought forward (recorded as part of other payables)	2,086	584	2,086	584
<u>Add</u> Increase during the years	31,018	49,338	26,657	48,120
<u>Less</u> Transferred from inventory	(1,759)	(1,106)	(1,759)	(1,106)
<u>Less</u> Cash payments during the years	(30,927)	(46,730)	(26,566)	(45,512)
Payable for purchases of property and equipment carried forward (recorded as part of other payables)	418	2,086	418	2,086

5.2 Purchases of intangible assets for the years ended December 31, are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Payable for purchases of intangible assets brought forward (recorded as part of other payables)	-	-	-	-
<u>Add</u> Increase during the years	16,870	13,215	16,870	13,218
<u>Less</u> Cash payments during the years	(16,870)	(13,215)	(16,870)	(13,218)
Payable for purchases intangible assets carried forward (recorded as part of other payables)	-	-	-	-

5.3 Movements in lease liabilities for the years ended December 31, are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Lease liabilities brought forward	32,930	61,418	26,018	38,894
<u>Add</u> Purchase inventory during the year	3,487	-	3,487	-
<u>Add</u> Increase during the years	21,093	1,267	19,849	1,267
<u>Less</u> Contract cancellation during the years	(3,183)	(1,610)	(2,921)	(329)
<u>Less</u> Cash payments during the years	(18,627)	(28,145)	(12,710)	(13,814)
Lease liabilities carried forward	35,700	32,930	33,723	26,018

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

5.4 Reconciliation of liabilities arising from financing activities

Changes in the liabilities arising from financing activities, including both cash and non-cash changes classified as financing activities in the statements of cash flows, were as follows:

Unit : Thousand Baht

Consolidated financial statements

As at December 31, 2022

	Balance as at January 1, 2022	Financing cash flows	Non-cash changes	Balance as at December 31, 2022
Short-term borrowings from financial institutions	100,000	491,794	-	591,794
Short-term borrowing from other party	9,630	(9,630)	-	-
Long-term borrowings from other parties	4,297	(4,297)	-	-
Total	113,927	477,867	-	591,794

Unit : Thousand Baht

Consolidated financial statements

As at December 31, 2021

	Balance as at January 1, 2021	Financing cash flows	Non-cash changes	Balance as at December 31, 2021
Short-term borrowings from financial institutions	143,898	(43,898)	-	100,000
Short-term borrowing from other party	-	-	9,630	9,630
Long-term borrowings from financial institutions	4,420	(4,420)	-	-
Long-term borrowings from other parties	8,795	(4,498)	-	4,297
Total	157,113	(52,816)	9,630	113,927

Unit : Thousand Baht

Separate financial statements

As at December 31, 2022

	Balance as at January 1, 2022	Financing cash flows	Non-cash changes	Balance as at December 31, 2022
Short-term borrowings from financial institutions	100,000	(100,000)	-	-
Short-term borrowing from other party	9,630	(9,630)	-	-
Long-term borrowings from other parties	4,297	(4,297)	-	-
Total	113,927	(113,927)	-	-

Unit : Thousand Baht

Separate financial statements

As at December 31, 2021

	Balance as at January 1, 2021	Financing cash flows	Non-cash changes	Balance as at December 31, 2021
Short-term borrowings from financial institutions	88,299	11,701	-	100,000
Short-term borrowing from other party	-	-	9,630	9,630
Long-term borrowings from financial institutions	4,420	(4,420)	-	-
Long-term borrowings from other parties	8,795	(4,498)	-	4,297
Total	101,514	2,783	9,630	113,927

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of the following:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Cash on hand	342	367	127	152
Current accounts	47,813	80,916	41,673	66,740
Saving accounts	22,488	45,878	15,388	16,185
Fixed deposit not exceeding 3 months	18,000	-	-	-
Total	88,643	127,161	57,188	83,077

As at December 31, 2022 and 2021, savings accounts and fixed deposit not exceeding 3 months bear interest at the rates between 0.25% - 0.35% per annum and 0.05% - 0.35% per annum, respectively.

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consisted of the following:

		Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	Note	2022	2021	2022	2021
Trade receivables					
Related parties	29	1,505	1,310	61,319	2,411
Other parties		1,634,369	1,114,235	878,717	924,974
Post-dated cheques		105,280	21,323	17,668	20,987
		<u>1,741,154</u>	<u>1,136,868</u>	<u>957,704</u>	<u>948,372</u>
Unbilled trade receivables					
Related parties	29	69	292	69	292
Other parties		330,261	190,465	317,559	181,433
		<u>330,330</u>	<u>190,757</u>	<u>317,628</u>	<u>181,725</u>
Total		2,071,484	1,327,625	1,275,332	1,130,097
Less Allowance for expected credit losses		(13,117)	(19,914)	(13,117)	(14,328)
Total trade receivables		<u>2,058,367</u>	<u>1,307,711</u>	<u>1,262,215</u>	<u>1,115,769</u>
Others current receivables					
Others receivables					
Related parties	29	391	258	8,230	3,566
Other parties		26,203	1,975	7,229	1,135
Prepaid expenses		152,633	111,238	147,514	110,825
Accrued income		17,662	17,681	14,536	13,642
Total other current receivables		<u>196,889</u>	<u>131,152</u>	<u>177,509</u>	<u>129,168</u>
Total trade and other current receivables		<u>2,255,256</u>	<u>1,438,863</u>	<u>1,439,724</u>	<u>1,244,937</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Movements in the allowance for expected credit losses were as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of the years	(19,914)	(51,826)	(14,328)	(51,826)
Impairment losses recognized on receivables	(1,887)	(16,785)	(1,887)	(11,199)
Amounts written off during the years as uncollectible	6,581	7,709	995	7,709
Amounts recovered during the years	829	23,536	829	23,536
Impairment losses reversed	1,274	17,452	1,274	17,452
Balance at ending of the years	<u>(13,117)</u>	<u>(19,914)</u>	<u>(13,117)</u>	<u>(14,328)</u>

Trade receivables as at December 31, are classified by aging as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Related parties				
Within credit terms	1,387	1,300	55,884	2,401
Overdue :				
Less than 3 months	118	10	5,435	10
Total	<u>1,505</u>	<u>1,310</u>	<u>61,319</u>	<u>2,411</u>
Other parties				
Within credit terms	879,740	884,237	608,720	748,588
Overdue :				
Less than 3 months	788,355	176,435	218,527	125,638
3 - 6 months	5,309	7,358	4,481	5,108
6 - 12 months	1,828	3,871	240	2,970
Over 12 months	1,600	1,101	1,600	1,101
Account receivables under legal case	62,817	62,556	62,817	62,556
Total	<u>1,739,649</u>	<u>1,135,558</u>	<u>896,385</u>	<u>945,961</u>
	<u>1,741,154</u>	<u>1,136,868</u>	<u>957,704</u>	<u>948,372</u>
Unbilled trade receivables				
Related parties	69	292	69	292
Other parties	330,261	190,465	317,559	181,433
Total unbilled trade receivables	<u>330,330</u>	<u>190,757</u>	<u>317,628</u>	<u>181,725</u>
Total	<u>2,071,484</u>	<u>1,327,625</u>	<u>1,275,332</u>	<u>1,130,097</u>
<u>Less</u> Allowance for expected credit losses	<u>(13,117)</u>	<u>(19,914)</u>	<u>(13,117)</u>	<u>(14,328)</u>
Net	<u>2,058,367</u>	<u>1,307,711</u>	<u>1,262,215</u>	<u>1,115,769</u>

The average credit period on sales of goods from 30 days to 60 days. No interest is charged on outstanding trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position.

The Group has no change in the estimation techniques or significant assumptions made during the current reporting period.

8. CONTRACT ASSETS

Contract assets as at December 31, are as follows:

	Unit : Thousand Baht Consolidated financial statements	
	2022	2021
Current assets		
Installation of software computer and services contract	4,013	10,633
Contract assets - net	<u>4,013</u>	<u>10,633</u>

Contract assets are from installation of software and service contract with customers. The contract assets are from price allocation to computer sales which are recognized revenues at point in time, when the Group transferred control of computer to customers. Contract asset will decrease relative to monthly service in each month. Monthly network service are recognized revenues at over time and percentage of completion.

Payment for installation of software services is not due from the customer until the installation services are complete and therefore a contract asset is recognized over the period in which the installation services are performed to represent the Group's right to consideration for the services transferred to date.

There were no impairment losses recognized on any contract asset in the reporting period.

9. INVENTORIES

Inventories as at December 31, consisted of the following:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Finished goods	764,099	334,296	460,362	281,592
Project in process	147,254	39,185	57,078	37,869
Goods in transit	-	394	-	394
Others	850	1,318	850	1,318
	<u>912,203</u>	<u>375,193</u>	<u>518,290</u>	<u>321,173</u>
Less Allowance for decline in value of inventories	(2,540)	(2,830)	(2,540)	(2,830)
Total	<u>909,663</u>	<u>372,363</u>	<u>515,750</u>	<u>318,343</u>

Cost of inventories which were recognized as expenses and included in the cost of sales for the years ended December 31, consisted of the following:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Cost of inventories recognized as expenses in cost of sales :				
- Cost of sales	7,026,169	5,267,756	5,513,069	4,529,494
- Loss from obsolete and slow-moving inventories (reversal)	(290)	199	(290)	199
Total	<u>7,025,879</u>	<u>5,267,955</u>	<u>5,512,779</u>	<u>4,529,693</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

10. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets measured at fair value through profit or loss as at December 31, consisted of the following:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Financial assets measured at fair value through profit or loss - mutual fund	226,411	205,789	226,321	101,901
Total	226,411	205,789	226,321	101,901

Movements during the years ended December 31, of financial assets measured at fair value through profit or loss were as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Financial assets measured at fair value through profit or loss				
As at January 1,	205,789	143,283	101,901	103,418
<u>Add</u> Purchases during the years	670,050	576,880	468,800	170,000
<u>Less</u> Sales during the years	(650,300)	(515,180)	(345,000)	(172,000)
Gain from sale financial assets measured at fair value through profit or loss	1,283	584	901	324
Valuation adjustment	(411)	222	(281)	159
As at December 31,	226,411	205,789	226,321	101,901

11. DEPOSITS AT FINANCIAL INSTITUTIONS USED AS COLLATERALS

11.1 As at December 31, 2022 and 2021, deposits at financial institution used as collaterals of the Group of Baht 21.29 million and Baht 39.29 million, respectively, in the consolidated financial statements, are pledged as collateral with a financial institution for project performance of and credit facilities.

11.2 As at December 31, 2022 and 2021, deposits at financial institution used as collaterals of the Company of Baht 14.29 million in the separate financial statement, are pledged as collateral for project performance of the Company.

12. INVESTMENTS IN SUBSIDIARIES

Investment in subsidiaries as at December 31, 2022 and 2021 and dividend income for the years ended December 31, 2022 and 2021 consist of:

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income	
	As at	As at	As at	As at	As at	As at	For the years	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	ended December 31, 2022	ended December 31, 2021
	%	%	Million Baht	Million Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Subsidiaries								
Metro Professional Products Company Limited	99.99	99.99	50.00	50.00	51,398	51,398	6,000	6,000
Metro Info Tech Company Limited	70.00	70.00	5.00	5.00	3,500	3,500	-	-
Metro Connect Company Limited	99.99	99.99	10.00	10.00	10,000	10,000	14,000	18,000
					64,898	64,898	20,000	24,000

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

13. INVESTMENTS IN ASSOCIATES

Movements in investments in associates recorded by the equity method in the consolidated financial statements and by cost method in the separate financial statements for the years ended December 31, are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
As at January 1,	5,481	6,819	1,999	1,999
Share of gain (loss) of investments in associates	1,667	(1,338)	-	-
Share of other comprehensive loss of investments in associates	(225)	-	-	-
As at December 31,	<u>6,923</u>	<u>5,481</u>	<u>1,999</u>	<u>1,999</u>

The Company recognized share of loss from investment in an associate, until the value of the investment approached zero. Subsequent loss incurred by that associate has not been recognized in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of that associate.

Investments in associates as at December 31, 2022 and 2021 were as follows, there were no dividend income for the years ended December 31, 2022 and 2021.

	Consolidated financial statements							
	Ownership interest		Paid-up capital		Cost method		Equity method	
	As at	As at	As at	As at	As at	As at	As at	As at
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	%	%	Million Baht	Million Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Associates								
HIS MSC Company Limited	49.97	49.97	4.00	4.00	1,999	1,999	6,923	5,481
JBCC (Thailand) Company Limited	20.00	20.00	10.00	10.00	2,000	2,000	-	-
					3,999	3,999	6,923	5,481
					(2,000)	(2,000)		
					1,999	1,999		
Less Allowance for impairment loss								
Total investments in associates								
Separate financial statements								
	Ownership interest		Paid-up capital		Cost method		Cost method	
	As at	As at	As at	As at	As at	As at	As at	As at
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	%	%	Million Baht	Million Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Associates								
HIS MSC Company Limited	49.97	49.97	4.00	4.00	4.00	4.00	1,999	1,999
JBCC (Thailand) Company Limited	20.00	20.00	10.00	10.00	10.00	10.00	2,000	2,000
							3,999	3,999
							(2,000)	(2,000)
							1,999	1,999
Less Allowance for impairment loss								
Total investments in associates								

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

14. LEASE RECEIVABLES

Lease receivables as at December 31, consisted of the following:

		Consolidated financial statements				Unit : Thousand Baht
		Portion due within one year		Portion due after one year		Total
		2022	2021	2022	2021	2022 2021
Related parties		64	53	156	-	220 53
Other parties		194,016	195,528	157,661	177,895	351,677 373,423
		194,080	195,581	157,817	177,895	351,897 373,476
<u>Less</u> Unearned interest income		(15,280)	(17,615)	(11,189)	(12,544)	(26,469) (30,159)
		178,800	177,966	146,628	165,351	325,428 343,317
<u>Less</u> Allowance for expected credit losses		-	-	(1,171)	(373)	(1,171) (373)
Net		<u>178,800</u>	<u>177,966</u>	<u>145,457</u>	<u>164,978</u>	<u>324,257</u> <u>342,944</u>

		Separate financial statements				Unit : Thousand Baht
		Portion due within one year		Portion due after one year		Total
		2022	2021	2022	2021	2022 2021
Related parties		64	53	156	-	220 53
Other parties		119,020	121,366	80,105	118,349	199,125 239,715
		119,084	121,419	80,261	118,349	199,345 239,768
<u>Less</u> Unearned interest income		(7,892)	(11,426)	(5,363)	(8,534)	(13,255) (19,960)
		111,192	109,993	74,898	109,815	186,090 219,808
<u>Less</u> Allowance for expected credit losses		-	-	(1,171)	(373)	(1,171) (373)
Net		<u>111,192</u>	<u>109,993</u>	<u>73,727</u>	<u>109,442</u>	<u>184,919</u> <u>219,435</u>

		Consolidated financial statements		Separate financial statements		Unit : Thousand Baht
		2022	2021	2022	2021	
Impairment loss determined in accordance with TFRS 9						
(Reversal of impairment loss)		<u>798</u>	<u>(6,409)</u>	<u>798</u>	<u>(6,409)</u>	

As at December 31, 2022 and 2021, the gross investment under lease contracts and present value of minimum lease payments receivable were as follows:

Unit : Thousand Baht				
Consolidated financial statements				
	2022		2021	
	Gross investment under finance lease contracts	Present value of minimum lease payments under finance lease contracts	Gross investment under finance lease contracts	Present value of minimum lease payments under finance lease contracts
Portion due within one year	194,080	178,800	195,581	177,966
Portion due after one year but within five years	157,817	146,628	177,895	165,351
Total	351,897	325,428	373,476	343,317
<u>Less</u> Unearned interest income	<u>(26,469)</u>	<u>-</u>	<u>(30,159)</u>	<u>-</u>
Total	325,428	325,428	343,317	343,317
<u>Less</u> Allowance for expected credit losses	<u>(1,171)</u>	<u>(1,171)</u>	<u>(373)</u>	<u>(373)</u>
Gross investment under finance lease contracts - net	324,257	324,257	342,944	342,944

Unit : Thousand Baht				
Separate financial statements				
	2022		2021	
	Gross investment under finance lease contracts	Present value of minimum lease payments under finance lease contracts	Gross investment under finance lease contracts	Present value of minimum lease payments under finance lease contracts
Portion due within one year	119,084	111,192	121,419	109,993
Portion due after one year but within five years	80,261	74,898	118,349	109,815
Total	199,345	186,090	239,768	219,808
<u>Less</u> Unearned interest income	<u>(13,255)</u>	<u>-</u>	<u>(19,960)</u>	<u>-</u>
Total	186,090	186,090	219,808	219,808
<u>Less</u> Allowance for expected credit losses	<u>(1,171)</u>	<u>(1,171)</u>	<u>(373)</u>	<u>(373)</u>
Gross investment under finance lease contracts - net	184,919	184,919	219,435	219,435

The average term of leases entered into is 3 - 5 years. Generally, these lease contracts do not include extension or early termination options.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in Thai Baht. Residual value risk on equipment under lease is not significant, because of the existence of a secondary market with respect to the equipment.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

The following table presents the amounts included in profit or loss for the years ended December 31,

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Selling profit/loss for leases	8,858	7,090	7,879	3,967
Finance income on the net investment in leases	15,445	17,761	6,823	8,951

The Group's finance lease arrangements do not include variable payments.

The average effective interest rate contracted approximates 6.00% - 7.50% per annum.

15. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for the years ended December 31, are as follows:

As at December 31, 2022

	Consolidated financial statements				Unit : Thousand Baht
	Balance as at January 1, 2022	Additions	(Disposals)	Transfer in (Transfer out)	Balance as at December 31, 2022
Cost					
Land	226,388	-	-	-	226,388
Land improvements	18,773	-	-	-	18,773
Buildings	539,916	134	(18,308)	7,405	529,147
Furniture and fixtures	131,039	978	(3,130)	3,669	132,556
Office equipment	750,381	13,136	(59,296)	20,357	724,578
Vehicles	2,713	-	-	-	2,713
Other fixed assets	67,105	2,918	(5,328)	3,127	67,822
Assets held for lease	18,753	-	(242)	(18,429)	82
Total	1,755,068	17,166	(86,304)	16,129	1,702,059
Accumulated depreciation					
Land improvements	15,536	237	-	-	15,773
Buildings	459,702	12,314	(14,976)	-	457,040
Furniture and fixtures	124,518	2,599	(3,127)	-	123,990
Office equipment	685,479	29,878	(58,514)	12,906	669,749
Vehicles	1,661	416	-	-	2,077
Other fixed assets	57,673	3,801	(5,158)	-	56,316
Assets held for lease	10,376	2,787	(175)	(12,906)	82
Total	1,354,945	52,032	(81,950)	-	1,325,027
Assets under construction and installation	5,211	13,852	-	(16,093)	2,970
Property, plant and equipment	405,334				380,002

As at December 31, 2021

Unit : Thousand Baht

	Consolidated financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Additions	(Disposals)	Transfer in (Transfer out)	
Cost					
Land	226,388	-	-	-	226,388
Land improvements	18,773	-	-	-	18,773
Buildings	539,916	-	-	-	539,916
Furniture and fixtures	128,875	4,511	(2,347)	-	131,039
Office equipment	716,561	34,185	(31,349)	30,984	750,381
Vehicles	2,713	-	-	-	2,713
Other fixed assets	62,478	6,167	(1,613)	73	67,105
Assets held for lease	45,724	-	-	(26,971)	18,753
Total	1,741,428	44,863	(35,309)	4,086	1,755,068
Accumulated depreciation					
Land improvements	15,301	235	-	-	15,536
Buildings	447,396	12,306	-	-	459,702
Furniture and fixtures	117,935	8,928	(2,345)	-	124,518
Office equipment	649,080	38,779	(31,289)	28,909	685,479
Vehicles	1,246	415	-	-	1,661
Other fixed assets	55,083	3,861	(1,271)	-	57,673
Assets held for lease	29,926	7,350	-	(26,900)	10,376
Total	1,315,967	71,874	(34,905)	2,009	1,354,945
Assets under construction and installation	1,557	4,475	-	(821)	5,211
Property, plant and equipment	<u>427,018</u>				<u>405,334</u>
Depreciation for the years ended December 31,					
2022				Thousand Baht	<u>52,032</u>
2021				Thousand Baht	<u>71,874</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

As at December 31, 2022

Unit : Thousand Baht

	Separate financial statements				Balance as at December 31, 2022
	Balance as at January 1, 2022	Additions	(Disposals)	Transfer in (Transfer out)	
Cost					
Land	220,675	-	-	-	220,675
Land improvements	18,773	-	-	-	18,773
Buildings	534,666	134	(18,307)	7,405	523,898
Furniture and fixtures	129,871	633	(3,130)	3,669	131,043
Office equipment	716,256	11,935	(59,296)	20,357	689,252
Vehicles	347	-	-	-	347
Other fixed assets	66,238	2,893	(5,315)	3,127	66,943
Assets held for lease	18,753	-	(242)	(18,429)	82
Total	<u>1,705,579</u>	<u>15,595</u>	<u>(86,290)</u>	<u>16,129</u>	<u>1,651,013</u>
Accumulated depreciation					
Land improvements	15,536	237	-	-	15,773
Buildings	454,628	12,268	(14,976)	-	451,920
Furniture and fixtures	123,498	2,527	(3,127)	-	122,898
Office equipment	654,243	28,346	(58,513)	12,906	636,982
Vehicles	138	70	-	-	208
Other fixed assets	56,893	3,742	(5,145)	-	55,490
Assets held for lease	10,377	2,787	(175)	(12,906)	83
Total	<u>1,315,313</u>	<u>49,977</u>	<u>(81,936)</u>	<u>-</u>	<u>1,283,354</u>
Assets under construction and installation	<u>5,211</u>	<u>11,062</u>	<u>-</u>	<u>(16,093)</u>	<u>180</u>
Property, plant and equipment	<u><u>395,477</u></u>				<u><u>367,839</u></u>

As at December 31, 2021

Unit : Thousand Baht

	Separate financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Additions	(Disposals)	Transfer in (Transfer out)	
Cost					
Land	220,675	-	-	-	220,675
Land improvements	18,773	-	-	-	18,773
Buildings	534,666	-	-	-	534,666
Furniture and fixtures	127,783	4,397	(2,309)	-	129,871
Office equipment	683,509	33,113	(31,350)	30,984	716,256
Vehicles	347	-	-	-	347
Other fixed assets	61,634	6,135	(1,604)	73	66,238
Assets held for lease	45,724	-	-	(26,971)	18,753
Total	<u>1,693,111</u>	<u>43,645</u>	<u>(35,263)</u>	<u>4,086</u>	<u>1,705,579</u>
Accumulated depreciation					
Land improvements	15,301	235	-	-	15,536
Buildings	442,367	12,261	-	-	454,628
Furniture and fixtures	116,947	8,859	(2,308)	-	123,498
Office equipment	620,639	35,985	(31,290)	28,909	654,243
Vehicles	69	69	-	-	138
Other fixed assets	54,395	3,760	(1,262)	-	56,893
Assets held for lease	29,926	7,351	-	(26,900)	10,377
Total	<u>1,279,644</u>	<u>68,520</u>	<u>(34,860)</u>	<u>2,009</u>	<u>1,315,313</u>
Assets under construction and installation	<u>1,557</u>	<u>4,475</u>	<u>-</u>	<u>(821)</u>	<u>5,211</u>
Property, plant and equipment	<u>415,024</u>				<u>395,477</u>

Depreciation for the years ended December 31,

2022

Thousand Baht

49,977

2021

Thousand Baht

68,520

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

16. RIGHT-OF-USE ASSETS AND LEASE

Right-of-use assets as at December 31, were as follows:

As at December 31, 2022

Unit : Thousand Baht

	Consolidated financial statements				Balance as at December 31, 2022
	Balance as at January 1, 2022	Additions	Transfer/Others	(Disposals)	
Cost					
Buildings	7,999	-	-	(7,999)	-
Vehicles	28,910	16,976	-	(8,020)	37,866
Office equipment	8,656	4,117	-	-	12,773
Intangible assets	2,861	-	-	-	2,861
Total cost	48,426	21,093	-	(16,019)	53,500
Accumulated depreciation					
Buildings	3,550	2,002	-	(5,552)	-
Vehicles	13,190	7,410	-	(7,659)	12,941
Office equipment	6,014	2,561	-	-	8,575
Intangible assets	2,002	573	-	-	2,575
Total accumulate depreciation	24,756	12,546	-	(13,211)	24,091
Total right-of-use assets	23,670				29,409

As at December 31, 2021

Unit : Thousand Baht

	Consolidated financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Additions	Transfer/Others	(Disposals)	
Cost					
Buildings	7,999	-	-	-	7,999
Vehicles	30,198	1,267	(2,555)	-	28,910
Office equipment	11,921	-	-	(3,265)	8,656
Intangible assets	2,861	-	-	-	2,861
Total cost	52,979	1,267	(2,555)	(3,265)	48,426
Accumulated depreciation					
Buildings	891	2,659	-	-	3,550
Vehicles	6,363	7,846	(1,019)	-	13,190
Office equipment	6,175	1,848	-	(2,009)	6,014
Intangible assets	1,432	570	-	-	2,002
Total accumulate depreciation	14,861	12,923	(1,019)	(2,009)	24,756
Total right-of-use assets	38,118				23,670

Depreciation for the years ended December 31,

2022

Thousand Baht

12,546

2021

Thousand Baht

12,923

As at December 31, 2022

Unit : Thousand Baht

	Separate financial statements				Balance as at December 31, 2022
	Balance as at January 1, 2022	Additions	Transfer/Others	(Disposals)	
Cost					
Buildings	7,999	-	-	(7,999)	-
Vehicles	25,311	-	-	-	25,311
Office equipment	8,489	4,117	-	-	12,606
Intangible assets	2,861	15,732	-	(7,140)	11,453
Total cost	44,660	19,849	-	(15,139)	49,370
Accumulated depreciation					
Buildings	3,550	2,002	-	(5,552)	-
Vehicles	11,277	6,453	-	(7,033)	10,697
Office equipment	5,942	2,524	-	-	8,466
Intangible assets	2,002	574	-	-	2,576
Total accumulate depreciation	22,771	11,553	-	(12,585)	21,739
Total right-of-use assets	21,889				27,631

As at December 31, 2021

Unit : Thousand Baht

	Separate financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Additions	Transfer/Others	(Disposals)	
Cost					
Buildings	7,999	-	-	-	7,999
Vehicles	24,666	1,267	(622)	-	25,311
Office equipment	11,754	-	-	(3,265)	8,489
Intangible assets	2,861	-	-	-	2,861
Total cost	47,280	1,267	(622)	(3,265)	44,660
Accumulated depreciation					
Buildings	891	2,659	-	-	3,550
Vehicles	4,683	6,888	(294)	-	11,277
Office equipment	6,139	1,812	-	(2,009)	5,942
Intangible assets	1,432	570	-	-	2,002
Total accumulate depreciation	13,145	11,929	(294)	(2,009)	22,771
Total right-of-use assets	34,135				21,889

Depreciation for the years ended December 31,

2022	Thousand Baht	11,553
2021	Thousand Baht	11,929

As at December 31, 2022 and 2021, lease liabilities of the Group included lease liabilities from sale and leaseback agreements and other finance leases agreements in the consolidated financial statements amounting to Baht 1.18 million and Baht 7.71 million, respectively, and separate financial statements amounting to Baht 1.18 million and Baht 2.73 million, respectively. The Group has taken assets arising from sale and leaseback agreements and other finance leases agreements entered into finance leases agreements with other lessee which recorded as lease receivables and transferred the rights of such assets to lessee.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

The statement of comprehensive income for the years ended December 31, included transactions related to leases were as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Depreciation on right-of-use assets				
Buildings	2,002	2,659	2,002	2,659
Vehicles	7,410	7,846	6,453	6,888
Office equipment	2,561	1,848	2,524	1,812
Intangible assets	573	570	574	570
Total depreciation on right-of-use assets	<u>12,546</u>	<u>12,923</u>	<u>11,553</u>	<u>11,929</u>
Expenses relating to leases				
Interest expenses on leases	2,690	2,290	2,407	1,698
Expense relating to short-term lease	960	516	847	516

17. OTHER INTANGIBLE ASSETS

Movements in other intangible assets for the years ended December 31, are as follows:

As at December 31, 2022

	Unit : Thousand Baht Consolidated financial statements			
	Balance as at January 1, 2022	Additions	(Disposals)	Transfer in (Transfer out)
Cost				Balance as at December 31, 2022
Software licenses	86,029	1,496	(3,498)	11,070
Total	<u>86,029</u>	<u>1,496</u>	<u>(3,498)</u>	<u>11,070</u>
Accumulated amortization				
Software licenses	62,705	8,346	(3,488)	-
Total	<u>62,705</u>	<u>8,346</u>	<u>(3,488)</u>	<u>-</u>
Intangible assets during development	17,887	15,374	-	(11,105)
Other intangible assets	<u>41,211</u>			<u>49,690</u>

As at December 31, 2021

	Unit : Thousand Baht Consolidated financial statements			
	Balance as at January 1, 2021	Additions	(Disposals)	Transfer in (Transfer out)
Cost				Balance as at December 31, 2021
Software licenses	77,676	3,564	-	4,789
Total	<u>77,676</u>	<u>3,564</u>	<u>-</u>	<u>4,789</u>
Accumulated amortization				
Software licenses	53,830	8,875	-	-
Total	<u>53,830</u>	<u>8,875</u>	<u>-</u>	<u>-</u>
Intangible assets during development	13,026	9,650	-	(4,789)
Other intangible assets	<u>36,872</u>			<u>41,211</u>

Depreciation for the years ended December 31,

2022

2021

Thousand Baht

Thousand Baht

8,346

8,875

As at December 31, 2022

Unit : Thousand Baht

	Balance as at January 1, 2022	Separate financial statements Additions	(Disposals)	Transfer in (Transfer out)	Balance as at December 31, 2022
Cost					
Software licenses	84,716	1,496	(3,498)	11,070	93,784
Total	84,716	1,496	(3,498)	11,070	93,784
Accumulated amortization					
Software licenses	61,514	8,284	(3,488)	-	66,310
Total	61,514	8,284	(3,488)	-	66,310
Intangible assets during development	17,887	15,374	-	(11,105)	22,156
Other intangible assets	<u>41,089</u>				<u>49,630</u>

As at December 31, 2021

Unit : Thousand Baht

	Balance as at January 1, 2021	Separate financial statements Additions	(Disposals)	Transfer in (Transfer out)	Balance as at December 31, 2021
Cost					
Software licenses	76,359	3,568	-	4,789	84,716
Total	76,359	3,568	-	4,789	84,716
Accumulated amortization					
Software licenses	52,704	8,810	-	-	61,514
Total	52,704	8,810	-	-	61,514
Intangible assets during development	13,026	9,650	-	(4,789)	17,887
Other intangible assets	<u>36,681</u>				<u>41,089</u>
Depreciation for the years ended December 31,					
2022				Thousand Baht	8,284
2021				Thousand Baht	<u>8,810</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

18. DEFERRED TAX ASSETS (LIABILITIES) AND INCOME TAX EXPENSES

Deferred tax assets and deferred tax liabilities as at December 31, are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets	45,319	48,839	44,716	46,585
Deferred tax liabilities	(1,573)	(1,674)	(2,162)	301
Deferred tax - net	43,746	47,165	42,554	46,886

Movements in deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2022

As at December 31, 2022	Unit : Thousand Baht				
	Consolidated financial statements				
	Balance as at	Recognized in			Balance as at
	January 1, 2022	Profit or loss	Other comprehensive income	Shareholders equity	December 31, 2022
Deferred tax assets					
Allowance for expected credit losses	2,865	(242)	-	-	2,623
Allowance for obsolescence and decline in value	747	906	-	-	1,653
Allowance for decline in values of investment	400	-	-	-	400
Provisions for employee benefit	44,795	(8,614)	2,539	-	38,720
Finance lease liabilities	1,073	(190)	-	-	883
Deferred revenue	440	(354)	-	-	86
Current financial assets	1,103	3,720	-	-	4,823
Intangible assets amortized	125	299	-	-	424
Total	51,548	(4,475)	2,539	-	49,612
Deferred tax liabilities					
Depreciation of buildings	(3,566)	715	-	-	(2,851)
Finance lease receivables	270	(2,818)	-	-	(2,548)
Accrued income	(552)	212	-	-	(340)
Financial assets measured at fair value through profit or loss	(117)	83	-	-	(34)
Prepaid costs	(410)	329	-	-	(81)
Current financial assets	(8)	(4)	-	-	(12)
Total	(4,383)	(1,483)	-	-	(5,866)
Deferred tax - net	47,165	(5,958)	2,539	-	43,746

As at December 31, 2021

Unit : Thousand Baht

	Consolidated financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Profit or loss	Recognized in Other comprehensive income	Shareholders equity	
Deferred tax assets					
Allowance for expected credit losses	10,364	(7,499)	-	-	2,865
Allowance for obsolescence and decline in value	1,283	(536)	-	-	747
Allowance for decline in values of investment	400	-	-	-	400
Provisions for employee benefit	43,634	1,161	-	-	44,795
Finance lease liabilities	3,387	(2,314)	-	-	1,073
Deferred revenue	1,089	(649)	-	-	440
Current financial assets	791	312	-	-	1,103
Intangible assets amortized	25	100	-	-	125
Total	60,973	(9,425)	-	-	51,548
Deferred tax liabilities					
Depreciation of buildings	(4,281)	715	-	-	(3,566)
Finance lease receivables	(5,216)	5,486	-	-	270
Accrued income	(740)	188	-	-	(552)
Financial assets measured at fair value through profit or loss	(73)	(44)	-	-	(117)
Prepaid costs	(1,017)	607	-	-	(410)
Current financial assets	(4)	(4)	-	-	(8)
Total	(11,331)	6,948	-	-	(4,383)
Deferred tax - net	49,642	(2,477)	-	-	47,165

As at December 31, 2022

Unit : Thousand Baht

	Separate financial statements			Balance as at December 31, 2022
	Balance as at January 1, 2022	Profit or loss	Recognized in Other comprehensive income	
Deferred tax assets				
Allowance for expected credit losses	2,866	(243)	-	2,623
Allowance for obsolescence and decline in value	566	(58)	-	508
Allowance for decline in values of investment	400	-	-	400
Provisions for employee benefit	41,227	(8,878)	2,706	35,055
Finance lease liabilities	299	584	-	883
Current financial assets	1,103	3,720	-	4,823
Intangible assets amortized	124	300	-	424
Total	46,585	(4,575)	2,706	44,716
Deferred tax liabilities				
Depreciation of buildings	(3,566)	715	-	(2,851)
Finance lease receivables	4,509	(3,446)	-	1,063
Accrued income	(552)	212	-	(340)
Financial assets measured at fair value through profit or loss	(90)	56	-	(34)
Total	301	(2,463)	-	(2,162)
Deferred tax - net	46,886	(7,038)	2,706	42,554

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

As at December 31, 2021

Unit : Thousand Baht

	Balance as at January 1, 2021	Separate financial statements Recognized in		Balance as at December 31, 2021
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Allowance for expected credit losses	10,364	(7,498)	-	2,866
Allowance for obsolescence and decline in value	1,262	(696)	-	566
Allowance for decline in values of investment	400	-	-	400
Provisions for employee benefit	40,397	830	-	41,227
Finance lease liabilities	283	16	-	299
Current financial assets	791	312	-	1,103
Intangible assets amortized	25	99	-	124
Total	53,522	(6,937)	-	46,585
Deferred tax liabilities				
Depreciation of buildings	(4,281)	715	-	(3,566)
Finance lease receivables	2,336	2,173	-	4,509
Accrued income	(740)	188	-	(552)
Financial assets measured at fair value through profit or loss	(59)	(31)	-	(90)
Total	(2,744)	3,045	-	301
Deferred tax - net	50,778	(3,892)	-	46,886

Income tax expenses

Income tax expenses recognized in statements of comprehensive income for the years ended December 31, were as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2022	2021	2022	2021
Current income tax	55,729	51,075	39,188	40,810
Deferred tax relating to the origination and reversal of temporary differences	5,958	2,477	7,038	3,892
Income tax expense per the statements of comprehensive income	61,687	53,552	46,226	44,702

Reconciliation of effective tax rate

Unit : Thousand Baht				
Consolidated financial statements				
	2022		2021	
	Tax rate (%)	Amount	Tax rate (%)	Amount
Profit before income tax		306,633		249,130
Income tax using applicable tax rate	20	61,327	20	49,826
Effects of net loss not recognized as deferred tax assets		5,958		2,477
Tax effect of income and expenses that are not taxable		(5,598)		1,249
Income tax expenses	20	61,687	21	53,552

Unit: Thousand Baht				
Separate financial statements				
	2022		2021	
	Tax rate (%)	Amount	Tax rate (%)	Amount
Profit before income tax expense		251,195		238,819
Income tax using applicable tax rate	20	50,239	20	47,764
Effects of net loss not recognized as deferred tax assets		7,038		3,892
Tax effect of income and expenses that are not taxable		(11,051)		(6,954)
Income tax expenses	18	46,226	19	44,702

19. SHORT-TERM BORROWING FROM FINANCIAL INSTITUTIONS

Short-term borrowing from financial institutions as at December 31, consisted of the following:

- 19.1 As at December 31, 2022, the Group has bank overdrafts of Baht 1.98 million. Bank overdrafts are repayable on demand bearing an interest rate at 6.33% - 6.73% per annum without collateral (2021: Nil).
- 19.2 As at December 31, 2022 and 2021, the Group has short-term borrowing from financial institutions amounting to Baht 589.82 million and Baht 100 million, respectively, bearing an interest rate of 2.58% - 4.35% per annum and 1.20% - 1.40% per annum, respectively, without collateral. The Group has to make fully repayment such short-term borrowing by the date specified in each promissory note. Besides, it must not exceed a period of 1 year from the agreement date.

As at December 31, 2021, the Company has short-term borrowing from financial institutions amounting to Baht 100 million, bearing an interest rate of 1.20% - 1.40% per annum without collateral. The Company has to make fully repayment such short-term borrowing by the date specified in each promissory note. Besides, it must not exceed a period of 1 year from the agreement date (2022 : Nil).

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

20. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consisted of the following:

	Note	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
		2022	2021	2022	2021
Trade payables					
Related parties	29	60	60	16,252	12,057
Other parties		1,287,637	600,076	952,484	520,883
Total trade payables		1,287,697	600,136	968,736	532,940
Other current payables					
Other					
Related parties	29	1,623	2,200	1,626	2,400
Other parties		39,442	31,416	34,814	27,211
Accrued expenses		142,258	124,622	106,969	103,516
Deposits and advances received		159,733	182,307	154,091	93,450
Total other current payables		343,056	340,545	297,500	226,577
Total trade and other current payables		1,630,753	940,681	1,266,236	759,517

21. SHORT-TERM BORROWING FROM OTHER PARTY

As at December 31, 2021, short-term borrowing from other party at the amount of Baht 9.63 million are unsecured borrowing, which no interest (2022 : Nil).

22. LONG-TERM BORROWINGS FROM OTHER PARTIES

Long-term borrowings from other parties are borrowing contract that has installment payment as at December 31, consisted of the following:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Long-term borrowings from other parties	-	4,297	-	4,297
<u>Less</u> Current portion of long-term borrowings	-	(4,297)	-	(4,297)
Total long-term borrowings from other parties	-	-	-	-

As at December 31, 2021, long-term borrowings from other parties are unsecured borrowings, which bear interest at the fixed rate of 4.31% per annum (2022 : Nil).

23. LEASE LIABILITIES

The Group entered into the lease agreements of vehicles and office equipment. The minimum lease payments under the lease agreements and their present value of liabilities under lease agreements as at December 31, consisted of the following:

	Unit : Thousand Baht			
	Consolidated financial statements			
	Minimum lease payments		Present value of minimum lease payment	
	2022	2021	2022	2021
Within 1 year	15,895	19,365	11,979	18,133
Over 1 year and within 5 years	29,823	15,650	23,721	14,797
<u>Less</u> Deferred interest	<u>(10,018)</u>	<u>(2,085)</u>	<u>-</u>	<u>-</u>
	<u>35,700</u>	<u>32,930</u>	<u>35,700</u>	<u>32,930</u>

	Unit : Thousand Baht			
	Separate financial statements			
	Minimum lease payments		Present value of minimum lease payment	
	2022	2021	2022	2021
Within 1 year	14,638	13,159	10,930	12,048
Over 1 year and within 5 years	28,621	14,807	22,793	13,970
<u>Less</u> Deferred interest	<u>(9,536)</u>	<u>(1,948)</u>	<u>-</u>	<u>-</u>
	<u>33,723</u>	<u>26,018</u>	<u>33,723</u>	<u>26,018</u>

24. PROVISIONS FOR EMPLOYEE BENEFITS

The Group provided employee benefit obligations upon retirement which are considered as unfunded defined benefit plans.

Amounts recognized as expense in the statements of comprehensive income in respect of the defined benefit plans for the years ended December 31, consisted of the following:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Provisions for employee benefit as at January 1,	230,403	224,594	212,564	208,414
Included in profit or loss:				
Current service cost	14,284	13,878	13,033	12,433
Interest cost	4,373	3,026	4,075	2,812
Included in other comprehensive income:				
Actuarial (gain) loss on defined benefit plan				
Arising from demographic assumptions	461	-	-	-
Arising from financial assumptions	(8,550)	-	(7,979)	-
Arising from experience adjustments	20,783	-	21,510	-
Benefits paid by the plan	<u>(61,730)</u>	<u>(11,095)</u>	<u>(61,501)</u>	<u>(11,095)</u>
Provisions for employee benefit as at December 31,	<u>200,024</u>	<u>230,403</u>	<u>181,702</u>	<u>212,564</u>
Current provisions for employee benefits	<u>10,791</u>	<u>11,867</u>	<u>10,791</u>	<u>11,867</u>
Non-current provisions for employee benefits	<u>189,233</u>	<u>218,536</u>	<u>170,911</u>	<u>200,697</u>

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

The key actuarial assumptions used to calculate the defined benefit obligation as at December 31, consisted of the following:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
<u>Financial Assumptions</u>				
Employee retirement age	55 years	55 years	55 years	55 years
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017
Employee turnover rate (%)	1.43 - 22.92	1.43 - 22.92	1.43 - 17.19	1.43 - 17.19
Discounted rate (%)	1.91 - 2.29	1.50 - 1.71	2.22	1.69
Expected rate of salary increase (%)	5.00	5.00	5.00	5.00

Significant actuarial assumptions for the determination of the defined employee benefit obligations were discount rate and expected salary increase rate. The sensitivity analysis below was determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased/(decreased) as at December 31, were as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
Discount rate - decrease by 1.0%	17,178	17,416	15,894	16,187
Discount rate - increase by 1.0%	(14,923)	(15,224)	(13,796)	(14,050)
Salary increase rate - decrease by 1.0%	(16,337)	(18,122)	(15,103)	(16,788)
Salary increase rate - increase by 1.0%	18,471	20,608	17,089	19,100

Assumptions regarding future mortality for the years ended December 31, 2022 and 2021 are based on published statistics and Thailand Mortality Ordinary Life table 2017 ("TMO17").

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the report period, which is the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

25. SHARE CAPITAL

Share capital as at December 31, consisted of the following:

		Thousand shares / Thousand Baht			
	Par value per share (Baht)	2022 Number	2022 Amount	2021 Number	2021 Amount
Authorized					
As at January 1,					
- Ordinary shares	1.00	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
As at December 31					
- Ordinary shares	1.00	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
Issued and paid-up					
As at January 1,					
- Ordinary shares	1.00	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
As at December 31,					
- Ordinary shares	1.00	360,000	360,000	360,000	360,000

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

26. LEGAL RESERVES

Section 116 of the Public Limited Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit less the accumulated losses brought forward, if any, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

As at December 31, 2022 and 2021, the Company's legal reserve equaled to one-tenth of the registered share capital.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

27. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, consisted of the following:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Purchase goods and services	7,562,889	5,307,351	5,709,896	4,614,623
Employee benefits expense	844,112	823,326	769,932	762,027
Cost of maintenance and outsourcing	956,268	681,805	769,191	590,077
Depreciation and amortization expenses	72,923	93,672	69,814	89,259
Changes in inventories	(537,010)	(39,397)	(197,117)	(84,930)
Travelling expense	8,042	4,742	6,126	3,288
Promotion expenses	23,012	17,585	18,109	13,677
Transportation expense	19,260	21,185	18,108	19,925
Expected credit losses, debts and doubtful debts expenses, declining value in inventories and investments; and written off withholding tax deducted at source	1,083	7,643	1,083	2,057
Finance costs	9,803	6,400	4,876	4,140
Utilities	16,921	15,907	16,287	15,382
Entertainment	9,347	5,321	8,478	4,759
Office, equipment and vehicle rental	960	516	847	516
Maintenance expenses	14,112	12,276	13,800	12,326
Professional and consultant fee	10,749	8,838	9,840	7,983
Other (gain) loss	24,553	(11,584)	24,413	(11,632)
Reversal of impairment loss determined in accordance with TFRS9	(476)	(41,586)	(476)	(41,586)
Others	110,304	98,067	101,383	86,887
Total expenses	<u>9,146,852</u>	<u>7,012,067</u>	<u>7,344,590</u>	<u>6,088,778</u>

28. BASIC EARNINGS PER SHARES

The calculations of basic earnings per share for the years ended December 31, 2022 and 2021 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Basic earnings per share				
Profit for the years attributable to owners of the Company (Thousand Baht)	<u>244,874</u>	<u>197,286</u>	<u>204,969</u>	<u>194,118</u>
Number of ordinary shares outstanding (Thousand Shares)	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
Basic earnings per shares (Baht)	<u>0.68</u>	<u>0.55</u>	<u>0.57</u>	<u>0.54</u>

29. RELATED PARTIES TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Significant relationships with related parties were as follows:

Name of entities	Country of incorporation/ Nationality	Nature of relationships
Major shareholders		
Metro Value Creation Company Limited	Thailand	A major shareholder
Metrophose Company Limited	Thailand	A major shareholder, common director
MC Bakery Company Limited	Thailand	A major shareholder, common director
Subsidiaries		
Metro Professional Products Company Limited	Thailand	Shareholding, common director
Metro Info Tech Company Limited	Thailand	Shareholding, common director
Metro Connect Company Limited	Thailand	Shareholding, common director
Associates		
HIS MSC Company Limited	Thailand	Shareholding, common director
JBCC (Thailand) Company Limited	Thailand	Shareholding
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly director of the Group/the Company (whether executive or otherwise)
Other related parties		
MDEC International (1991) Company Limited	Thailand	Common shareholder and director
Metro Company Limited	Thailand	Common shareholder and director
United Flour Mill Public Company Limited	Thailand	Common shareholder and director
United Silo & Services Company Limited	Thailand	Common shareholder and director
Metromax Company Limited	Thailand	Common shareholder and director
Treemit Marketing Company Limited	Thailand	Common shareholder and director
UFM Food Centre Company	Thailand	Common shareholder and director
MC Industrial Chemical Company Limited	Thailand	Common shareholder and director
MC Plastics Company Limited	Thailand	Common shareholder and director
MC Solvents Company Limited	Thailand	Common shareholder and director
Thai UFM Marketing Company Limited	Thailand	Common shareholder and director
UFM Fuji Super Company Limited	Thailand	Common shareholder and director
Siam Flour Trading Company Limited	Thailand	Common shareholder and director
Mc Petroleum Company Limited	Thailand	Common shareholder and director
United Grains Company Limited	Thailand	Common shareholder and director
International Warehousing Company Limited	Thailand	Common shareholder and director
Samut Transport Company Limited	Thailand	Common shareholder and director
Rich Products Manufacturing (Thailand) Company Limited	Thailand	Common shareholder
Other related parties	Thailand	Common shareholder and director
Miss Tippawan Charuvajana	Thai	Close member of key management

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of services	Market prices
Rental revenue	Market prices
Other income	Market prices
Dividend income	As declared for dividend
Purchase of goods and services	Market prices
Purchase of assets	Market prices
Distribution costs	Market prices
Administrative expenses	Market prices
Interest expense	Contractually agreed rates
Key management personnel compensation	Shareholders and/or Board of Directors approve/ employment contract

Significant transactions with related parties for years ended December 31, were as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Major shareholders				
Other income	82	72	82	72
Subsidiaries				
Sale of goods and rendering of services	-	-	76,873	25,323
Rental income	-	-	-	3,291
Other income	-	-	9,331	10,376
Dividend income	-	-	20,000	24,000
Purchase of goods and rendering of services	-	-	151,231	138,617
Purchase of assets	-	-	6,300	15,493
Administrative expenses	-	-	370	142
Associates				
Sale of goods and rendering of services	6,283	2,840	5,697	1,997
Other income	3,013	3,005	3,013	3,005
Purchase of goods and rendering of services	-	400	-	400
Other related parties				
Sale of goods and rendering of services	5,015	6,930	5,015	6,909
Other income	2,188	3,135	2,188	3,135
Purchase of goods and rendering of services	11	294	11	294
Distribution costs	3,081	2,904	2,897	2,747
Purchase of assets	-	1,835	-	1,835
Administrative expenses	1,004	993	990	981
Key management personnel				
Remuneration of key management personnel				
Short-term employee benefits	86,705	85,027	70,883	74,840
Long-term employee benefits	192	360	192	308

Significant balances with related parties as at December 31, were as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Trade receivables - related parties				
Major shareholder				
MC Bakery Company Limited	6	6	6	6
Subsidiaries				
Metro Connect Company Limited	-	-	69	1,101
Metro Professional Products Company Limited	-	-	59,745	-
Associate				
HIS MSC Company Limited	380	670	380	670
Other related parties				
MDEC International (1991) Company Limited	-	14	-	14
Metro Company Limited	36	31	36	31
United Flour Mill Public Company Limited	60	80	60	80
UFM Food Centre Company Limited	152	200	152	200
MC Industrial Chemical Company Limited	36	-	36	-
UFM Fuji Super Company Limited	674	86	674	86
Siam Flour Trading Company Limited	18	21	18	21
Rich Products Thailand Company Limited	38	92	38	92
Other related parties	105	110	105	110
Total	1,505	1,310	61,319	2,411
Unbilled trade receivable - related parties				
Associate				
HIS MSC Company Limited	69	292	69	292
Total	69	292	69	292
Other current receivables - related parties				
Subsidiaries				
Metro Professional Products Company Limited	-	-	40	45
Metro Info Tech Company Limited	-	-	3	3
Metro Connect Company Limited	-	-	7,796	3,260
Associate				
HIS MSC Company Limited	391	258	391	258
Total	391	258	8,230	3,566
Finance lease receivables - related parties				
Associate				
HIS MSC Company Limited	-	7	-	7
Other related parties				
Metro Company Limited	99	44	99	44
United Flour Mill Public Company Limited	97	-	97	-
Total	196	51	196	51
Inventories				
Subsidiary				
Metro Connect Company Limited	-	-	12,515	18,117
Total	-	-	12,515	18,117
Trade payables - related parties				
Subsidiaries				
Metro Info Tech Company Limited	-	-	9,027	9,027
Metro Connect Company Limited	-	-	7,165	2,970
Other related party				
UFM Food Centre Company Limited	60	60	60	60
Total	60	60	16,252	12,057
Other current payables - related parties				
Subsidiary				
Metro Professional Products Company Limited	-	-	200	200
Associates				
HIS MSC Company Limited	31	-	31	-
JBCC (Thailand) Company Limited	49	-	49	-
Other related party				
UFM Food Centre Company Limited	1,543	2,200	1,346	2,200
Total	1,623	2,200	1,626	2,400

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

30. OPERATING SEGMENT

The Group has four reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are separately managed since they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1 : Sales computer and equipment

Segment 2 : Sales and installation software

Segment 3 : Sales supplies and office equipment

Segment 4 : Rental and other services

Information on reporting segments

Performance for the years ended December 31, 2022 and 2021, are as follows:

Segment Revenue

Unit : Thousand Baht

	Consolidated financial statements									
	Segment 1		Segment 2		Segment 3		Segment 4		Total reportable segments	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External revenue	2,872,839	1,688,687	3,393,844	2,638,654	1,526,057	1,601,779	1,575,634	1,269,457	9,368,374	7,198,577
Inter-segment revenue	164,790	171,722	81,396	24,412	282	390	32,025	26,069	278,493	222,593
Total segment revenue	<u>3,037,629</u>	<u>1,860,409</u>	<u>3,475,240</u>	<u>2,663,066</u>	<u>1,526,339</u>	<u>1,602,169</u>	<u>1,607,659</u>	<u>1,295,526</u>	<u>9,646,867</u>	<u>7,421,170</u>
Timing of revenue recognition										
At a point in time	2,739,098	1,642,081	3,375,110	2,623,005	1,526,057	1,601,779	1,128,718	941,175	8,768,983	6,808,040
Overtime	133,741	46,606	18,734	15,649	-	-	446,916	328,282	599,391	390,537
Total revenue	<u>2,872,839</u>	<u>1,688,687</u>	<u>3,393,844</u>	<u>2,638,654</u>	<u>1,526,057</u>	<u>1,601,779</u>	<u>1,575,634</u>	<u>1,269,457</u>	<u>9,368,374</u>	<u>7,198,577</u>
Gross profit	<u>308,697</u>	<u>210,625</u>	<u>260,634</u>	<u>247,545</u>	<u>187,832</u>	<u>195,298</u>	<u>445,600</u>	<u>406,552</u>	<u>1,202,763</u>	<u>1,060,020</u>

Assets and liabilities classified by segment as at December 31, 2022 and 2021 are as follows:

Unit : Thousand Baht
Consolidated
financial statements
2022 2021

Total assets	<u>4,567,468</u>	<u>3,304,904</u>
Total liabilities	<u>2,492,219</u>	<u>1,327,421</u>

Reconciliation of reportable segment profit or loss for the years ended December 31, consisted of the following:

	Unit : Thousand Baht	
	Consolidated	
	financial statements	
	2022	2021
Profit or loss		
Total gross profit from reportable segments	1,202,763	1,060,020
Unallocated amounts:		
- Other income	83,443	63,959
- Distribution costs	(145,341)	(132,778)
- Administrative expenses	(802,019)	(787,503)
- Other gain (loss)	(24,553)	11,584
- Finance costs	(9,803)	(6,400)
- Reversal of impairment loss determined in accordance with TFRS 9	476	41,586
Share of gain (loss) of investments in associates	1,667	(1,338)
Profit before income tax	<u>306,633</u>	<u>249,130</u>

Geographical information

The Group is operates principally in Thailand. There are no material revenues derived from, or assets located in foreign countries.

For the years 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

31. PROVIDENT FUND

The Group has a provident fund for those employees who have elected to participate. The contributions from the employees are deducted from their monthly salaries at 5% of monthly salary, and the Group matches the individuals' contributions. The provident fund is managed by an authorized financial institution in accordance with the Provident Fund Act B.E. 2530 (1987). For the years ended December 31, 2022 and 2021, the Group's contributions recognized in the statements of income were Baht 18.77 million and Baht 18.57 million, respectively, and the Company's contributions recognized in the statements of income were Baht 17.35 million and Baht 17.13 million, respectively.

32. DIVIDENDS PAID

At the Annual General Meeting of the Shareholders of the Company held on April 1, 2022, the shareholders approved the appropriation of dividend of Baht 0.38 per share, amounting to Baht 136.80 million. The dividend had already paid to shareholders in April 2022.

At the Annual General Meeting of the Shareholders of the Company held on April 1, 2021, the shareholders approved the appropriation of dividend of Baht 0.30 per share, amounting to Baht 108.00 million. The dividend had already paid to shareholders in April 2021.



33. FINANCIAL INSTRUMENTS

33.1 Financial Risk Management Policies

The Group is exposed to normal business risks from changes in interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or use derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

33.2 Capital Management

The Board of Directors' policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

33.3 Market risk

Interest Rate Risk

Interest rate risk is the risk of future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its borrowings. The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The effective interest rates of borrowings as at December 31, 2022 and 2021 and the periods in which the borrowings mature or re-price rate were as follows:

As at December 31, 2022

Unit : Thousand Baht

	Effective interest rate (% per annum)	Consolidated financial statements Outstanding balance maturing			Total
		Within 1 year	After 1 year but within 5 years	Over 5 years	
Current Liabilities					
Short-term borrowings from financial institutions	2.58 - 6.73	591,794	-	-	591,794
Total		591,794	-	-	591,794

As at December 31, 2021

Unit : Thousand Baht

	Effective interest rate (% per annum)	Consolidated and Separate financial statements Outstanding balance maturing			Total
		Within 1 year	After 1 year but within 5 years	Over 5 years	
Current Liabilities					
Short-term borrowings from financial institutions	1.20 - 1.40	100,000	-	-	100,000
Short-term borrowing from other party	-	9,630	-	-	9,630
Current portion of long-term borrowings from other parties	4.31	4,297	-	-	4,297
Total		113,927	-	-	113,927

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

As at December 31, 2022 and 2021, the Group was exposed to foreign currency risk in respect of financial assets, financial liabilities and contingency liabilities which were hedged in the following currencies:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
US Dollars				
Trade and other current receivables	2,860	8,550	2,860	8,433
Trade and other current payables	(600,729)	(239,819)	(535,804)	(233,549)
Gross statement of financial position exposure	(597,869)	(231,269)	(532,944)	(225,116)
Currency forwards bought	1,229,600	816,481	1,227,976	809,511
Currency forwards sold	(1,951)	(21,490)	(1,951)	(21,490)
Net	629,780	563,722	693,081	562,905
SG Dollars				
Trade and other current payables	(1,214)	-	(1,214)	-
Gross statement of financial position exposure	(1,214)	-	(1,214)	-
Currency forwards bought	4,180	-	4,180	-
Net	2,966	-	2,966	-
Euro				
Trade and other current payables	-	(110)	-	(110)
Gross statement of financial position exposure	-	(110)	-	(110)
Currency forwards bought	-	104	-	104
Net exposure	-	(6)	-	(6)

Classification of forward contracts as at December 31, are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Current assets				
Other current financial assets				
Forward contracts	572	5,491	572	5,478
Total current assets	572	5,491	572	5,478
Current liabilities				
Other current financial liabilities				
Forward contracts	(23,738)	(4,514)	(23,672)	(4,446)
Total current liabilities	(23,738)	(4,514)	(23,672)	(4,446)
Total	(23,166)	977	(23,100)	1,032

* Under Thai Financial Reporting Standards 9 “Financial instruments”, the Group adjusted the fair value of forward contracts through profit and loss.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

Movement of forward contracts for the years ended December 31, 2022 and 2021 in the consolidated financial statements are as follows:

Unit : Thousand Baht

	Consolidated financial statements		
	Balance as at January 1, 2022	Change in fair value	Balance as at December 31, 2022
Current assets			
Other current financial assets			
Forward contracts	5,491	(4,919)	572
Current liabilities			
Other current financial liabilities			
Forward contracts	(4,514)	(19,224)	(23,738)
Total	<u>977</u>	<u>(24,143)</u>	<u>(23,166)</u>

Unit : Thousand Baht

	Consolidated financial statements		
	Balance as at January 1, 2021	Change in fair value	Balance as at December 31, 2021
Current assets			
Other current financial assets			
Forward contracts	190	5,301	5,491
Current liabilities			
Other current financial liabilities			
Forward contracts	(10,575)	6,061	(4,514)
Total	<u>(10,385)</u>	<u>11,362</u>	<u>977</u>

Unit : Thousand Baht

	Separate financial statements		
	Balance as at January 1, 2022	Change in fair value	Balance as at December 31, 2022
Current assets			
Other current financial assets			
Forward contracts	5,478	(4,906)	572
Current liabilities			
Other current financial liabilities			
Forward contracts	(4,446)	(19,226)	(23,672)
Total	<u>1,032</u>	<u>(24,132)</u>	<u>(23,100)</u>

Unit : Thousand Baht

	Separate financial statements		
	Balance as at January 1, 2021	Change in fair value	Balance as at December 31, 2021
Current assets			
Other current financial assets			
Forward contracts	134	5,344	5,478
Current liabilities			
Other current financial liabilities			
Forward contracts	(10,575)	6,129	(4,446)
Total	<u>(10,441)</u>	<u>11,473</u>	<u>1,032</u>

As at December 31, 2022 and 2021, the nominal amounts and fair values of forward contracts in the consolidated and separate financial statements are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements			
	Nominal amounts**		Fair values*	
	2022	2021	2022	2021
Forward contracts				
Currency forwards bought	1,257,099	815,684	1,233,781	816,585
Currency forwards sold	(2,103)	(21,566)	(1,951)	(21,490)
Total	1,254,996	794,118	1,231,830	795,095

	Unit : Thousand Baht			
	Separate financial statements			
	Nominal amounts**		Fair values*	
	2022	2021	2022	2021
Forward contracts				
Currency forwards bought	1,255,408	808,659	1,232,156	809,615
Currency forwards sold	(2,103)	(21,566)	(1,951)	(21,490)
Total	1,253,305	787,093	1,230,205	788,125

* The fair value of forward contracts is the adjustment value of the original contracts which the Company entered with the commercial banks with the market price on the reporting date in order to reflect the current value of the contracts.

**The nominal amount of forward contracts is the value of the original contracts which the Company entered with the commercial banks and must be repaid at the maturity date.

33.4 Credit risk

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position. However, management does not anticipate material losses from its debt collection.

33.5 Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Credit risk management

Note 3.6 details the Group's maximum exposure to credit risk and the measurement bases used to determine expected credit losses.



Before establishing new customers, a designated team is responsible for the determination of credit limits. Whereby they use a system to access customers' potential credit quality and set a credit limit for them. Both the credit limits and the scoring system are reviewed and authorized once per calendar year.

Credits approvals and other procedures are setup to ensure that follow-up actions are taken to recover the overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt and debt investment on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

34. FAIR VALUE MEASUREMENT

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

Financial assets and financial liabilities measured at fair value

Fair value of financial assets and financial liabilities which are measured at fair value and their fair value hierarchy level classification as at December 31, 2022 and 2021 were summarized as follows:

Financial assets / financial liabilities	Consolidated financial statements		Separate financial statements		Fair value hierarchy	Unit : Thousand Baht Valuation techniques and key inputs for fair value measurement
	Fair value as at December 31, 2022	December 31, 2021	Fair value as at December 31, 2022	December 31, 2021		
<u>Financial assets</u>						
Financial assets measured at fair value through profit or loss	226,411	205,789	226,321	101,901	Level 2	Fair value are measured at fair value based on the redemption value by the financial institutions at the reporting date
Other current financial assets						
Derivative assets	572	5,491	572	5,478	Level 2	The fair values of derivatives are determined by the market price of each contract which are calculated by the financial institution of the Group as at the statements of financial position date.
<u>Financial liabilities</u>						
Other current financial liabilities						
Derivative liabilities	23,738	4,514	23,672	4,446	Level 2	The fair values of derivatives are determined by the market price of each contract which are calculated by the financial institution of the Group as at the statements of financial position date.

These financial assets and financial liabilities are presented as a part of current financial assets and current financial liabilities, respectively, in the statement of financial position.

Financial assets and financial liabilities not measured at fair value

Valuation technique for financial assets and financial liabilities not measured at fair value of the Group are as follows:

Cash and cash equivalents, trade and other current receivables, other current asset, short-term borrowings from financial institutions, trade and other current payables, current portion of long-term borrowings from financial institution and current portion of long-term borrowings from other parties, dividend payable and corporation income tax payable, the carrying values approximate their fair values due to the relatively short period to maturity.

Deposits at financial institutions used as collaterals had fair value is not expected to be materially different from the amounts presented in the statement of financial position due to the contractual interest rate is closed to the market interest rate.

The carrying value of long-term borrowings from financial institutions and other parties approximates to its fair value due to the contractual interest rate is closed to the market interest rate. The fair value is determined by applying the discontinued cash flows method, which has hierarchy level classified in level 3.

Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amounts of financial instruments;
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Business
OverviewCorporate
GovernanceSustainability
ReportFinancial
Statements

Attachments

35. COMMITMENTS AND CONTINGENT LIABILITIES

The Group and the Company have commitments and contingent liabilities as follows:

35.1 Future rental and service payments under lease agreements and services as at December 31, were summarized as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Within one year	5,193	794	5,193	794
Later than 1 year but not later than 5 years	1,020	205	1,020	205
Total	6,213	999	6,213	999

The Group has entered into lease agreements and services. The agreement periods is ranged from 1 to 5 years, which will expire in 2024.

For the years ended December 31, 2022 and 2021, the Group recorded expense according to the non-cancellable operating lease and service agreements in the consolidated statements of comprehensive income of Baht 5.65 million and the Company recorded expense in the financial statements of comprehensive income amounting to Baht 5.65 million.

35.2 Letter of guarantee from financial institutions

As at December 31, 2022 and 2021, the Group had commitments from the financial institutions that issued letter of guarantees to various partners amounting to Baht 431.05 million and USD 0.10 million and Baht 410.57 million and USD 0.10 million, respectively, as no collateral.

As at December 31, 2022 and 2021, the Company had commitments from the financial institutions that issued letter of guarantees to various partners amounting to Baht 242.57 million and USD 0.10 million, and Baht 236.91 million and USD 0.10 million, respectively, as no collateral.

35.3 Related party guarantees

As at December 31, 2022 and 2021, the Company has provided guarantees to suppliers in the total amount of Baht 200 million.

35.4 Assets pledged as collaterals

As at December 31, 2022 and 2021, the subsidiary has pledged its land and existing constructions at the total cost of Baht 10.96 million which has the net book values of Baht 5.84 million and Baht 5.89 million, respectively, as collaterals for the credit facilities from a financial institution.

35.5 Other commitments

As at December 31, 2022 and 2021, the Group has unused credit facilities in the amount of Baht 3,223.76 million and USD 8.21 million, and Baht 4,160.01 million and USD 11.28 million, respectively.

As at December 31, 2022 and 2021, the Company has unused credit facilities in the amount of Baht 2,283.17 million and USD 7.21 million, and Baht 2,363.56 million and USD 10.28 million, respectively.

36. LITIGATIONS

On February 14, 2017, the Company filed a lawsuit against the Federation of Savings and Credit Cooperatives of Thailand Limited (“FSCT”) to the Nonthaburi Provincial Court under the Civil Black case No. P. 277/2560 demanding FSCT to pay the compensation regarding the cancellation of an agreement for design, develop and install the cooperative savings system for cooperative members and information technology services in the amount of Baht 204.00 million plus interest at the rate of 7.5% per annum from the next day of the submit date until the full payment is made.

Subsequently, on November 9, 2017, FSCT filed a complaint to the Nonthaburi Provincial Court as the Civil Black Case No. P.2295/2560 demanding the Company to pay the compensation regarding the cancellation of such agreement in the amount of Baht 312 million plus interest at the rate of 7.5% per annum from the next day of the submit date until the full payment is made.

On March 12, 2019, the Court ordered to compound these 2 cases for consideration. The Federal Court judged that FSCT has to pay the Company amount of Baht 97.46 million, including interest at the rate of 7.5% per annum from February 14, 2017 until the full payment. Subsequently, on June 21, 2019, FSCT appealed its judgment.

On August 4, 2020, the Court of Appeal judged that FSCT had to pay the Company amounted of Baht 32.28 million, including interest at the rate of 7.5% per annum from February 14, 2017 until the full payment.

On October 1, 2020, the Company submit a request for permission to file a petition and petition the adjudication of the Appeal Court by standing upheld the judgment of the Court of First Instance.

On February 25, 2021, FSCT submit a petition the adjudication of the Appeal Court. Subsequently, on June 8, 2021, the Company submitted an objection to the petition request of the FSCT.

On April 26, 2022, the Nonthaburi Provincial Court read the Supreme Court’s order. The Supreme Court issued on order to accept the petition of the Company and FSCT for consideration.

On June 7, 2022, the Company submitted a petition to the Nonthaburi Provincial Court. The Nonthaburi Provincial Court will collect files of the case and submit to the Supreme Court. Currently, the case is under the consideration of the Supreme Court.



Business
Overview



Corporate
Governance



Sustainability
Report



Financial
Statements



Attachments

37. EVENTS AFTER THE REPORTING PERIOD

- 37.1 On February 17, 2023, the Board of Directors' Meeting of Metro Professional Products Company Limited, which is a subsidiary, has passed a resolution to pay annual dividends from the operations of the year 2022 at the rate of Baht 20.00 per share for 500,000 shares, totaling Baht 10.00 million. The proposed dividends shall be subjected to the approval by the annual general meeting of the shareholders of the subsidiary.
- 37.2 On February 17, 2023, the Board of Directors' Meeting of Metro Connect Company Limited, which is a subsidiary, has passed a resolution to pay annual dividends from the operations of the year 2022 at the rate of Baht 16.00 per share for 1,000,000 shares, totaling Baht 16.00 million. The proposed dividends shall be subjected to the approval by the annual general meeting of the shareholders meeting of the subsidiary.
- 37.3 On February 20, 2023, the Board of Directors' Meeting of the Company has passed a resolution to pay annual dividends from the operations of the year 2022 at the rate of Baht 0.40 per share for 360,000,000 shares, totaling Baht 144.00 million. The proposed dividends shall be subjected to the approval by the annual general meeting of the shareholders of the Company.

38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved for issuance by the Board of Directors of the Company on February 20, 2023.

05

ATTACHMENTS

1. Details of Directors, Executive Director, Chief Financial Officer, Accounting Supervisor and Company Secretary
2. Details of directors of the subsidiaries
3. Details of the head of Internal Audit and Supervisor of the Company's operations (Compliance)
4. Assets used in business and details of property appraisal items
5. Full version of the corporate governance policy and practice and full version of Code of Conduct that the Company has prepared
6. Audit Committee Report

Note : Investors can view the attachments on the Company's website
<https://ir.metrosystems.co.th/annual-report/>





**CUSTOMER
SUCCESS**
IS OUR BUSINESS





METRO SYSTEMS CORPORATION PUBLIC COMPANY LIMITED

400 Chalermprakit Rama IX Road,
Nong Bon, Prawet, Bangkok 10250
Telephone : (662) 089 - 4000, (662) 726 - 2630 - 4
E-mail : CRC@metrosystems.co.th