

The Professional ICT Solutions Provider

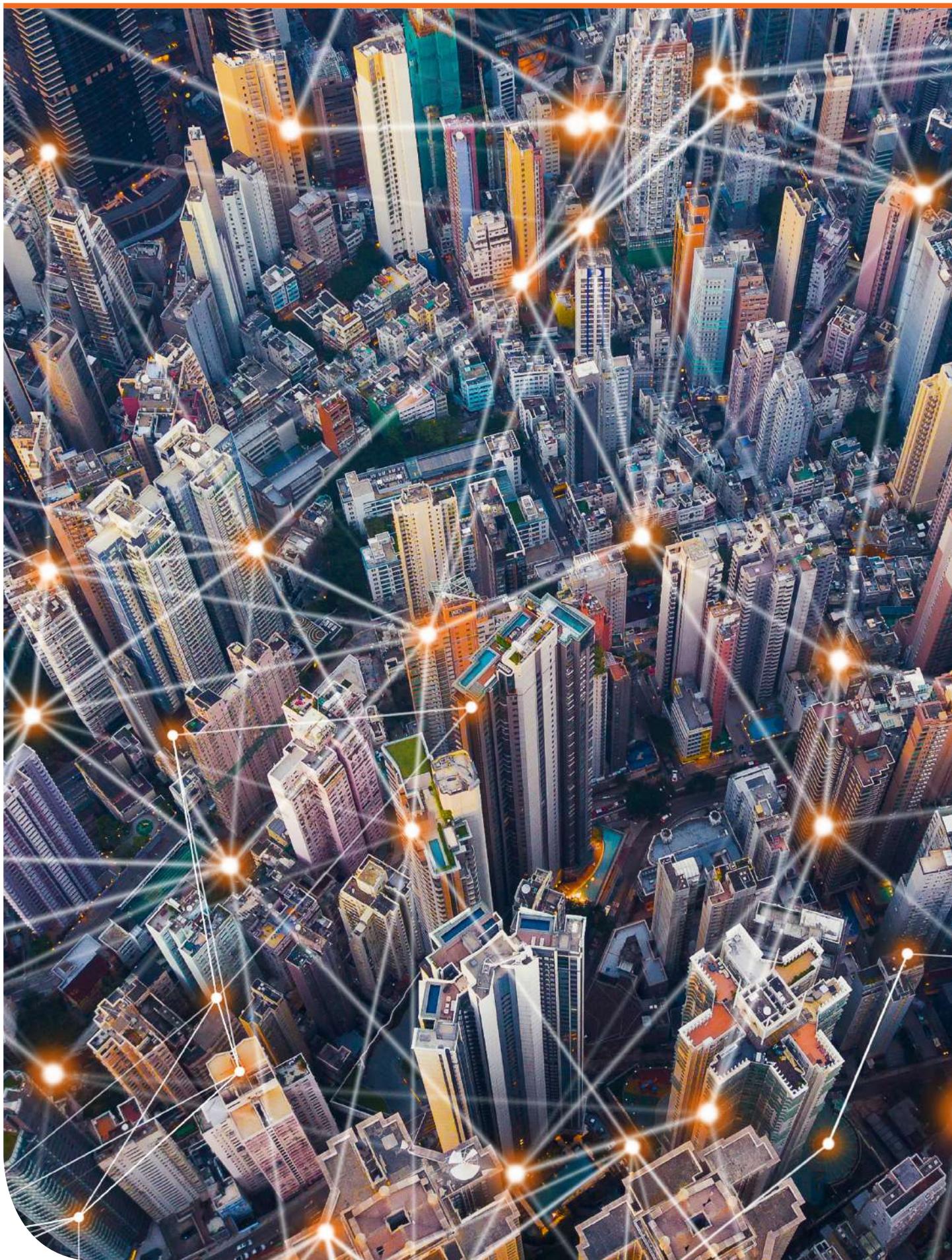
รายงานประจำปี 2563
2020 Annual Report

Vision

“AIT vision is to be a key player in driving Thailand's Digital Society in order to provide more accessibility opportunities for our customers everywhere and every time”

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Advanced Information Technology PCL.

Our business is The System Integrator or “SI” or the designer of computer system and computer communication system in order to be able to work altogether efficiently and effectively agreeing with the customer's demand of work. The components of system consist of computer hardware, system software, application software, and computer network system equipment. Our sale is in the feature of completeness or Turn Key including the consultation, project planning, system design, implementation, installation, training, and maintenance.

Vision

“AIT vision is to be a key player in driving Thailand's Digital Society in order to provide more accessibility opportunities for our customers everywhere and every time”

Mission

LIFELONG TRUSTED PARTNER

To Customers : Is to be number one in the minds customers and provides a professional team who emphasize the customer's benefits and success beyond the features.

To Employees : Is to encourage them to be a professional and create the stability of work and family life.

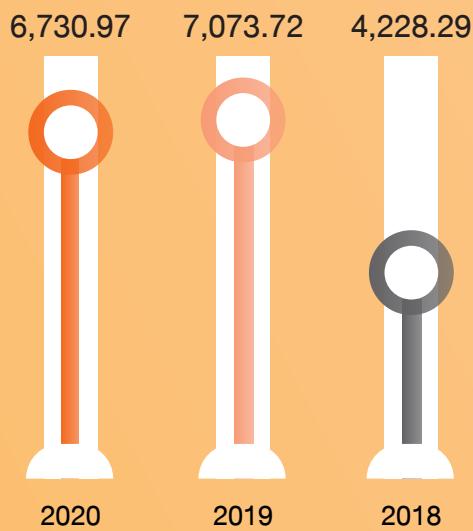
To Shareholders : Is to build confidences and maximize return to shareholders.

To Partners : Is to create trust to business partners to drive business growth opportunities and sustainable success together.

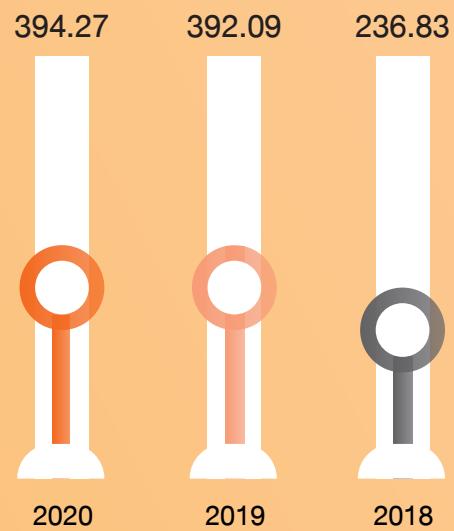
To Society and Community : Is to create the digital services to society and community.

Financial Highlights

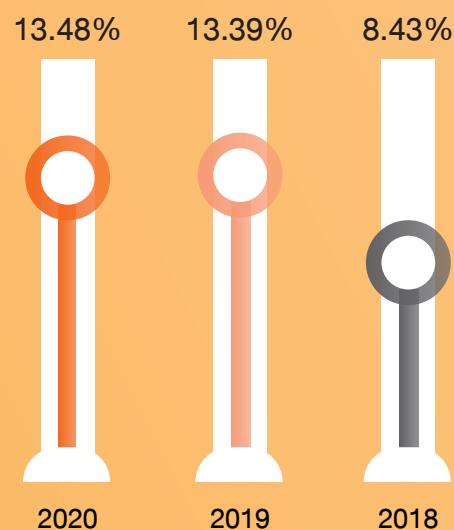
Total Revenue
(Unit: THB mil)



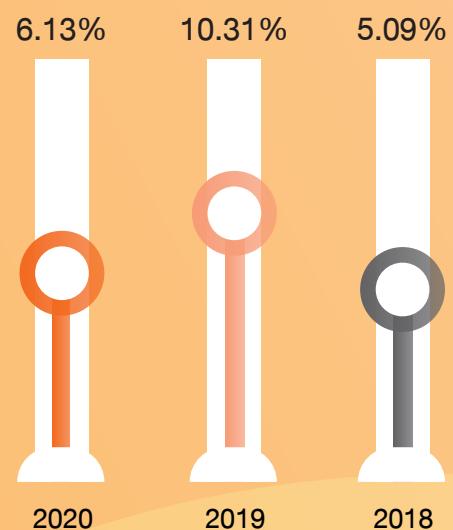
Net Profit
(Unit: THB mil)



Return on Equity



Return on Asset





Financial Highlights

Total Assets (THB mil)

6,429.18	5,728.61	4,272.79
2020	2019	2018

Total Liabilities (THB mil)

3,503.96	2,842.74	1,528.12
2020	2019	2018

Total Shareholder's Equity (THB mil)

2,925.22	2,885.88	2,744.66
2020	2019	2018

Total Revenues (THB mil)

6,730.97	7,073.72	4,228.29
2020	2019	2018

Total Expense (THB mil)

6,216.27	6,532.61	3,887.70
2020	2019	2018

Net Profits (THB mil)

394.27	392.09	236.83
2020	2019	2018

Earning per Share (Baht)

1.91	1.90	1.15
2020	2019	2018

Total Number of Employee (persons)

570	509	469
2020	2019	2018

Total Number of Shares (shares) as of 31st December

206,320,897	206,320,897	206,320,897
2020	2019	2018

Financial Ratio

Liquidity Ratio (Times)

1.84	1.95	2.70
2020	2019	2018

Gross Profit Margin (%)

17.35%	15.39%	18.96%
2020	2019	2018

Net Profit Margin (%)

5.86%	5.54%	5.59%
2020	2019	2018

Debt to Equity Ratio (Time)

1.20	0.99	0.56
2020	2019	2018

Dividend Yield (%)

10.67%	5.41%	10.41%
2020	2019	2018

Significant Event in the year 2020



AIT ร่วมสนับสนุน พัฒนา FACO : หุ่นยนต์สู้โควิด-19

#สู้ไปด้วยกัน #ฟ้าวิกฤตโควิด19 #อยู่บ้านหยุดเชือดเมืองชาติ



AIT has collaborated in the development of FACO: medical robotic platform against COVID-19

Advance Information Technology Public Company Limited, Forms Sytron (Thailand) Company Limited and Cisco Systems (Thailand) Company Limited in collaboration with the Institute of Field Robotics (FIBO) King Mongkut's University of Technology Thonburi (KMUTT) have developed a medical robotics platform called "FIBO AGAINST COVID-19: FACO" to assist the healthcare personnel to combat the outbreak at the hospitals during the COVID-19 pandemic by jointly developing a set of robotic systems on a control platform to assist the physicians on the case of COVID-19 infected patients. The Company has provided a fund to establish this platform by providing support in both budget and equipment.

**AIT offered innovation and technology
“MEGVII AI Fever Screening System by AIT” or
intelligent temperature sensing system**

During the COVID-19 pandemic, all organizations have placed great importance to hygiene, safety and prevention of risks in employees' operations. The Company has adopted an innovative technology from MEGVII, a leading global AI technology manufacturer, to provide an intelligent

temperature sensing system that can quickly screen people before entering buildings or places. The system will alert people whose temperature is over a certain temperature. It also recognizes the faces of those who pass through the screening point without having to remove the mask and can replace the manual temperature measurement. This prevents employees from being close to many people. The Company has launched such services for the interested corporate clients since April 2020. However, the Company has provided support for devices and equipment and installed intelligent temperature detection systems at 3 organizations to be used in screening people entering the building, which are



Royal Thai Air Force

1. Royal Thai Air Force

Mr. Apichai Nimjirawat, Senior Executive Vice President - Marketing and Sales Division of Advance Information Technology Public Company Limited, the Company representative donated 1 set of "intelligent temperature detector" to the Royal Thai Air Force at the Special Reception Room 1, which was honored by ACM Manat Wongwat, Commander in Chief of the Air force and entourage on Monday, 27th April 2020.



Chulalongkorn Hospital, the Thai Red Cross Society

2. Chulalongkorn Hospital, the Thai Red Cross Society

Advance Information Technology Public Company Limited, in cooperation with Site Preparation Management Company Limited, donated 1 set of intelligent temperature detector to Chulalongkorn Hospital, the Thai Red Cross Society to be utilized in screening patients, which was honored by Adjunct Asst. Prof. Dr. Surin Asawiturathip, Assistant Director of the Corporate Image, Chulalongkorn Hospital and the management on Tuesday, 28th April 2020.



Queen Sirikit National Institute of Child Health

3. Queen Sirikit National Institute of Child Health

Advance Information Technology Public Company Limited donated 1 set of intelligent temperature detector to Queen Sirikit National Institute of Child Health which was honored by Adjunct Dr. Adisai Phattatang, M.D., Director of Queen Sirikit National Institute of Child Health on Thursday, 7th May 2020 to be used in screening patients and supporting the performance of healthcare personnel.

Awards and Achievements



CGR 4 Stars

AIT was ranked in Corporate Governance Report of Thai Listed Companies 2019 by Thai Institute of Directors as "Very Good"

5 Best Partner of the Year awards from CISCO

Cisco Systems (Thailand) Company Limited, represented by Mr. Watson Thiraphattharaphong, Managing Director of Cisco Thailand & Indochina gave a total of 5 Best Partner of the Year awards to Advance Information Technology Public Company Limited, including FY19 Commercial Select Segment Partner of the Year, FY19 Public Sector Partner of the Year, FY19, Customer Experience (CX) Partner of the Year, FY19 Architectural Excellence Data Center and FY19 Architectural Excellence Enterprise Networks where Mr. Siripong Oontornpan, Chairman of Executive Committee and President, and Mr. Apichai Nimjirawat, Senior Executive Vice President - Marketing and Sales Division of Advance Information Technology Public Company Limited, attended to receive the awards.



Cisco Partner of the Year Awards by Cisco



Message from the Chairman of the Board and the President

Dear Shareholders,

The 2020 marks another year in which the Company encountered serious difficulty due to the coronavirus (COVID-19) epidemic situation, which has been affecting the economy and living conditions of people around the world, as well as the Company itself in several ways such as shifts to working from home, the Company's greater caution in its financial management, and project delays arising from off-site operations. These impacts are essential lessons the Company has learned to improve and develop itself further.

Although the COVID-19 situation causes a number of implications, for the past year, the Company managed to generate revenues of 6,731 million baht, which exceeded the target of 6,000 million baht since the Company received a number of high-value projects and maintained ongoing recognition of revenue in 2020, such as the New Parliament Project in Information and Communication Technology with assembly buildings, and a D-Ticket project of the State Railway of Thailand.

Over the past few years, competition in the market has always been high, especially during this situation. The Company faced a number of risks which increased the cost of managing the organization. However, the Company still managed to achieve a net profit margin of 5.86 percent in 2020, an increase of 5.78 percent compared to 5.54 percent in 2019. It was the cooperation of the executives and the employees to help build the organizational management process to be more efficient as a result of the Company determining common goals and managing within the organization by focusing on three main areas, which include customer focus, focus on efficiency and profits.

In addition, despite the volatility of the Thai economy in 2020 due to the Covid-19, overall business opportunities remained, especially the information and communication technology infrastructure market, including the digital market thanks to entering into the digital economy of the country, such as the investment of digital infrastructure platforms for public services, businesses that use 4G/5G technology as a help to expand. As the Company saw various business opportunities as mentioned above, it can be seen that over the past year 2020, it bid for several projects and won a bid for high-value projects, including the project of installation and management of centralized information and communication technology infrastructure of the Provincial Electricity Authority, and the G-Cloud project to support public services. It is one of the Company's points of pride to manage to win large projects during a time of economic crisis.



For this year, 2021, our management and employees are determined to do their best to maximize the profitability of the shareholders by focusing on sales that bring the most profit, developing services to the Company's customers/partners/business partners to create maximum satisfaction, improving employees, work systems and work operations to be more efficient, as well as modifying the organization to support new technologies in order to become a 'great company' in the near future.

Finally, on behalf of the Board of Directors, Advanced Information Technology Public Company Limited would like to thanks all shareholders, customers, business partners, affiliates, financial institutions, the management and the employees, and stakeholders who have been supporting and trusting the Company, resulting in the Company's good operating results over the year. The Company will also be committed to operating the business for sustainable progress with the further support of all of you in the future.



Mr. Thana Chaiprasit
Chairman of the Board



Mr. Siripong Oontornpan
Chairman of Executive Committee &
the President



Report of the Audit Committee

Dear Shareholders,

The Audit Committee performs its duties in accordance with the scope of authorities and responsibilities assigned by the Board of Directors. These duties are monitored to ensure that the executives and members of the Executive Committee perform their duties and manage the affairs of all stakeholders with integrity and responsibility in accordance with the Company policies.

In 2020, the Audit Committee was held 8 times, which were the meetings with the auditors but without any Company representatives as 4 times, for attending in order to monitor the progress of the operations as discussed and suggested by the auditors, and there were 4 the meetings with the management. Its main activities can be summarized as below.

1. To consider the quarterly and annual financial statements before present to the Board of Directors. The Audit Committee has questioned and listened to the explanations from the management and the auditors in order to the accuracy and completeness of the financial statement as well as the adequacy of disclosure, situations after the disclosure period and accounting adjustments that have significant impact on the financial statements to ensure that the financial statement was accurate in accordance with the regulations and standards of accounting principles that accounting system and financial statements are accurate and reliable. This including insuring that the financial statement disclosures are adequate and timely in order to beneficial to the investors and the users of financial statements.

2. To review and evaluate the internal control systems, the Audit Committee reviewed and gave opinions on the internal audit system's report of 2020, the topic regarding to the Human resource control system and salary and wages, the Follow-up of previous audit results, the Commission calculation system, the Control system for petty cash payments and compensation, the Accounts receivable control system, the Sales control system, the Check Payment Control System and the Fixed assets control system that was reviewed and evaluated by the auditor, DIA Audit Company Limited. The Audit Committee has reviewed and gave opinions that the Company's internal control system is sufficient and appropriate in accordance with the generally accepted criteria.

However, the Company has not yet established a corporate risk and prevention system in written. There is only a risk management system for distribution. The audit committee has raced the management to speed up the preparation of the Company's risk management plan in order to pave the way for internal audit based on the Company's risk.

3. At each meeting, the Audit Committee reviewed and gave opinions regarding to their compliance with the Law of the Securities and Exchange Commission, the regulations of the Stock Exchange of Thailand, or other Laws relating to the Company's business. The report of the Company's operations for the year 2020 showed no significant issues regarding to non-compliance with the Securities and Exchange Commission Law, the regulations of the Stock Exchange of Thailand, or other laws relating to the Company's business.

4. The Audit Committee reviewed the performance, independence and appropriate of the remuneration and agrees to appoint DIA Audit Company Limited as the Company's internal auditor. Its inspections and reports are useful for CG procedures in accordance with the regulations of the Stock Exchange of Thailand. The responsibility committees were nominated namely: Ms. Apinan Sripramoj, Mr. Satja Srewilai, Mr. Sumrit Prapawong, or other officials which was appointed by the internal auditor.

5. The Audit Committee considered, selected, appointment proposed and remuneration proposed for the Company's auditor for 2021 in order to present to the Board of Directors for an approval by the Annual General of Shareholders Meeting of 2021, the Audit Committee reviewed the performance, independence and appropriate of the remuneration and agrees to appoint Ms. Manee Rattanabunnakit, a certified auditor of License No. 5313, or Mr. Termphong Opanaphan, a certified auditor of License No. 4501, or Ms. Sumalee Reewarabandith, a certified auditor of License No. 3970, on behalf of EY Office Limited as the Company's auditor for 2021 as the following reasons:

- The standard of good performance, the professional practice of auditing, and the consistently of good performance;
- The recommendation and clearly advice on the new standards of the accounting principles and guidelines;
- The Auditor's fee for the year 2021 is totaling 1,680,000 Baht (One million Six hundred and Eighty thousand Baht), which was the same rate with the Auditor's fee of the year 2020.
- The audit firm and the auditors as the proposed lists above, have no relationship or conflict of interest with the Company, managements, major shareholders, or anyone related to such a person; therefore, the Audit Committee carried out its independent in audit and comment on the Company's financial statements.

6. The Audit Committee performed within the full scope of the authority as set in the Charter of the Audit Committee, and in accordance with the laws of the Securities and Exchange Commission and the regulations of the Stock Exchange of Thailand.

The Audit Committee's opinion that the Company's operation results for the year ended 31 December 2020 have been performed under the proper internal control system and appropriate internal control process. The financial reports are accurate, complete and reliable and in accordance with the laws, rules, and regulation related to the Company's business including the accurate disclosure to regulator institutions that are consistent with good corporate governance, transparency and reliability.



Mr. Chokechai Tanpoonsinthana
Chairman of the Audit Committee



Report of the Nomination and Remuneration

Dear Shareholders,

The board of director appointed the nomination and remuneration committee to recruit a qualified and competent person to serve as a president, including remuneration policy, the procedures, and other benefits for the board of director, sub-committees, executive officers, as well as all employees with fairness by taking all parties' benefit as the main.

In 2020, the nomination and remuneration committee performed its duties under the charter and the scope of an authority assigned by the Board of Director, holding three meetings for consideration on the topics. The Nomination and Remuneration members who have a conflict of interest will be deprived of their voting right in the relevant motions. The committee will prepare a minute of meeting with opinion and recommendation to the Board of Director for any further consideration, which resulting as follow;

1. Recruiting, selecting, and nominating appropriated person to assume the position replacing the company's directors who retired by rotation.

The Nomination and Remuneration Committee revealed the company's directors and Audit Committee whose terms would expire in 2020 and nominate the replacing directors as the regulation from the Stock Exchange of Thailand by considering the person's degree, experience, and knowledge, which will be beneficial to the company.

2. Remuneration of the Board of Director

The Nomination and Remuneration Committee determined the remuneration, including monthly remuneration, meeting allowance, and pension of the year 2019 for the Board of Director and sub-committee, consisting the Board of Director, Audit Committee, and the Nomination and Remuneration Committee. The Board of Director will propose to the Shareholders' Meeting for an approval, as appropriate and relevant to the company performance, which the remuneration have to be comparable with the listed company that is in the same industry and similar in its size.

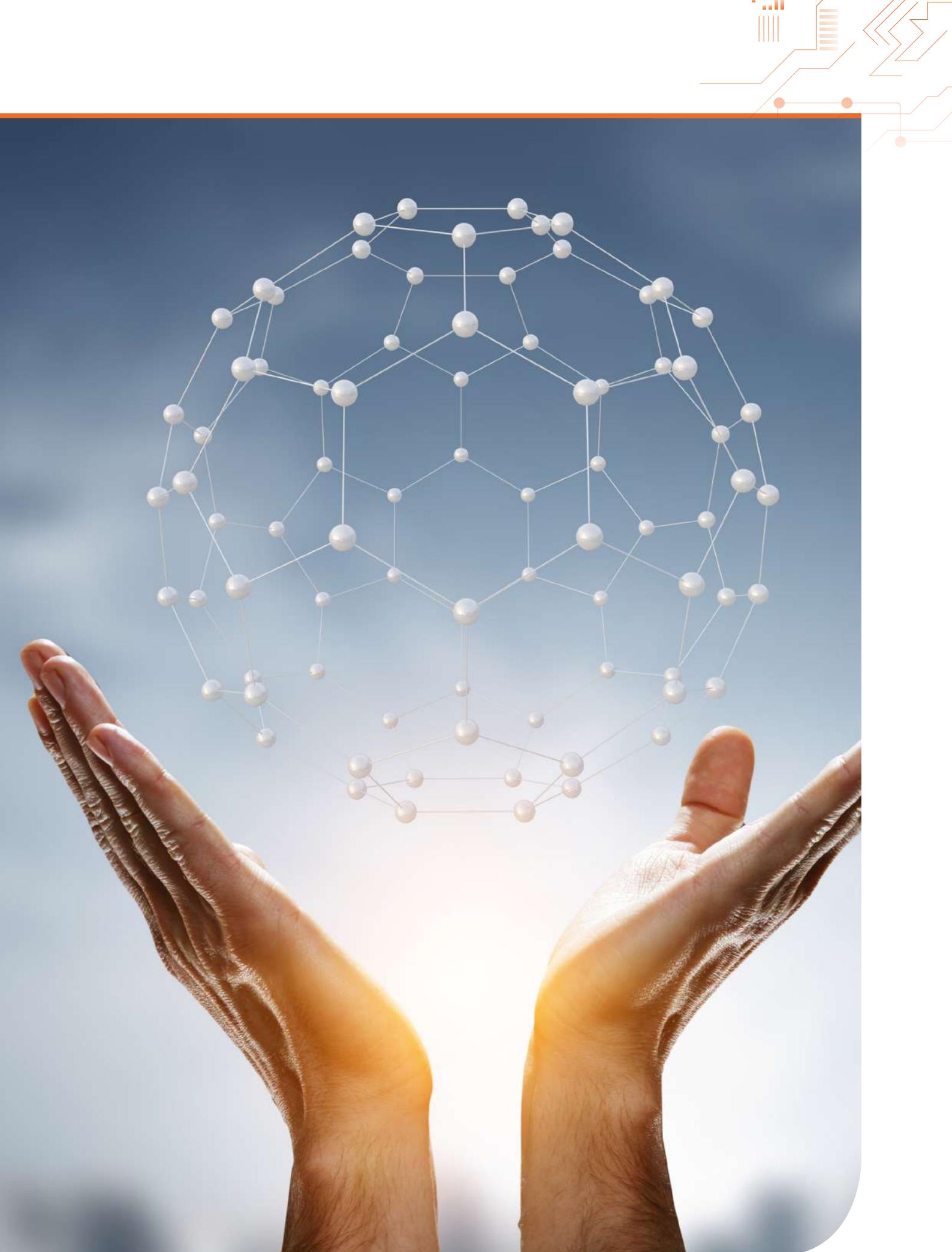
3. Setting a salary raise and annual bonus

The Nomination and Remuneration Committee considered the structure of setting the annual bonuses of employees in 2020 and the salary raise in 2021 together with the Financial Controller Department, which is at an appropriate rate and in accordance with the company performance.

The Nomination and Remuneration Committee consistently reports its performance to the Board of Director for an acknowledgement, operating with all competences cautiously and transparency, adhere to good governance principle for benefit of the company, shareholders, and stakeholders as a whole.



(Mr. Pongtep Polanun)
Chairman of the Nomination and
Remuneration Committee



The Board of Directors



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1. Mr.Thana Chaiprasit
Chairman of the Board

2. Mr.Siripong Oontornpan
President
Director

3. Mr.Chokechai Tanpoonsinthana
Independent Director
Chairman of the Audit Committee

4. Mr.Pongtep Polanun
Vice Chairman of the Board
Independent Director
Member of the Audit Committee

5. Mr.Sripop Sarasas
Independent Director
Member of the Audit Committee

6. Mr.Thanarak Phongphatar
Independent Director



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7. Mr.Kittisak Sopchokchai
Director

8. Mr.Pisak Charudilaka
Director

9. Mr.Suraporn Raktaprachit
Director

10. Mr.Chodiwat Duntasarn 11. Mrs.Sasinet Baholyodhin 12. Ms.Sarin Chandranipapongse
Director Director Company Secretary

The Management



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1. Mr.Siripong Oontornpan
President

2. Mr.Suraporn Raktaprachit
Senior Executive Vice President
Service Division

3. Mr.Asawin Kangvolkij
Senior Executive Vice President
Finance Division

4. Mrs.Netnapit Oontornpan
Senior Executive Vice President
Corporate Affairs Division

5. Mr.Promporn Ketudat
Senior Executive Vice President
Digital Transformation Division

6. Mr.Chodiwat Duntasarn
Senior Executive Vice President
Customer Relations
and Satisfaction Division

7. Mr.Apichai Nimgirawath
Senior Executive Vice President
Marketing and Sales Division

Detail of the Board of Directors and Management

Mr. Thana Chaiprasit Chairman of the Board

Age 67

Date of Appointment as a Director : February 15, 2003

Educational Background

- : Ph.D. (Honorary) Doctor of Philosophy in Education
Ramkamhaeng University
- : Ph.D. (Honorary) Doctor of Business Administration in
Genera Management, Chandrakasem Rajabhat University
- : Ph.D. (Honorary) Doctor of Arts in Innovation in
Sports Management Suan Sunandha Rajabhat University
- : MINI MBA, Thammasart University
- : The National Defense College (the combination of
military officers and civilians) NDC 388

% Shareholding : 1.09% of paid up capital
(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal Record in the Past : - None -

Position in the company

- 2003 – Present : Chairman of the Board,
Advanced Information Technology PCL.

Positions in other listed companies

- 2014 - Present : Director / Acting CEO, Osotspa PCL.

Position in other company/other entities

- 2014 – Present : The Board of Directors of The International
Table Tennis Federation
- 2013 – Present : Honorary Executive Board Official of
The Asian Table Tennis Union
- 1999 – Present : Treasurer of The National Olympic
Committee of Thailand
- 1990 – Present : Chairman of the Board,
Thanarom Co., Ltd.

Mr. Siripong Oontornpan Director / President / Chairman of the Executive Board Committee / Member of
the Nomination and Remuneration Committee (Authorized Signature)

Age 68

Date of Appointment as a Director : June 1, 1993

Educational Background

- : Doctor of Philosophy Program in Public Administration
Eastern Asia University
- : Master of Science (Computer Science), Western Michigan
University, USA
- : Bachelor of Electrical Engineering,
Western Michigan University, USA

Training Record

- : Thai Institute of Directors Association (IOD)
Director Certification Program 36/2003
- : National Defense College 2004
- : Capital Market Academy #12
- : Advanced Security Management Program (ASMP3)
- : Pillars for The Kingdom Program The Royal Initiative for
Advanced Leadership (RIAL 1)
- : Pillars for The Kingdom Program "V.I.P." Under
the Royal Graciousness Class 1 (PVP)
- : Senior Executive Program for Nation Building (NBI1)
- : Thammasat Leadership Program (11)
- : Thammasat World Leadership Program: TWLP #
- : Thammasat Golf Leadership Program #7
- : Digital Transformation for CEO #2

% Shareholding : 5.21% of paid up capital
(as of 31 December 2020)

Personal Relationship with the Management

: Spouse of Mrs. Netnapit Oontornpan

Illegal Record in the Past : - None -

Position in the company

- 1993 – Present : Director/ Member of the Nomination &
Remuneration Committee/ Chairman of
the Executive Board Committee President,
Advanced Information Technology PCL.

Positions in other listed companies

: - None -

Position in other company / other entities

- 2017 – Present : Director, Make me wine Company Limited
- 2017 – Present : Director, Rainier Development
Company Limited
- 2012 – Present : Director, Loxley and AIT Holding Co., Ltd
- 2014 – 2017 : Chairman of the Board,
SLA Asia Company Limited
- 2009 – 2013 : President, Thai Senior Professional
Golfers Association

Mr. Chokechai Tanpoonsinthana Independent Director / Chairman of the Audit Committee
Age 73

Date of Appointment as a Director : February 15, 2003

Educational Background

: MBA (Quantitative Analysis & Finance),
University of Wisconsin (Madison Campus), USA
: Master of Science (Civil Engineering),
University of Wisconsin (Madison Campus), USA
: Bachelor of Engineering, Chulalongkorn University

Training Record

Thai Institute of Directors Association (IOD)
: Director Certification Program (DCP), 3/2000
: Audit Committee and Continuing Development Program (ACP), 8/2009
: Monitoring the Internal Audit Function (MIA), 6/2009
: Monitoring the System of Internal Control and Risk Management (MIR), 7/2009
: Monitoring Fraud Risk Management (MFM), 1/2009
: Monitoring the Quality of Financial Reporting (MFR), 12/2010
: Advanced Audit Committee Program (AACP), Class 4/2010
% Shareholding : - None -
(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2003 – Present : Independent Director and Chairman of Audit Committee, Advanced Information Technology PCL.

Positions in other listed companies

2000 – Present : Independent Director/ Member of Audit Committee, Thai Stanley Electric PCL.
2007 – 2011 : Independent Director/ Member of Audit Committee Member of Nomination & Remunerations Committee, Thai Agro Energy PCL.

Position in other company / other entities

Jan 2015 – Nov 2018 : Advisor to the Executive Board of Director, Banphaeo Hospital (Public Organization)
2013 – Apr 2019 : Independent Director/ Member of Audit Committee, Witcorp Products Ltd.
2011 – Oct 2019 : Member of the Appeal Committee, The Stock Exchange of Thailand
2011 – Oct 2019 : Member of the Appeal Committee, Thailand Futures Exchange (TFEX)
2010 – Apr 2018 : Advisor Thai City Electric Co.,Ltd.

Mr. Pongtep Polanun Vice Chairman of the Board / Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee

Age 67

Date of Appointment as a Director : February 15, 2003

Educational Background

: M.S., (Economics), The National Institute of Development Administration
: EMBA, (Executive Master of Business Administration), Sasin Graduate Institute of Business Administration of Chulalongkorn University
: B.S., Economics, Thammasat University

Training Record

: Thai Institute of Directors Accreditation Program Director 36/2005

% Shareholding : less than 0.01% of paid up capital
(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2003 – Present : Vice Chairman of the Board / Chairman of Nomination and Remuneration Committee / Independent Director / Member of the Audit Committee, Advanced Information Technology PCL.

Positions in other listed companies

2012 – Present : Independent Director of Kiatnakin Bank PCL.

Position in other company / other entities

: - None -

Mr. Sripop Sarasas Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee

Age 64

Date of Appointment as a Director : February 15, 2003

Educational Background

: MBA, University of Southern California, USA

: Bachelor of Science in Medical Technology,
Chulalongkorn University

Training Record

: Thai Institute of Directors Association (IOD)

- Director Certificate Program 22/2002 (Diploma)

- Audit Committee Program 1 /2004

: INSEAD: Advanced Management Programme (1994)

% Shareholding : - None -

(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2003 – Present : Independent Director / Member of the Nomination and Remuneration Committee / Member of the Audit Committee Advanced Information Technology PCL.

Positions in other listed companies

May 2019 – Present : Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee, Bangkok Airways PCL

2018 – Present : Chief Administrative Officer / Authorized Director Member of the Nomination and Remuneration Committee Member of the Risk Management Committee Member of the Corporate Governance Committee, Bangkok Dusit Medical Services PCL.

2011 – Present : Independent Director/ Chairman of the Audit Committee Golden Lime PCL.

2008 – Present : Independent Director/ Chairman of the Audit Committee, Kiatana Transport PCL.

2003 – 2016 : Independent Director, The Royal Ceramic Industry PCL.

2003 – 2014 : Member of the Audit Committee, The Royal Ceramic Industry PCL.

Position in other company / other entities

June 2019 – Present : Director of the Vejdusit Foundation under the Patronage of Her Royal Highness Princess Galyani Vadhana

April 2020 – Present : Director of Princess Prem Purachatra Memorial Foundation

2018 – Present : Director, BDMS Property Management Co.,Ltd.

2018 – Present : Director, BDMS Training Co.,Ltd.

2007 – Present : Director, Khan Co., Ltd.

2007 – Present : Director, Parute (2008) Co., Ltd.

Mr. Thanarak Phongphatar Independent Director

Age 65

Date of Appointment as a Director : April 5, 2012

Educational Background

: Master of Science in Information and Computer and Information Sciences, The Georgia Institute of Technology, Atlanta, Georgia, USA.

: Bachelor Degree of Engineering (Computer Sciences), Chulalongkorn University

Training Record

: Thai Institute of Directors Association (IOD) Director Certificate Program (DCP) 242/2017

: The Programmer for Senior Executive on Justice Administration Batch 10, Court of justice

: National Defense College 2004

: The Executive Program of Energy Literacy for a Sustainable Future Class 4, Thailand Energy Academy (TEA).

% Shareholding : less than 0.02% of paid up capital (as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal Record in the Past : - None -

Position in the company

2012 – Present : Independent Director
Advanced Information Technology PCL.

Positions in other listed companies

2019 – Present : Independent Director,
Zemico Securities PCL.

Position in other company / other entities :

Present : Managing Director,
The Southern Palm (1978) Co., Ltd.

: Executive Director,
The Southern Palm Oil Industry (1993) Co., Ltd.

2020 – Present : Distinguished Members,
Suranaree University of Technology

2020 – Present : Executive Committee, Expert, Faculty of Engineering, Chulalongkorn University

2018 – Present : Chairman GS1 Thailand (belonging to the Federation of Thai Industries)

2018 – Present : Committee, National Innovation Board of Thailand

2016 – Present : Vice Chairman, The Federation of Thai Industries

Mr. Kittisak Sopchokchai Director / Member of the Nomination and Remuneration Committee

Age 66

Date of Appointment as a Director : February 15, 2003

Educational Background

: Bachelor of Economics, Thammasat University

Training Record

: Thai Institute of Directors Association (IOD) Director Accreditation Program 54/2006

: Thammasat leadership Program (TLP), May – Sep 2012

% Shareholding : 3.33% of paid up capital (as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2010 – Present : Member of the Nomination and Remuneration Committee
Advanced Information Technology PCL.

2003 – Present : Director,
Advanced Information Technology PCL.

Positions in other listed companies

2018 – Present : Director, Veranda Resort PCL.

Position in other company / other entities

2016 – Present : Director, Vich Space Co.,Ltd
: Director, Tonkoon Development Co.,Ltd

: Director, Sureetriboon Development Co.,Ltd
: Director, Toa Electronics (Thailand) Co.,Ltd.

2010 – Present : Director, KSP Square Co., Ltd.
: Director, Oaktree Co., Ltd.

2008 – Present : Director, (So Bangkok Hotel)
: Director, Sureetriboon Holding Co., Ltd.

1983 – Present : Chairman of the Board, Vichai Group
Vichai Trading (1983) Co.,Ltd.
Sound and Communication Co.,Ltd.
Audio Engeneering Service Co., Ltd.
Digital Control Co., Ltd.



Mr.Pisak Charudilaka Director

Age 68

Date of Appointment as a Director : April 20, 2007

Educational Background

: Master Degree in Political Science,

Ramkhamhaeng University

: Bachelor of Laws, Ramkhamhaeng University

Training Record

: Thai Institute of Directors Association (IOD)

Director Accreditation Program 67/20

: Economic and Finance Academy, Ministry of Finance :

Professional Financier (#1)

% Shareholding : 1.26% of paid up capital

(held by Mrs. Sroyson

Charudilaka, Mr. Pisak's spouse)

(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2007 – Present : Director,
Advanced Information Technology PCL.

Positions in other listed companies :

- None -

Position in other company / other entities :

2005 – 2013 : Head of Customs House, Director of
High Level, The Customs Department

Mr. Suraporn Raktaprachit Director/Member of the Nomination and Remuneration Committee / Executive Board Committee
(Authorized Signature)

Age 66

Date of Appointment as a Director : March 3, 2003

Educational Background

: Master Degree in Economics,

Syracuse University – New York,USA

: Bachelor of Economics,

The American University – Washington D.C., USA

Training Record

: Thai Institute of Directors Association (IOD)

Director Certificate Program 35/2003

% Shareholding : 2.64% of paid up capital

(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2003 – Present : Director/ Executive Board Committee /
Member of Nomination and
Remuneration Committee/
Senior Executive Vice
President – Service Division,
Advanced Information Technology PCL.

Positions in other listed companies :

- None -

Position in other company / other entities

2013 – March 2020 : Director, Asia Insurance PCL.
2012 – Present : Director, Campana Group Pte.Ltd.

Mrs. Sasinet Baholyodhin Director/ Executive Board Committee (Authorized Signature)

Age 34

Date of Appointment as a Director : August 9, 2019

Educational Background

: Master Degree of MSc Marketing Management,

Aston University, United Kingdom

: Bachelor of Business Administration,

Mahidol University International College

Training Record

: Thai Institute of Directors Association (IOD)

Director Certificate Program 277/2019

: Thai Listed Companies Association

TLCA Executive Development Program (EDP15)

: Academy of Business Creativity, Sripatum University

Academy of Business Creativity (ABC6)

% Shareholding : 3.34% of paid up capital

(as of 31 December 2020)

Personal Relationship with the Management

: Father: Mr. Siripong Oontornpan

Illegal record in the past : - None -

Position in the company

Aug 2019 – Present : Director/ Executive Board Committee
Advanced Information Technology PCL.
2017 – Present : Executive Vice President – President
Office Division,
Advanced Information Technology PCL.
2014 – 2016 : Assistant Vice President – Commercial
Sales Department,
Advanced Information Technology PCL

Positions in other listed companies :

- None -

Position in other company / other entities

2016 – Present : Director, Genesis Data Center Co., Ltd.

Mr.Chodiwat Duntasarn Director/ Executive Board Committee (Authorized Signature)
Age 57

Date of Appointment as a Director : November 1, 2002

Educational Background

: Master Degree in Marketing, Wagner College, USA

: Bachelor of Business Administration, Assumption University

Training Record

: Thai Institute of Directors Association (IOD)

Director Certificate Program 72/2006

: Institute of Security Psychology, national Defense Studies Institute #96

: TLCA Executive Development Program 7 (EDP 7)

: Capital Market Academy - 27 (CMA-27)

: Commerce Academy by The University of the Thai Chamber of Commerce (UTCC) Top Executive Program in Commerce and Trade 13 (TEPCoT 13)

% Shareholding : 39% of paid up capital (held by Mrs. Chantana Krasaesan, Mr.Chodiwat spouse, is another 0.06%)
(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

Aug 2019 – Present : Executive Board Committee, Advanced Information Technology PCL.

Jul 2019 – Present : Senior Executive Vice President – Customer Relations and Satisfaction Division, Advanced Information Technology PCL.

2007 – Present : Director, Advanced Information Technology PCL.

2016 – June 2019 : Executive Vice President – Special Project, Advanced Information Technology PCL.

1995 – 2016 : Executive Vice President – Sales Department, Advanced Information Technology PCL.

Positions in other listed companies :

- None-

Position in other company / other entities :

2016 – Present : Director, APT Meditech Co.,Ltd.

2015 – Present : Director, Rak baan rao Co.,Ltd.

Mr. Asawin Kangvolkij Senior Executive Vice President – Finance Division [Chief Financial Officer]

Age 59

Educational Background

: Master Degree in Economics, Western Michigan University, USA

Training Record 2019

: NYC Management TFRS 9

“Financial Instrument – For non-financial institutions”

% Shareholding : - None -

(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2017 – Present : Senior Executive Vice President – Finance Division, Advanced Information Technology PCL.

2009 – 2017 : Senior Executive Vice President – Finance and Corporate Strategy Division, Advanced Information Technology PCL.

2007 – 2009 : Senior Executive Vice President – Corporate Strategy Division, Advanced Information Technology PCL.

Positions in other listed companies :

- None -

Position in other company/other entities :

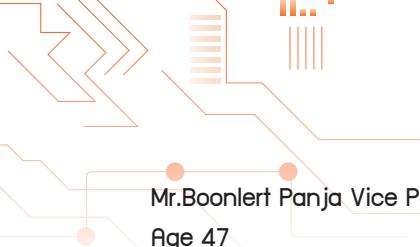
2012 – Present : Director, Loxley and AIT Holding Co.,Ltd.

Mrs. Netnapit Oontornpan
 Senior Executive Vice President – Corporate Affairs Division
Age 65
Educational Background
 : Master Degree in Inter-Communication,
 Western Michigan University, USA
% Shareholding : 0.75% of paid up capital
 (as of 31 December 2020)
Personal Relationship with the Management
 : Spouse of Mr. Siripong Oontornpan
Illegal record in the past : - None -
Position in the company
 2003 – Present : Senior Executive Vice President - Corporate Affairs Division, Advanced Information Technology PCL.
Positions in other listed companies :
 - None -
Position in other company / other entities
 2016 – Present : Director, Indeyard Co., Ltd

Mr. Promporn Ketudat
 Senior Executive Vice President – Digital Transformation Division
Age 59
Educational Background
 : Master's Degree: MS. in Computer Science, Lamar University, Beaumont, Texas, USA
 : Bachelor's Degree: BBA.- Accounting Major: Electronic Data Processing (EDP) Thammasat University
% Shareholding : - None -
 (as of 31 December 2020)
Personal Relationship with the Management : - None -
Illegal record in the past : - None -
Position in the company
 Jan 2020 – Present : Senior Executive Vice President – Digital Transformation Division, Advanced Information Technology PCL.
Positions in other listed companies :
 - None -
Position in other company / other entities :
 2012 – 2019 : Operation Director, Service Provider Thailand and Myanmar, Cisco Systems (Thailand)
 2009 – 2012 : Regional Manager, Service Provider Thailand and Indochina, Cisco Systems (Thailand)

Mr. Apichai Nimgirawath Senior Executive Vice President – Marketing and Sales Division
Age 44
Educational Background
 : Bachelor Degree in Computer Engineering, King Mongkut's University of Technology Thonburi
Training Record
 : Thai Institute of Directors Association (IOD)
 Director Certificate Program 262/2018
% Shareholding : - None -
 (as of 31 December 2020)

Personal Relationship with the Management : - None -
Illegal record in the past : - None -
Position in the company
 Jul 2019 – Present : Senior Executive Vice President – Marketing and Sales Division, Advanced Information Technology PCL.
 2017 – Jun 2019 : Executive Vice President – Sales 2 Department, Advanced Information Technology PCL.
 2012 – 2016 : Vice President – Enterprise Sale Department, Advanced Information Technology PCL.
Positions in other listed companies :
 - None -
Position in other company / other entities
 2016 – Present : Director, Genesis Data Center Co., Ltd.



Mr.Boonlert Panja Vice President – Accounting [The person supervising accounting]

Age 47

Educational Background

: Master Degree of Accountancy, Chulalongkorn University

Training Record 2020

: To Know Business from Financial Analysis

: How to Prepare Cash Flow Statement Step-by-Step

: Inventory and Misunderstanding Issue

: Finance Management Strategy for Reviving Business and
being Growth under New Normal Era

% Shareholding : less than 0.09% of paid up capital

(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

2003 – Present : Vice President – Accounting,
Advanced Information Technology PCL.

Positions in other listed companies :

- None -

Position in other company/other entities :

- None -

Ms. Sarin Chandranipapongse Company Secretary

Age 39

Educational Background

: Master Degree in International Business & Entrepreneurship
Marladalen University, Sweden

: Bachelor of Law, Chulalongkorn University

Training Record

: Thai Institute of Directors

Company Secretary Program 81/2017

: Thai Listed Companies Association

Advances for Corporate Secretaries 2019

% Shareholding : - None -

(as of 31 December 2020)

Personal Relationship with the Management : - None -

Illegal record in the past : - None -

Position in the company

July 2017 – Present : Vice President – Company Secretary
Department, Advanced Information
Technology PCL.

2010 – June 2017 : Assistant Vice President – Company
Secretary Department,
Advanced Information Technology PCL

Positions in other listed companies :

- None -

Position in other company / other entities :

- None -





General Information about the Company

Details about Company's Securities

Issuer	: Advanced Information Technology Public Company Limited
Ticker	: AIT
First Listing Date	: 30 July 2003
Market Capitalization	: 3,713,776,146.00 Baht (as of 6 January 2021)
Paid-up Capital	: 1,031,604,485 Baht
Number of Shareholders	: 6,342 (as of 27 May 2020)
% Free float	: 71.51% (as of 13 May 2020)
Type of Business	: Relating to information and communications technology, including the maintenance and development of IT systems
Head Office	: 37/2 Sutthisarn Road, Samsennok, HuayKwang, Bangkok 10310
Services centers	: Chonburi, Khonkaen, Chiangmai, Suratthani, Phitsunalok, Songkhla and Nakhon Ratchasima
Company's Registration	: 0107546000067
Tel	: 0-2275-9400
Fax	: 0-2275-9100, 0-2275-9200
Website	: www.ait.co.th

Auditors

Manee Rattanabunnakit CPA License Number 5313 and/or
Termphong Opanaphan CPA License Number 4501and/or
Sumalee Reewarabandith CPA License Number 3970

EY Office Limited

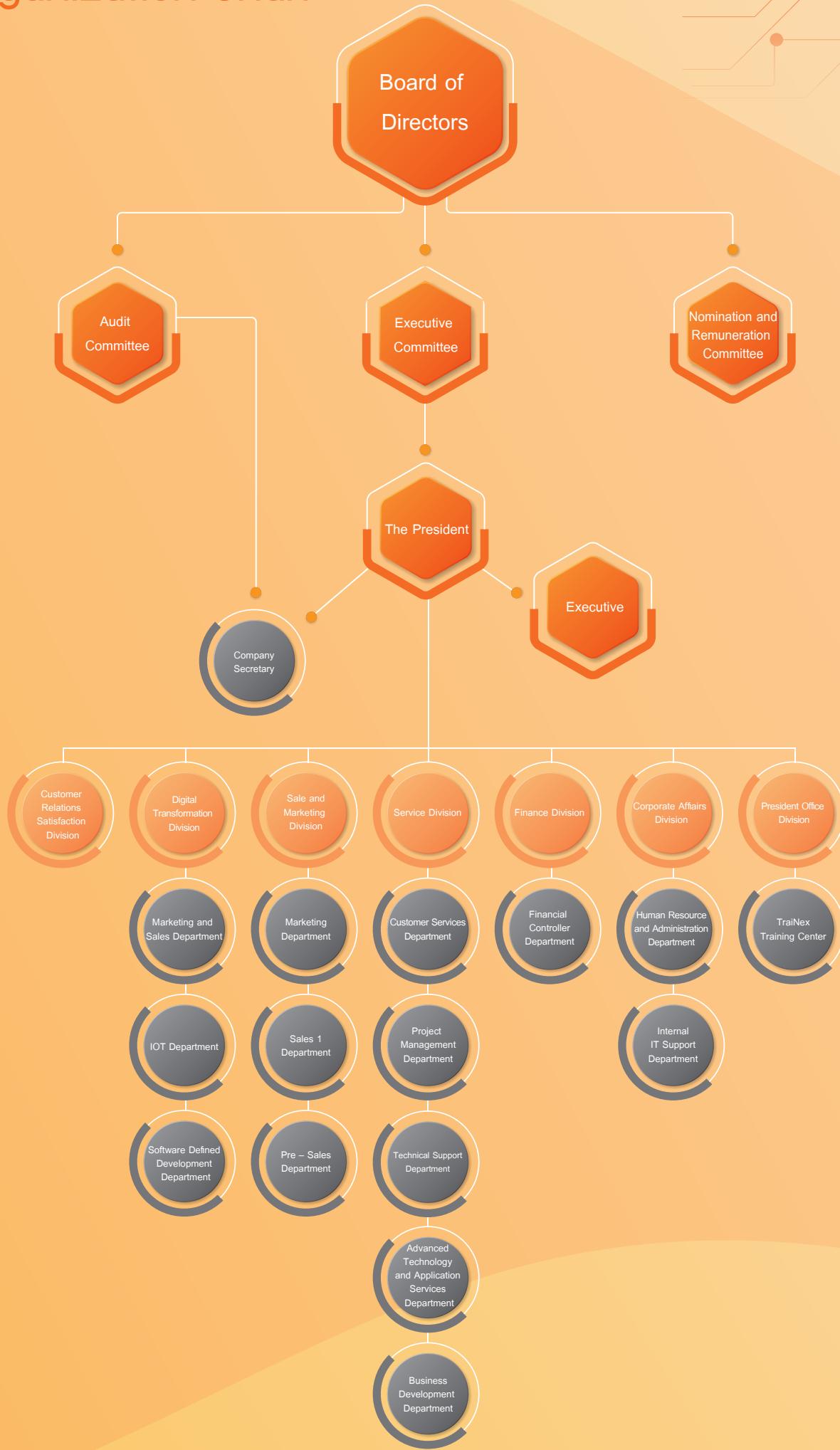
33rd Floor, Lake Ratchada Office Complex, 193/136-137, Ratchadaphisek Road, Klongtoey, Bangkok 10110
Tel: (66) 2264-9090 Fax: (66) 264-0789-90

Securities Registration

Thailand Securities Depository Company Limited

93 Ratchadaphisek Road, Dindang, Bangkok 10400
Tel: (66) 2009-9000
Fax: (66) 2009-9991
SET Contact center: (66) 2009-9000
Website: <http://www.set.or.th/tsd>
E-mail: SETContactCenter@set.or.th

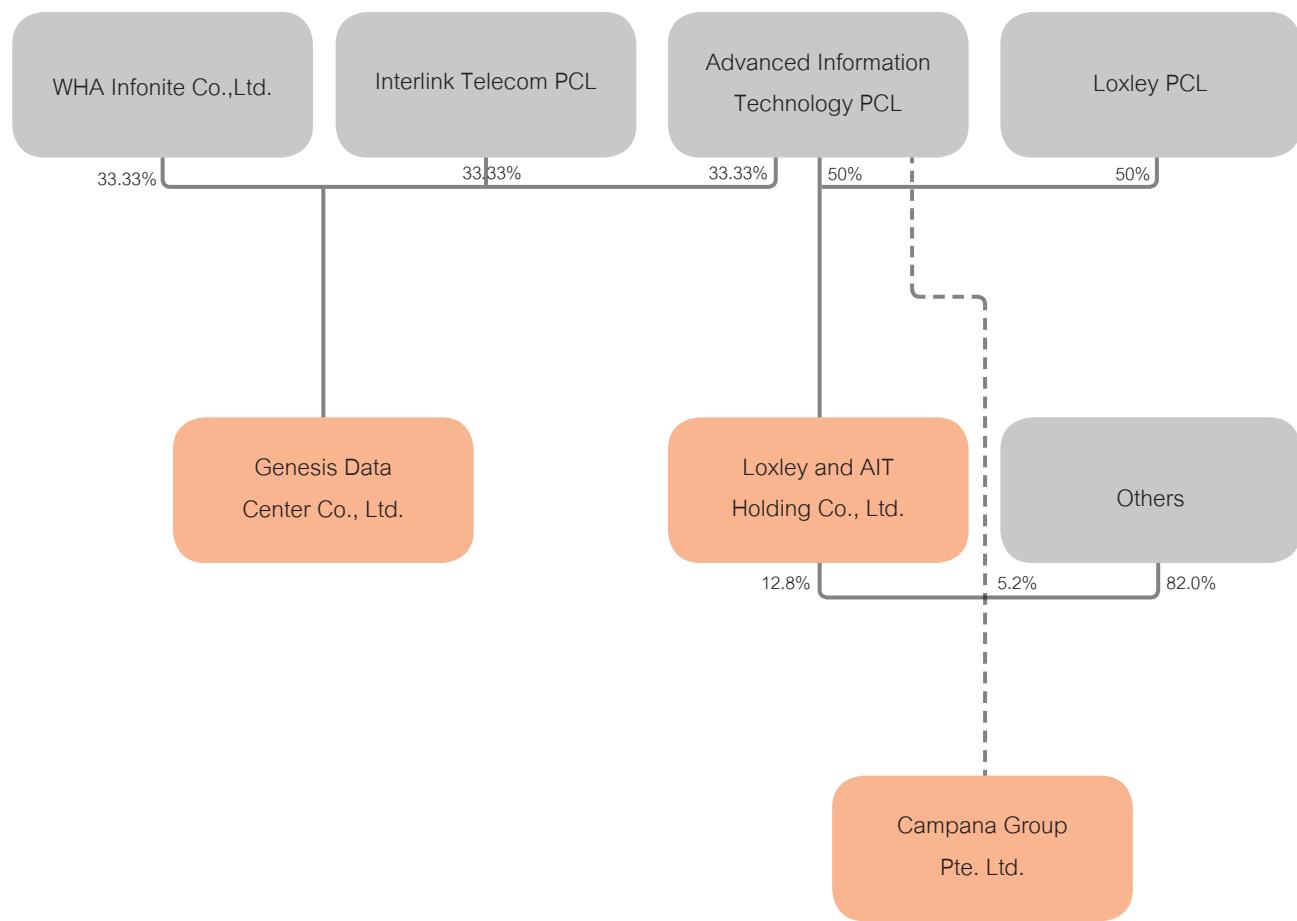
Organization Chart



Dividend Policy

The Company's dividend payout ratio is not less than 40% of net profit in case there is no other necessary obligation for this amount of money and the dividend payout must not materially affect the normal business operations of the Company.

Shareholding Structure of the Company



General Information on the Company

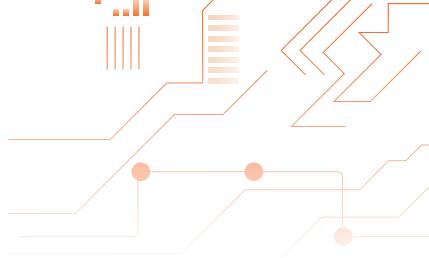
Company	Type of Business	Registered Capital	Par Value per Share	Paid-up Capital	% Share holding
Advanced Information Technology Public Company Limited 37/2 Sutthisarnvinijchai Road, SamsenNok, HuayKwang, Bangkok, 10320	Relating to information and communications technology, including the maintenance and development of IT systems	1,031,640,485 Baht	5	1,031,640,485 Baht	-
Join venture					
Loxley & AIT Holding Co., Ltd. 2 SoiPhahonyothin 19, Phahonyothin Road, Jatujak Bangkok	Investment in Lump sum turnkey contracts for the installation of telecommunication works, electricity plants and sales of related equipment	200,000,000 Baht	100	200,000,000 Baht	50%
Genesis Data Center Co.,Ltd. 111/11-12 , Moo 11 Bang Chalong Bang Phli Samut Prakan 10540	Provide Data Center services such as server space rental and backup service	210,000,000 Baht	100	210,000,000 Baht	33.33%
Joint venture of the Company's joint venture					
CAMPANA GROUP PTE. LTD. 51 Changi Business Park Central 2, #04-11, The Signature, Singapore, 486066	Operator in the submarine optical fiber network	N/A	-	N/A	5.2%
Joint operation					
AWD Joint Venture 37/2 Sutthisarnvinijchai Road, Samsennok, Huaykwang, Bangkok, 10320	Shifting cable conduits underground throughout Bangkok area 2	-	-	-	50%



Major Shareholders

Top 10 major shareholders as of the latest book closing date as of 31th December 2020:

Shareholder	No. of Shares	%
1.The Oontornpan Group ⁽¹⁾	30,897,005	14.98
2. The Duntasarn Group ⁽²⁾	9,629,659	4.67
3. The Sopchokechai Group ⁽³⁾	8,390,000	4.06
4. Thai NVDR Company Limited	5,456,385	2.64
5. The Raktaprachit Group ⁽⁴⁾	3,879,797	1.88
6. The Charudilaka Group ⁽⁵⁾	3,850,768	1.87
7. Mr. Thana Chaiprasit	3,590,968	1.74
8. Ramkhamhaeng Hospital PCL.	2,250,000	1.09
9. Mr. Thawatch Tantimaet	2,195,000	1.06
10. Mr. Ong-art Worawitlikit	2,178,000	1.06
Other Shareholders	133,985,315	64.95
1. The Oontornpan Group comprises of		
1. Mr. Siripong Oontornpan	10,753,225	5.21
2. Ms. Sasinet Baholyodhin	6,898,115	3.34
3. Ms. Sinanang Oontornpan	5,056,908	2.45
4. Mr. Sina Oontornpan	5,044,060	2.45
5. Mrs. Netnapit Oontornpan	1,552,497	0.75
6. Ms. Saowaluck Oontornpan	1,000,000	0.49
7. Mr. Prachumsak Oontornpan	285,000	0.14
8. Mr. Surathee Oontornpan	307,200	0.15
Total	30,897,005	14.98
2. The Sopchokechai Group comprises of:		
1. Mr. Kittisak Sopchokechai	6,874,659	3.33
2. Mr. Titikorn Sopchokechai	1,300,000	0.63
3. Ms. Pimpaka Sopchokechai	1,255,000	0.61
4. Ms. Boonthida Sopchokechai	200,000	0.10
Total	9,629,659	4.67



Shareholder	No. of Shares	%
3. The Duntasarn Group comprises of:		
1. Mr. Chodiwat Duntasarn	7,000,000	3.39
2. Mr. Samakorn Duntasarn	1,100,000	0.53
3. Miss Anutch Duntasarn	170,000	0.08
4. Mrs. Chantana Krasaesan	120,000	0.06
Total	8,390,000	4.06
4. The Raktaprachit Group comprises of:		
1. Mr. Suraporn Raktaprachit	5,455,885	2.64
2. Miss Patcharanan Raktaprachit	500	0.00
Total	5,456,385	2.64
5. The Charudilaka Group comprises of:		
1. Mrs. Soyson Charudilaka	2,606,378	1.26
2. Ms. Apiporn Charudilaka	651,994	0.32
3. Mr. Apimuk Charudilaka	621,425	0.30
Total	3,879,797	1.88

Changes in AIT Shares Held by Directors and Management in 2020

Name - Last Name	Position	No. of shares held as of December 31, 2019	No. of shares held as of December 31, 2020	Increase/ (Decrease) in AIT's shares held in 2020	Percentage of shares held (%)
1. Mr. Thana Chaiprasit Spouse and underage child	Chairman of the Board	2,250,000	2,250,000	-	1.09
2. Mr. Siripong Oontornpan Spouse and underage child	President, Nomination & Remuneration Committee, Chairman of Executive Board Committee	10,753,225	10,753,225	-	5.21
3. Mr. Chokechai Tanpoonsinthana Spouse and underage child	Chairman of the Audit Committee, Independent Director	-	-	-	-
4. Mr. Pongtep Polanun Spouse and underage child	Vice Chairman of the Board, Independent Director, Audit Committee, Chairman of the Nomination and Remuneration Committee	900	900	-	<0.01
5. Mr. Sripop Sarasas Spouse and underage child	Independent Director, Nomination and Remuneration Committee, Audit Committee	-	-	-	-
6. Mr. Suraporn Raktaprachit Spouse and underage child	Director, Nomination and Remuneration Committee, Executive Board Committee, Senior Executive Vice President -Service Division	37,500	37,500	-	<0.02
7. Mr.Thanarak Pongpatar Spouse and underage child	Independent Director	6,874,659	6,874,659	-	3.33
8. Mr.Kittisak Sopchokchai Spouse and underage child	Director, Nomination and Remuneration Committee	-	-	-	-
9. Mr. Pisak Charudilaka Spouse and underage child	Director	5,455,885	5,455,885	-	2.64
10. Mr.Chodiwat Duntasarn Spouse and underage child	Director, Executive Board Committee, Senior Executive Vice President - Division Customer Relations and Satisfaction	7,000,000	7,000,000	-	3.39
11. Mrs. Sasinet Baholyodhin Spouse and underage child	Director, Executive Board Committee, Executive Vice President	6,898,115	6,898,115	-	3.34
12. Mr.Asawin Kangvolkij Spouse and underage child	Senior Executive Vice President - Finance Division	-	-	-	-
13. Mrs.Netnapit Oontornpan Spouse and underage child	Senior Executive Vice President - Corporate Affairs Division	1,552,497	1,552,497	-	0.75
14. Mr. Promporn Ketudat Spouse and underage child	Senior Executive Vice President - Digital Transformation Division	-	-	-	-
15. Mr. Apichai Nimgirawath Spouse and underage child	Senior Executive Vice President - Marketing and Sales Division	-	-	-	-

Business Strategy

Business Plan in 2021

The Company adheres to the business operation by focusing on three main areas: customer, efficiency and profit, with details as follows:

1. **Customer Focus** : The Company aims to develop services for its customers/partners/business partners to create maximum satisfaction by taking into account the following matters

- To acknowledge and understand customers' core business to truly meet their needs
- To improve its service and technical approach;
- To build a good relationship with customers.

2. **Efficiency Focus** : The Company aims to develop employees, work systems, and work operations to be more efficient as follows:

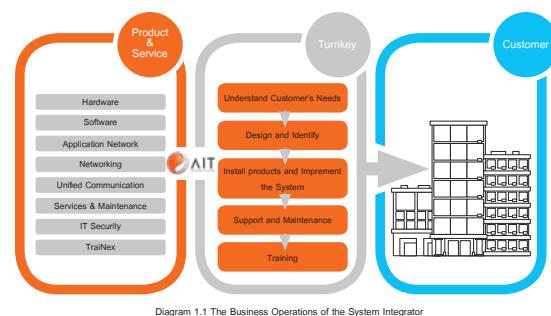
- Increase employees' potential by considering whether or not employees are the right persons for their job and develop employees to be as professional as possible;
- To modify the internal organization to be efficient, such as restructuring the organization to suit changing situations, developing work systems, and applying state-of-the-art technology systems within the organization for maximum efficiency.

3. **Profit Focus** : The Company aims to be the best profitable company, taking into account the following matters

- To create value-added projects with good margin;
- To reduce operation expense;
- To reduce mistakes and errors of work

Nature of Business

The Company provides a full range of information technology and telecommunication services or System Integrator ("SI") and it is our core business which generates more than 70% of total revenue. The Company is a designer of computer and communication systems for effective and efficient operation to meet the needs of customers. The systems provided include computer hardware, systems software, application software, and computer networking equipment. The Company has a comprehensive sales approach or **Turn Key** solution starting from understanding customer needs, consulting, project planning, system design, installation operation, maintenance, as well as providing training courses for the clear understanding in operation, as shown in a diagram 1.1 The rest are new business groups focusing on basic engineering extension based on existing customer base such as the construction of substations and basic engineering related to ICT such as installation of underground cable conduit, etc.



The Company operates the SI business in accordance with 4 plans and structures, as follows;

1. Product Sales and Services

A project work is the main component in doing a business, which can be divided into 2 parts, a project from auction and a project from direct sale. The Company pays close attention to the needs of customers and offers a technology proposal that customers can be ensured on the best advanced technology. The understanding in business and the attention in detail of the project are the key to success in delivering the project and satisfying customers. The Company has sales team and pre-sales team that are highly in skills in order to ensure all project proposals are clear and accurate for both the Company and the customers. When starting the project, the project management department is taking the responsibility to execute the project properly and completely. The project manager will organize the team of trained expertise and engineer. The entire team will operate the project in accordance with the plans and procedures that have been trained. These are the fundamental foundation that makes the Company becomes successful up until these days.

The Company operates the projects with a range of value from thousands to hundred thousands THB, depending on the customers. At the present, the customer-base ranges from small company to large-scale company, including the government agency and the state enterprise. After the completion of delivering and training, the Company will start after-sales service and system maintenance for the customers.

2. Support and Maintenance Services

The maintenance services are available in all aspects are flexible and diverse, by designing to meet the needs of customers with over 25 years of experiences in various fields, such as project operation design, server and software network maintenance, by implementing Information Technology Infrastructure Library (ITIL) system to integrate with operations to ensure that the Company is able to provide service with consistent.



3. Managed Services

Under the AIT Managed Services option our customers will transfer their day-to-day management responsibilities to us as their strategic partner. This ensures improved, effective and efficient operations including production support, build and lifecycle maintenance activities. AIT Managed Services can be offered for certain defined parts or the whole infrastructure, such as

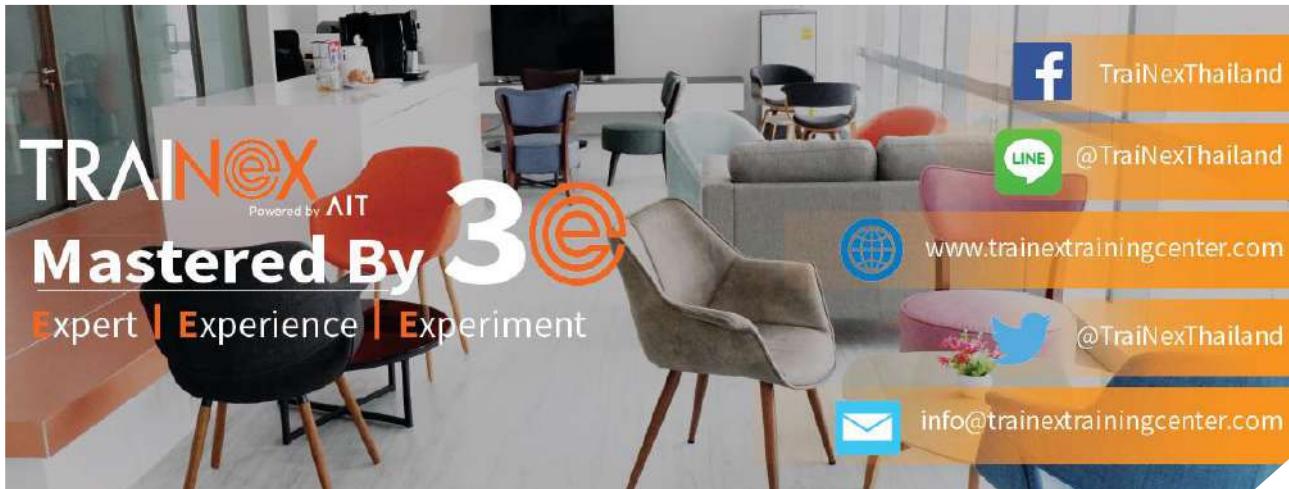
- Managed IT Infrastructure
- Managed Network Infrastructure
- Managed Security
- Managed Communication (VoIP)

Maintaining the IT infrastructure has become a very complex undertaking and the requirements placed on employees has increased considerably. Managing multiple vendors and integration partners is time consuming and often troublesome. A modern Managed Service company like AIT takes away the burden of undertaking this complex activity from our customer's valuable IT resources and ensures that they have a properly performing infrastructure at all times.



Over the years there has been a clear shift in the needs of our customers when it comes to Managed Services. Years ago, network maintenance for example, was often seen as something that was mandatory to buy, yet typically the service provider was not delivering any value. We do things differently and help our customers to understand that having a properly running and performing network is vital to the effectiveness of their business, and that unplanned downtime also means that their business cannot continue properly - and that this will directly impact their bottom line results.

4. TraiNex Training Center (TRAINEX)



TraiNex Training Center is an Information Technology Training, IT Certificate and Soft Skill Center of the Company. The Company has established this center to provide training services to the Company's project clients and personnel of different departments of general companies. The services offered by our training center range from standard training courses, official courses for various products available in the market. At present, training courses are designed to be in accordance and meet the needs of the learners. In addition, we offer a test center that provides services related to international standard IT Certificate examinations, training room rentals, and lab rentals, which provides opportunities for businesses and individuals in the information technology industry to learn and acquire additional skills through with 3E's knowledge transfer philosophy as follows:

Expert	Training by the certified instructors with knowledge and skills using standard textbooks.
Experience	Knowledge transfer from instructors who have a long work experience.
Experiment	Modern and complete LAB equipment are available.

TRAINEX has developed new training services to provide learners the first-class learning experiences as learning and training center in information technology that meets the international standards. In addition, Mobile Test Center Service is opened as offsite examination center for convenience of those who want to do the test without disrupting their work. More importantly, the knowledge provided is derived from real experience of instructors with over 10 years of work experience.



TRAINEX has been appointed as Cisco Authorized Learning Partner and all instructors are qualified and certified as Cisco Certified Systems Instructor (CCSI) and Cisco Certified Internetwork Expert (CCIE). In addition, it has officially been appointed by CompTIA, Palo Alto, CWNP, in partnership with other partners, offering over 300 IT training courses, including Microsoft, Oracle, Red Hat, VMware, ITILL, PMP, Linux. Our test center has also been approved by the Authorized Test Center: PEARSON VUE, PSI (AWS, ISACA) and Scantron or Castle Worldwide as a test center with the ability to provide inspection and certification services, including advice to enhance efficiency and build on success for learners and organizations in the business sector. These ensure that TRAINEX can deliver excellent training courses in the information technology industry at all levels and is an international standardized testing center. Moreover, TRAINEX organized various booth activities to promote and publicize in order to be better known among target group, the activities include:

TRAINEX sponsored the Student Cyber Security Competition Program "STDIO CTF 2020 (STDIO 2020)" between 5th–6th January 2020 and 12th January 2020 at Bits & Bytes Hall, 4th floor, Faculty of Information and Communication Technology, Mahidol University. This event was held by Faculty of Information and Communication Technology, Mahidol University (MU-ICT), in collaboration with National Electronics and Computer Technology Center (NECTEC) and Amiya, Japan due to the recognition of the importance



of stimulating learning in order to enhance the knowledge and experience in cyber security at the student level to provide the personnel with knowledge and competence in the future. The winner of the competition will continue to represent Thailand to participate in Global Cybersecurity Camp (GCC) in Tokyo, Japan.



TRAINEX sponsored the WUNGA 40th Annual 2020 workshop conducting activities on networked information systems for educational development "Workshop on Uninet Network and Computer Application" between 15th–17th January 2020 at Kanchanaburi Rajabhat University, Kanchanaburi Province.



TRAINEX, in cooperation with Thai-Japanese Technology Institute, organized the "TNI JOB FAIR 2020" event on 22nd January 2020 to provide knowledge and exchange experiences with graduating students of the Thai-Japanese Technology Institute. This activity received a lot of attention from the participants.





TRAINEX had an opportunity to organize an exhibition booth at Mahidol Engineering Job Fair 2020 on 22nd – 23rd January 2020 to provide knowledge and guidance of future IT professionals for graduating students to be used as a guideline for stepping into an IT career and examination for IT certificates to be used in job application. In addition, working graduates were also invited to participate in this event in order to share their experiences and give advice to make the students' start-up more efficient and successful.

At the present, TraiNex Training Center is located at CW Tower B, 16th floor, Ratchadapisek Road, Bangkok, 10310 and has 1 sub-branch in Khon Kaen province which is located at 35/1 moo 23, Srichan Road, Tambon Ban Pet, Amphoe Mueang, Khon Kaen 40000. For more information, please refer to www.trainextrainingcenter.com.

Technology / System Services

The Company divides its technology businesses into the following divisions.

1. IT Infrastructure and business cloud : At present, the Company is considered one of the top experts in Thailand in designing and installing important infrastructure systems at the national level, especially the infrastructure based on the architecture called Software Defined. With market share number one in Software Defined Data, which the Company has successfully installed and has the largest market share in Software Defined Data Center, Software Defined Infrastructure and Software Defined WAN.

2. IT Innovation, AI and Big Data : The Company invested in the development of IOT (Internet of Things) platform. This year, the process is completed and ready for marketing and offering products and services to customers. Over the past 2 – 3 years, the Company has won many auctions related to Big Data and this year the Company starts to expand its business based on AI/Data Analytics and Face Recognition to support the market growth in more digitized areas. The Digital Transformation department was set up to be responsible for this part.

3. Infrastructure and Engineering : To further expand the business, the Company has remained steadfast in its commitment to continuously generate sales from engineering business, whether from installation of underground transmission lines or construction of substations.

AIT defines core ICT as the most basic infrastructure components, and which includes such requirements as the computers and servers, wired and wireless networks, data centers, complemented by first-in-class business solutions. As an experienced ICT solution provider and system integrator, AIT has established core ICT capabilities in all verticals. The following is just a brief overview of the components which we supply, implement and support through maintenance. For Example;



Wireless Solutions

With the advent of notebooks, smart phones and more recently tablet technologies, the requirements for wireless access have also increased. This extra mobility is not only a question of convenience, but also adds to the efficiency of the services offered by many of our customers. The Company has been operating in those functions such as design and installation of wireless network in various organizations.



Core Networking

AIT has built many core networks including nationwide networks for service providers such as TOT and CAT, metropolitan networks, networks for major university campus' and large enterprises, as well as all type of wireless networks. Core Networking is often also referred to as routing and switching, and which is at the very foundation of all computer networking. Routing and switching refers to forward data and voice or video packages within one network (switching) or over various individual networks (Routing). However, the world is transforming to the digital era and the Company is developing and connecting the technology boundaries to cope with the changes, to be able to support the needs of customers that are in the period of such changes.



Unified communications (UC)

describes the broad wealth of integrated services available such as instant messaging, (ip) telephony, video conferencing, telepresence, interactive whiteboards, integrated voicemail, e-mail, SMS and facsimile. The integration of all these individual services onto one common platform and delivering a consistent unified user interface and user experience across multiple devices, is a key business enabler.



IT Security Solutions

The security of our customer's IT systems has always been vitally important. Yet, the ongoing transition to networked economies and new paradigms such as cloud technologies makes securing our customer's systems and data even more important. Businesses are increasingly dependent on IT to facilitate their activities and thus protection against threats from hackers, viruses and even their own staff are now a key focus area of the IT operation.



Data Centers/Cloud

The IT infrastructure of most enterprises is growing at all levels and increasingly is becoming more and more complex. Large enterprises are setting up centralized data centers which are being supported by global network topologies and distributed storage management strategies. To supply and manage such rapidly developing infrastructures demands focus, expertise and experience in cross-technologies. At the present, various business operations increasingly utilize Cloud technology, which it has enabled those businesses to have better computer resources management such as networking and data storage management. The Company has designed, installed, and tested data centers systems in various locations and has introduced customers with strategies to support the existing Cloud technology



Network Optimization

A network that is unable to meet the needs of the organizations will annoy users as well as decrease efficiency in that organization. The Company offers the network system health check and the management guidance to increase the network system efficiency, which affected on saving the customers' IT investment cost.

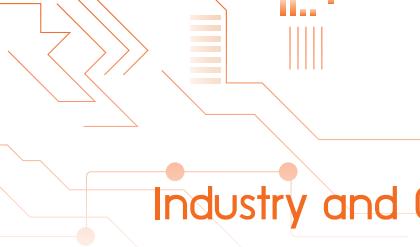


Business Applications

At the end of the day, business applications are what matters most when it comes to enterprise information technology. For without the applications and data, most IT infrastructure in the enterprise world would be unnecessary. Over the past twenty five years AIT has selected and developed a complete range of business applications to suit the needs of our customers such as; Transportation Systems, E-Government Support Systems, Enterprise Application Integration and Military Applications.

Revenue structure

	2020		2019		2018	
	THB mil.	%	THB mil.	%	THB mil.	%
Sales and service income	6,529.65	97.00	6,903.43	97.55	4,042.57	95.61
Rental income from equipment for lease	131.23	1.95	118.90	1.68	141.04	3.33
Other income	70.08	1.04	51.39	0.77	44.68	1.06
Total	6,730.96		7,073.72		4,228.29	



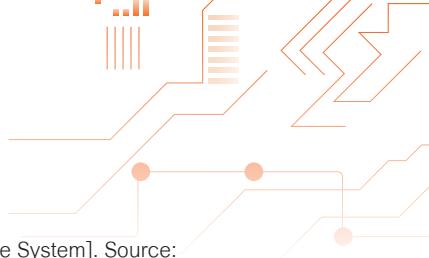
Industry and Competition

Gartner, the world's leading information technology research and analysis company, estimates that the total information technology spending of Thailand in 2021 will be 6.59 billion Baht, which increases by 5.6% compared to that in 2020. Due to the COVID-19 pandemic, more organizations have adopted digital technology to promote the remote working or work from home approach of their employees. Spending in the software market is projected to show the highest growth of 13.8%, followed by spending in the data center market is expected to grow by 12.3%, 12.1% for device market spending (smartphones, tablets and personal computers), and 2.8% for communications service market spending, while the IT service market is expected to decline by 2.0%.

Meanwhile, "Gartner" forecasts that the cost of technology products and services, as well as IT systems for the internal operations of banking and securities businesses in Thailand in 2021 will grow by 6.6%, or approximately 52,133 million Baht, which consists of corporate service cost of 7,141 million Baht, enterprise software cost of 6,352 million Baht, IT service cost of 10,894 million Baht, equipment or device cost of 7,133 million Baht, communication service cost of 15,213 million Baht, and data center system cost of 5,400 million Baht.

In addition, the Digital Economy Promotion Agency or DEPA has estimated the value of the Thai digital market during 2020-2022, covering five industry segments, comprising software, hardware & smart devices, digital services, digital content and big data industries. The software industry is expected to contract by an average of 1.2% due to the COVID-19 crisis despite the adoption of some softwares. This is due to the remote operation such as online conferencing, CRM and documents. However, most of the software are from other countries. The growth of hardware & smart devices industry is expected to decrease by 10.1% due to the effect of COVID-19 pandemic. However, both industries are expected to expand as usual, especially IoT products which is expected to expand at a higher rate compared to other groups of products. In the years 2021–2022, one of the positive factors that will help support Thai hardware & smart device industry is the arrival of AI, which results in more automation. In addition, there is continued investment in 4G before the 5G auction, which supports consumer demand and the government sectors that still invest in digital infrastructure. The negative factors are the lack of demand-stimulating products, currency fluctuations, economic problems and the Sino-US trade war.

For the digital service industry, DEPA has estimated that the market value will grow more than 258,470 million Baht in 2022, driven by the COVID-19 crisis, which has caused society to adapt to digital technology faster and use more digital services. As for the digital content industry, the average growth rate will be 10.1% since game and big data markets are expanding in line with the world market. Lastly, the big data industry is expected to show a strong growth rate following the digital services industry, with 13.2% growth and the market value will reach 16,871 million Baht in 2021. This is a result of the momentum that all sectors see the benefits of data analysis, along with the availability of rental options that make it easier to make investment decisions. The total value of this industry will increase to 18,558 million in 2022 as the economic volatility and the COVID-19 pandemic will return to normal.



Reference:

1. Bangkokbiznews 2020. 'การ์ทเนอร์' พันธุ์ ใช้จ่ายไอทีไทย' ปีหน้าต่อ 5.6% ลดลงจากปีนี้ต่อ 6.8% [Online System]. Source: <https://www.bangkokbiznews.com/news/detail/906293>
2. Bangkokbiznews 2020. ธุรกิจธนาคารไทยลงทุนไอทีพุ่ง คาดปี 64 ทะลุ 5.2 หมื่นล. [Online System]. Source: <https://www.bangkokbiznews.com/news/detail/894274>
3. IT Day 2020. ดีป้า เผยผลสำรวจอุตสาหกรรมดิจิทัลปี 61-62 [Online System]. Source: <https://www.itday.in.th/depa-reveals-the-results-of-the-digital-industry-survey-62-points-stable-expected-to-be-63-especially-the-digital-services/>

Competitive Strategy

The Company focuses on doing business by paying attention to in-depth details, taking care of customers and considering customers as long-term partners. This is in order to build credibility and expand business with both existing and new customers without focusing on competitive pricing and reducing service quality. We believe that a good long-term relationship with customers and partners will continually contribute to trust and new business to the Company. The competitive strategies of the Company are as follows:



Product & Service

- Maintain only the highest quality of products and services
- Clearly understand the project's requirements and seek best fitting, innovative technologies and products
- Provide first-class after sales services with nationwide coverage through our readily established 7 service centers



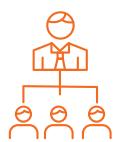
Customer

- Early engagement of the customer and offer advice on system design and planning
- Satisfy the customer's requirements and create maximum satisfaction
- Maintain great relationships with our customers and foster the "AIT Service Mind"



Supplier

- Maintain great relationships with our partners.
- Be sincere and honest relationships with our partners.

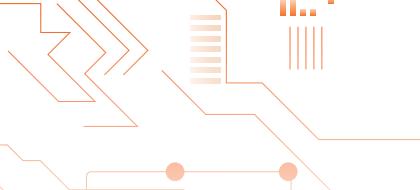


Human resources

- Continuously develop our human resources
- Increase flexibility and speed in solving problems

In bidding for projects in both the government sector and the private sector. The main criteria to win bids are generally:

- The level of understanding of the project and its requirements
- The technical quality of the proposed solution
- Available human resources within the company and project references
- The project cost and financial status of the company



Competitive Analysis

AIT's competitors can be classified into 3 major industry groups as follows:

1. Computer Systems Group



CDG Group	Forth Corporation Plc.
Loxley Plc.	MFEC Plc.
Metro Systems Corporation Plc.	PCC Co., Ltd.
Samart Corporation Plc	SVOA Plc.
Yip In Tsoi Co., Ltd.	

2. Network Systems Group



MFEC Plc.	Forth Corporation Plc.
IBM (Thailand) Co., Ltd.	Datapro Computer Systems Co., Ltd.
Sky ICT Plc.	Metro Systems Corporation Plc.
NTT Solutions (Thailand) Ltd.	NetONE Network Solution Co., Ltd.
Tangerine Co., Ltd.	Turnkey Communication Services Co., Ltd.

3. Communication Systems Group



Jasmine International Plc.
Samart Corporation Plc.
United Communication Industry Plc.

The Company recognizes the importance of this relationship and plans to closely monitor the technology and the transition in the areas affecting the customers and within the organization, both in short-term and long-term. Moreover, the Company has the Digital Transformation Committee responsible for monitoring and providing support to keep up with constantly changing technology, with 2 objectives as follows:

1. To transform the organization into a digital organization in order to enhance the efficiency and effectiveness of the organization's operations, with a new re-process engineering policy to make the organization efficient with more flexible and faster services. The Company plans to adopt mobile applications and technology in the management, and also has a policy to establish a Business Dash Board to provide the management the visibility of information in business aspects and accurate forecast of changes, with the push towards a full digital organization, both in abstract and concrete ways.

2. To determine the marketing direction in accordance with the technological transition and behavior in response to the purchase and usage needs of the customer. Due to the emergence of new technologies that will replace the old technology, the Company has to create new markets based on existing strengths by establishing a Digital Transformation Department to provide consulting services to customers who have needs in various fields such as Data Center, Cloud, Big Data/Analytics, IoT and Software Defined Network (SDN) with an emphasis on



technology infrastructure that the company has expertise. At the same time, the Company also provides services including Cyber Security to these new technology groups. It can be seen that this Cyber Security technology is still the basis for which the Company attaches great importance of covering all new technologies, ensuring the safety of use and services. According to the marketing plans, the Company is trying to find partners to expand the existing customer base. As the abovementioned, the revenue from a new technology business in digital information accounts for 10% of total revenue and the Company also foresee a growing trend.

The presentation and development of a new business model for customers are also the company's focus. From the Business to Business (B2B) model, the Company has expanded more business channels in the form of Business to Business to Consumer - B2B2C through its financial strength and increased marketing channels in various forms, which included a joint-venture of new businesses and selecting ecosystem partners who have a technological strength and capability to participate in the development of a business model. This is in order to maximize the benefits of the customers, increase performance and reduce expenses at the same time. Not only provide a stable long-term income benefit, joint-ventures and ecosystems partners also increase the competitiveness of the Company which has a positive effect by shortening the marketing lead time, thus the Company does not lose business opportunities that are rapidly changing in the current technology transition.

Risk Analysis

Due to the instability of business conditions in these current times, risk management continues to be an inevitable tool for any business especially operating its business through an unexpected situation, including preparation for future competition to ensure that business operations are able to meet their goals while create and maintain creditability for shareholders and other stakeholders.

The Company is aware of the impact of risk factors and therefore has set measures to mitigate and maintain such risks to an acceptable level. The Company has also regularly reviewed and evaluated the risk factors and obstacles that may affect the Company and its stakeholders. In addition, the Company has also established the Project Risk Committee to be responsible for assessing risks for any project and reducing the negative factors affecting the success of the project, since the Company's sales are mostly in the form of projects.

Risk factors that may affect the business operations of the Company can be classified as follows:

1. Risk Relating to Change of Technology

Due to the rapid change in the information and communication technology sector, the Company must always be on top of technological advances and trends in order to avoid any potential opportunity loss, or loss of its competitiveness. In the near future, the trend will be to even more Cloud Technology and in the near future will come the Internet of Thing (IoT).

The Company encourages its engineers and sales and marketing people, to regularly monitor technological developments and to attend seminars to stay at the top of their game. Apart from publicly available information, AIT works closely with its partners to clearly understand all aspects of developments in the target markets and key technology areas.



2. Risk Relating to Change in Government Policy

The Information Technology business is considered to be a business in a good growing direction, due to the government policies and the laws, which continuously supports the investment in developing the Information Technology system such as the government policy of Digital Economy that its initial operational plan is to promote the access to a high-speed internet (Broadband) at the villages, create an internet connection to be ASEAN regional hub and Government cloud development (G-Cloud). These policies are beneficial to the entrepreneurs in the industry to have an opportunity to participate in the auction. Therefore, if there are changes in these government policies, they may affect both positively and negatively on the business opportunities of the Company. However, the Company is monitoring and assessing the situation closely and will continued keep the investors up to date.

3. Risk Relating to Dependency on Major Customers

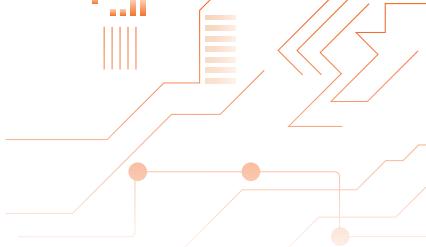
The majority of the Company's revenue comes from sales and network installation services for government agencies and state enterprises, which accounts for approximately 67% of the Company's total revenue. Although this may pose a risk, however, as the infrastructures in Thailand needs constant development, the investments are often coming from almost all of these agencies in order to support the national agenda in IT according to the policy framework of the Ministry of Digital Economy and Society. However, the Company has also expanded the long-term support and maintenance services (MA) for the project's customers and plans to expand its customer base to include new ones in order to maintain balance with the revenue from projects.

The Company has been striving to minimize the risk of dependency on a few major customers and is constantly seeking opportunities to diversify its customer base in the future. The additional revenue from expanding the customer base in the maintenance services (MA) will increase the proportion of revenue, while the Company can still maintain its existing customer base.

4. Risk Relating to Dependency on Key Employees

The information and communication technology business highly depend on qualified human resources in terms of marketing, engineering and project operation. These valuable human resources utilize their expertise in advising, designing and implementing the products and services provided by AIT. At present, the Company has 360 permanent employees, most of them are engineers, each with approximately 5 – 7 years of work experience. In 2020, our employee's turnover rate was only 4.42%. In order to retain its employees, the Company provides attractive compensation packages and good working environment that enhances quality of life at work. The Company has also established an internal audit system to prevent the risk of losing any key employee which may affect its business operations.

AIT has developed a multilevel organizational structure with minimized single points of impact, which even allows the Company to replace key employees in any situation or case in which they should become unavailable. There are weekly internal meetings among the senior executives to acknowledge and discuss any potential problems and to determine immediate actions to mitigate any problem that might occur.



5. Risk Relating to Dependency on Major Supplier

Normally, the Company purchases its products directly from the manufacturers or indirectly via the manufacturers distributors with representative offices in Thailand. Notably the Company is the key distributor and strategic partner of Cisco Systems, the world's leading manufacturer of information and communication technology in the IP (internet Protocol) segment. In 2020, the Company's purchase of network equipment from Cisco Systems accounted for approximately 29% of the total cost of sales. The reason behind such high purchase amounts, each year, from Cisco Systems is based on the fact that Cisco's products have wide acceptance with customers in both local and international markets.

However, The Company is aware that major supplier dependency can lead to high level of risk. The Company therefore has become a partner with other well-known suppliers, which are as reputable as Cisco. These suppliers are the leading manufacturers in their own fields of business. In addition, the Company has also received awards for guaranteeing success from that partner.

6. Risk Relating to New Customers

Bidding with a new customer inevitably comes with risk, from the background of customer, presentation of technologies to meet the needs of customer, including delivery and financial competence. The Company has therefore established a screening process before entering a bidding process, in which the Project Risk Committee is responsible for risk analysis before allowing any department to participate in a major bidding.

7. Risk Relating to Project Delivery

ICT projects normally last between 2 – 6 months but this is dependent upon the particular project size. If the Company fails to deliver the project on time as stated in the contract, the Company may incur a financial penalty. To its credit, in the last 5 years, such occurrences have been minimal and the Company has been penalized around 1% of the project sales revenue, which by comparison with other project suppliers is considered extremely low.

The main causes of project delays are often due to external factors beyond our control, such as delays in the delivery from suppliers and changes in installed equipment, etc. Upon the project implementation, the Company will constantly monitor and examine the project delivery period. However, in some cases where our customers urgently need to use their ordered system, the Company will be able to install a standby system for their temporary usage. In order to prevent the Company from the penalty, clear and effective project management method is necessary. The said process requires close monitoring of project and seamlessly coordination between the Company, customers, and suppliers, which allow us to identify problems, minimize potential impacts in advance and determine prevention methods.



8. Risk Relating to Sales and service contract conditions

In entering into a commercial contract, it is possible for the parties to disagree with the conditions of the contract. Therefore, amendments to the terms and conditions of the contract are needed to be satisfactory to both parties, which may cause delays in delivery and payment of products and services. Especially with medium to large organizations, which are the main customers of the Company, tend to have inconsistent contract conditions. In order to minimize the risk, the management of the Company has appointed legal consultants to provide legal advice, as well as studying and reviewing the conditions of the contract to be in line with the needs of both buyers and sellers to meet international standards. This in order to make the contract standardized, referable and acceptable. In addition, the Company regularly reviews the contract terms in order to monitor and manage risks to prevent potential contractual problems.

9. Risk Relating to Foreign Exchange Rate Risk

Generally, at a point approximately 1-2 months prior to the start of a project, the Company must estimate the project cost to use in the bidding or proposal process. If imported equipment is needed, this means that the project cost may be affected by fluctuations in foreign exchange rates. As of 31 December 2020, the Company had outstanding balance of trade receivables and trade payable denominated in foreign currency of USD 1 million and USD 3.7 million, respectively, the Company has applied the following strategies for mitigation of any adverse effects:

1. Determine the value of foreign exchange rate risk in the calculation of the total project cost, and
2. Enter into a FX forward contract to cover the whole amount

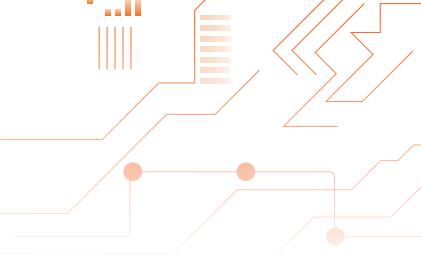
In 2020, the Company prepared to utilize various financial tools to enhance efficiency in managing risks and keep these at a minimum and therefore to maximize benefits to the Company.

10. Risk Relating to Changes in financial reporting standards and related practices and laws

The Federation of Accounting Professions will issue a number of revised and new financial reporting standards. These financial reporting standards are aimed at alignment with the corresponding International Financial Reporting Standards. For example, the Financial Reporting Standards No.9 "Financial Instruments", the Financial Reporting Standards No.15 "Revenue from Contracts with Customers" and the Financial Reporting Standards No.16 "Lease Agreement, including the regulations or laws such as the Labor Protection Act (No.7) B.E. 2562 (2019), the Land and Buildings Tax Act B.E. 2562 (2019), etc. These requirements or standards may affect the working procedures and systems within the Company, which must be revised or changed to meet the standards and to be in accordance with relevant regulations. In this regard, the finance and accounting department of the Company has closely controlled, monitored and understood the changes in the standards and regulations. There is also a coordination to acquire knowledge and create understanding with external auditors on a regular basis, including all departments related to changes in order to be prepared and make the working procedures and systems work correctly and appropriately.

11. Risk relating to uncontrollable / unpredictable situations

Uncontrollable and unpredictable natural events are such as storms, landslides, earthquakes, epidemics, etc. Obviously, in 2020, the COVID-19 pandemic has had a significant impact on all business sectors. These events may delay the performance of the Company's projects, which are uncontrollable. However, the Company has a management plan based on the potential risk factors for proper management of the situations.



Management structure

The Board of Directors consists of:

Full Name	Position
1. Mr. Thana Chaiprasit	Chairman of the Board
2. Mr. Pongtep Polanun	Vice Chairman and Independent Director
3. Mr. Siripong Oontornpan	Director, Chairman of Executive Board Committee and President
4. Mr. Chokechai Tanpoonsinthana	Independent Director
5. Mr. Sripop Sarasas	Independent Director
6. Mr. Thanarak Phongphatar	Independent Director
7. Mr. Kittisak Sopchokchai	Director
8. Mr. Pisak Charudilaka	Director
9. Mr. Suraporn Raktapraphit	Director
10. Mr. Chodiwat Duntasarn	Director
11. Mrs. Sasinet Baholyodhin	Director

Company Secretary: Ms. Sarin Chandranipapongse

Authorized Directors

The Company's authorized signatories as follow:

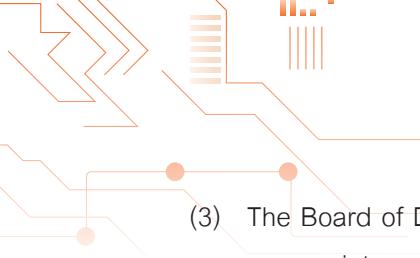
Scenario1: Mr. Siripong Oontornpan jointly signing with Mr. Suraporn Raktapraphit or Mr. Chodiwat Duntasarn and with the company's Seal affixed. Or

Scenario2: Mrs. Sasinet Baholyodhin jointly signing with Mr. Suraporn Raktapraphit or Mr. Chodiwat Duntasarn and with the company's Seal affixed.

Authority, Duties and Responsibilities of the Board of Directors

1. Authority of the Board of Directors

- (1) Performs its duties with honesty, integrity and prudence, in accordance with the law, the Company's objectives and Articles of Association, and all resolutions of the Annual General Shareholders Meeting in order to carefully protect the Company's interests.
- (2) Determines the Company's policies, objectives, direction, business plans, and budgets including the supervision and management of the Company executives in accordance with the agreed business policies. The exception to this is those matters which legally require prior approval at the Annual General Shareholders Meeting before they may be implemented, such as for example: an increase/decrease in share capital; the issuance of debentures; the sale or transfer of the whole or part of the Company's business to others; the purchase/transfer of another business or other company to become an asset of the Company; or an amendment of the Memorandum of Association or Articles of Association.



- (3) The Board of Directors may appoint certain directors to form a part of a sub-committee as deemed appropriate, such as to the Executive Board Committee, the Audit Committee, or the Nomination and Remuneration Committee in order to perform their duties as given by the Board of Directors. The Board of Directors shall appoint the Chairman of each respective Committee and shall report such appointments to the Annual General Shareholders Meeting.
- (4) The Board of Directors may appoint any person to perform specific tasks under the supervision of the Board of Directors or render the authority to such a person as deemed appropriate within an appropriate time period. The Board of Directors may cancel, revoke, change or amend any authority given.
- (5) The Board of Directors shall select a director to be the Chairman of the Board and shall select one or more directors to be Vice Chairman of the Board and to select a director to be the President of the Company. The Board of Directors shall report such appointments to the Annual General Shareholders Meeting.
- (6) Appoint a director to be designated as one of the Company's authorized signatories and the Board of Directors has the authority to determine or revise/change the list of authorized signatories in which the Board of Directors shall report such appointments to the Annual General Shareholders Meeting.
- (7) Appoint and consider the compensation package and the terms & conditions of the employment of the President.
- (8) Appoint and consider the compensation of directors appointed to a Committee as well as other persons selected by the Board of Directors to perform the duties under the supervision of the Board of Directors. The Board of Directors shall report on these matters to the Annual General Shareholders Meeting.
- (9) Approve quarterly and annual financial statements in order to present to the shareholders at the Annual General Shareholders Meeting.
- (10) Arrange for the Annual General Shareholders Meeting as well as any Extraordinary General Meetings as required under the regulations as stated in the company's Articles of Association.
- (11) The Board of Directors shall convene for meeting at least once every quarter or as per the regulations as stated in the Company's Articles of Association.

2. Duties and Responsibilities of the Board of Directors

- (1) Determine the Company's direction and strategic plan, and control and regulate the plan to be implemented efficiently and effectively.
- (2) Set out the Company's policies and procedures in all aspects to ensure the Company's operation is in full compliance with the law, regulations and resolutions of the Annual General Shareholders Meeting; and as importantly the Company Code of Ethics.
- (3) Create the Company's control systems in order to maintain creditability and confidence; and ensure that the Company operationally complies with the law, shareholders' expectations, and stakeholders' concerns.
- (4) Control, regulate, and evaluate the management team's performances as well as the Company's performance.



- (5) Ensure that management has in place risk management policies, processes and controls, as well as an appropriate internal control system.
- (6) Encourage employees at all levels to have ethics and moral consciousness, comply with good corporate governance and business ethics.

The Composition of the Board of Directors

As of December 31, 2020, the Company has four Committees: 1) The Board of Directors, 2) The Audit Committee, 3) The Nomination and Remuneration Committee, and 4) The Executive Board Committee.

The Board of Directors consists of persons who have a knowledge and ability to play a key role in determining the Company's policy, together with the top executives in planning its operation short-term and long-term. This includes the determination of the financial policy and corporate overview. There is another important role in overseeing, monitoring and assessing the performances of the Company and the top executives to meet the goals.

There are seven non-executive directors

There are four executive directors

There are four independent directors, listed as Mr. Pongtep Polanun, Mr. Chokechai Tanpoonsinthana, Mr. Sripop Sarasas, and Mr. Thanarak Phongphatar. These four directors are qualified for the Company's requirement on the independent directors, equal to the minimum requirement of the Security and Exchange Commission or the Stock Exchange of Thailand.

The Sub-comittees

Directors	The Audit Committee	The Nomination and Remuneration Committee	The Executive Board Committee
1. Mr. Thana Chaiprasit	-	-	-
2. Mr. Pongtep Polanun	Director	Chairman	-
3. Mr. Siripong Oontornpan	-	Director	Chairman
4. Mr. Chokechai Tanpoonsinthana	Chairman	-	-
5. Mr. Sripop Sarasas	Director	Director	-
6. Mr. Thanarak Phongphatar	-	-	-
7. Mr. Kittisak Sopchokchai	-	Director	-
8. Mr. Pisak Charudilaka	-	-	-
9. Mr. Suraporn Raktaprachit	-	Director	Director
10. Mr. Chodiwat Duntasarn	-	-	Director
11. Mrs. Sasinet Baholyodhin	-	-	Director

Meeting of the Board of Directors

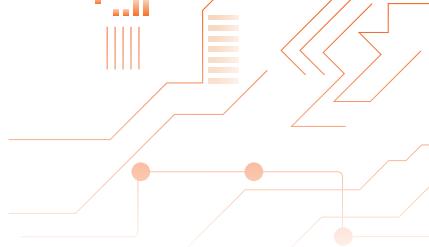
The Board of Directors has policy to schedule Board's meetings at least five meetings throughout the year. The meetings are normally pre-scheduled for the entire year and informed to the entire Board. The Board of Directors shall meet with a pre-determined schedule or a special meeting that may be called by the Chairman if it necessary. Each meeting shall comprise of directors more than 50 percent of total directors. A Board of Directors' member unable to attend a meeting shall inform the Company approximately one to two (1 - 2) days prior to that meeting. To consider the significant matter, each Board meeting requires a quorum of two-thirds of directors to participate. To facilitate all Directors in the meeting, the Company organizes the meeting at the Company's head office. The meeting invitation letter includes a clear meeting agendas and supporting meeting documents will be set in advance, which will be delivered to all directors at least seven (7) days prior to the meeting so that each director shall have sufficient time to analyze the information in advance. However, in a case of urgency this may not always be possible. Each meeting will be recorded and the approved documents will be gathered for reference or future review or investigation.

The time assigned for a meeting will be allocated by the Chairman in order to allow sufficient time to review the Company's performance after the auditor's review or endorsement of financial statements, and the directors' discussion and comments to the management. All directors are independent in making any opinions.

The Attendance of the Directors in 2020

Name	The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Shareholder's Meeting 2020
	Total 8 times (Total 11 Directors)	Total 4 times (Total 3 Directors)	Total 2 times (Total 5 Directors)	Total 1 times (Total 11 Directors)
1. Mr. Thana Chaiprasit	8/8	-	-	1/1
2. Mr. Pongtep Polanun	8/8	4/4	2/2	1/1
3. Mr. Siripong Oontornpan	8/8	-	2/2	1/1
4. Mr. Chokechai Tanpoonsinthana	8/8	4/4	-	1/1
5. Mr. Sripop Sarasas	8/8	4/4	2/2	1/1
6. Mr. Thanarak Phongphatar	8/8	-	-	1/1
7. Mr. Kittisak Sopchokchai	7/8	-	2/2	1/1
8. Mr. Pisak Charudilaka	8/8	-	-	1/1
9. Mr. Suraporn Raktaprarachit	8/8	-	2/2	1/1
10. Mr. Chodiwat Duntasarn	8/8	-	-	1/1
11. Mrs. Sasinet Baholyodhin	8/8	-	-	1/1

The Company's Management consists of:



Name	Position
1. Mr. Siripong Oontornpan	President
2. Mr. Suraporn Raktaprachit	Senior Executive Vice President – Service Division
3. Mr. Asawin Kangvolkij	Senior Executive Vice President – Finance Division
4. Mrs. Netnapit Oontornpan	Senior Executive Vice President – Corporate Affairs Division
5. Mr. Chodiwat Duntasarn	Senior Executive Vice President – Customer Relations and Satisfaction Division
6. Mr. Apichai Nimgirawath	Senior Executive Vice President – Sales and Marketing Division
7. Mr. Promporn Ketudat	Senior Executive Vice President – Digital Transformation Division

Company Secretary

The Board of Directors has appointed Ms. Sarin Chandranipapongse as a company secretary. The Board of Directors appointed by an appropriation, as she has a knowledge and capability in managing the Company secretary and positioning as Vice president of Company Secretary Department. In addition, the Company encourages the Company secretary to train and develop continuously. The Company secretary's profile and experiences were disclosed in the Annual Report.

The Role of the Company Secretary

1. To facilitate all Board of Directors' activities
2. To schedule the meeting of the Board of Directors and Sub-committee and conduct the Board of Directors' meeting and shareholders' meeting.
3. To follow up and coordinate with relevant people, for the compliance of the resolutions from the Board of Directors and shareholders' meeting, as well as to report the monitored-operation.
4. To provide primary legal advices, associated rules, and the Code of Conduct to the Board of Directors, accordance with the law.
5. To coordinate with the regulatory authorities, such as the Security and Exchange Commission and the Stock Exchange of Thailand, in disclosure the information to the authorities and the public with legally accurate.
6. To prepare and maintain the documents, as follows;
 - The Board of Directors Registration
 - The Notice of the Board of Directors meeting
 - The Minute of the Board of Directors meeting
 - The Annual Report
 - The Notice of the Shareholders' meeting and the Minute of the Shareholders' meeting
7. To conduct the Board of Director's Orientation and provide advices for a new director.
8. To communicate with the shareholders and appropriately provide the shareholders to know their rights and the Company's updated information.
9. To perform other actions specified by the Securities and Exchange Commission.
10. To act on duties appointed by the Company.

Remuneration of Directors and the Management

The Nomination and Remuneration Committee shall be responsible for proposing the guidelines and determining the remuneration for directors at the appropriate rate and comparable within the same industry and same business size. The survey data of the directors' compensation of the Thai Institute of Directors and the Stock Exchange of Thailand is used in consideration in determining the remuneration to the directors at the comparable rate of the same industry to motivate and be appropriated to the knowledge, ability and responsibilities of the directors. Monthly remuneration and meeting allowance for the Board of Director and Audit Committee are determined. The committee members who are members of the sub-committee will receive meeting allowance for the sub-committee as well.

The Nomination and Remuneration Committee will propose the renumeration results to the Board of Directors for consideration and then propose it to the Annual General Meeting of Shareholders for approval. For 2020, the remuneration of the various committees and sub-committees is still at the same rate, which has not been requested for approval at the 2020 Annual General Meeting of Shareholders.

The Directors' Remunerations in the year of 2020

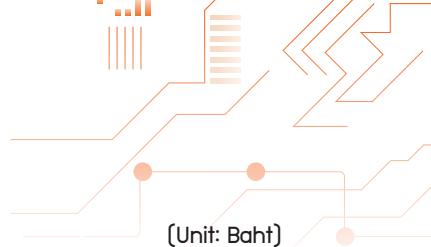
1. The details of the Board of Director's Remuneration are as follows:

(Unit: Baht)

Name	Position	Meeting Allowance	Retainer	Pension	Total
			Monthly	Annual	
1. Mr. Thana Chaiprasit	Chairman of the Board	200,000.00	300,000.00	1,565,217.39	2,065,217.39
2. Mr. Pongtep Polanun	Vice Chairman and Independent Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
3. Mr. Siripong Oontornpan	Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
4. Mr. Kittisak Sopchokchai	Director	119,000.00	156,000.00	1,043,478.26	1,318,478.26
5. Mr. Suraporn Raktapradit	Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
6. Mr. Thanarak Phongphatar	Independent Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
7. Mr. Kijja Laoboonchai ⁽¹⁾	Director	136,000.00	156,000.00	434,782.61	726,782.61
Mrs. Sasinet Baholyodhin ⁽¹⁾		-	-	608,695.65	608,695.65
8. Mr. Chokechai Tanpoonsinthana	Independent Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
9. Mr. Sripop Sarasas	Independent Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
10. Mr. Pisak Charudilaka	Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
11. Mr. Chodiwat Duntasarn	Director	136,000.00	156,000.00	1,043,478.26	1,335,478.26
Total		1,543,000.00	1,860,000.00	12,000,000.00	15,403,000.00

Note :

1. The Chairman of the Board receives remuneration rate of 25,000 Baht per meeting and monthly retainer fee of 25,000 Baht per month
2. The Director receives remuneration rate of 17,000 Baht per meeting and monthly retainer fee of 13,000 Baht per month
3. The Annual General Meeting no. 1/2019 approved a resolution to grant the pension to the Directors for the total amount of 7.5 Million Baht
4. ⁽¹⁾ Mrs. Sasinet Baholyodhin was approved and appointed as a director according to the resolution of the Board of Directors Meeting No. 5/2019 on 8 August 2019, replacing Mr. Kijja Laoboonchai, who tendered his resignation, effective from 9 August 2019 onwards.



2. The details of The Audit Committee's Remuneration are as follows:

Name	Position	Meeting Allowance	Retainer	Total
			Monthly	
1. Mr. Chokechai Tanpoonsinthana	Chairman	100,000	300,000	400,000
2. Mr. Pongtep Polanun	Director	80,000	240,000	320,000
3. Mr. Sripop Sarasas	Director	80,000	240,000	320,000
	Total	260,000	780,000	1,040,000

Note : 1. The Chairman of the Board receives remuneration rate of 25,000 Baht per meeting and monthly retainer fee of 25,000 Baht per month
2. The Director receives remuneration rate of 20,000 Baht per meeting and monthly retainer fee of 20,000 Baht per month

3. The details of The Nomination and Remuneration Committee's Remuneration are as follows:

(Unit: Baht)			
Name	Position	Remuneration Fee	Total
1. Mr. Pongtep Polanun	Chairman	50,000	50,000
2. Mr. Siripong Oontornpan	Director	40,000	40,000
3. Mr. Sripop Sarasas	Director	40,000	40,000
4. Mr. Kittisak Sopchokchai	Director	40,000	40,000
5. Mr. Suraporn Raktapradit	Director	40,000	40,000
	Total	210,000	210,000

Note : 1. The Chairman of the Board receives remuneration rate of 25,000 Baht per meeting
2. The Director receives remuneration rate of 20,000 Baht per meeting

Managements Remuneration 2020

The Company set a criteria in the Managements remuneration, based on the knowledge, ability, experiences, and annual performances, as well as the comparison with other companies in the same industry and similar in its size.

Lists of Remuneration for the Directors and Executives

(Unit: Million THB)				
Related parties	Related transactions	2020	2019	2018
1. The Audit Committee	Short-term employee benefits	6	4	5
2. Directors who are a member of the Executive Board	Short-term employee benefits	62	59	66
	Post employee benefits	7	8	4
	Committee and Managements			
3. Directors who are not a member of the Audit Committee and the Managements	Short-term employee benefits	6	4	6

Employees

As of 31 December 2020, The Company has in total of 570 employees, divided into these following divisions;

Divisions	Total Employees (person), as of 31 December 2020
1. Sales and Marketing	68
2. Finance	18
3. Service	416
4. Corporate Affairs	48
5. Customer Satisfaction	2
6. Digital Transformation	7
7. President Office	11
Total	570

Remark: The number of employees in the table includes the executives.

Monetary Remuneration

In 2020, the Company reviewed the policy of the employee remuneration in accordance with the Company's short-term and long-term operation results; there are payment of monetary remuneration to employees such as salary, bonus, and allowance (without directors and executives' exclusive according to the SEC) of the total 647.46 million THB.

Human Resources Development Policy

The human resources development policy focuses on building up employees' competences to compete with the market to support the expansion of business in the future by planning the organizational structure and human resources appropriately. The human resources development takes place at all levels, preparing to perform well to achieve the business goals. The development is divided to three areas.

1. Knowledge Development The Company's human resources development has a policy to develop the personnel to be ready for the changes in innovation and technology, mainly focuses in keeping and developing the former talented personnel. The Company is also recruiting a specialist in new technology to help working in the Company, for developing the employees to be valuable and quality resources and prepared to be a main power in the future, under the concept "The personnel is the foundation of the business". In the previous year, there are a number of issues in the technology trends that the business sectors have to adapt for a better management. Therefore, the Company has to develop the personnel in new technologies, such as Internet of Things for Business, Python for Network, Cloud Technology, SDN Associate, and Big Data Foundation.

2. Skill Development Human Resource Management of a various business sector has to develop their personnel to keep up with the technology, which will enable the Company to grow with strength and quality. The personnel development was practiced continuously by training the personnel to be ready in a rapid



technological change and the expansion of the business. The training plan of the human resource development focuses on a technical skill and soft skill, for the personnel to have knowledge to be successfully operated. This includes the ability to work with the others effectively. The policy of human resource development has set to be the key drivers and be responsive on the Company's vision and strategy to meet the goals. The Company human resource developments are as follow;

- **The human resource development on the Technical Skill** The Company are promoting the employees to have knowledge skills in special technical aspect for an operation in various technologies, including a network, systems, and software, for the personnel to have a technical skill in the form of the collaboration technical skill. This can be seen in the employees training program to support and be certified by the Information Technology Professional Examination, as to guarantee the employees' qualification to ensure and create customers confidence that in the previous year there is a development of the personnel in this area. The Company intends to develop the human resources in order to have occupational competences to operate and meet the Company standard.

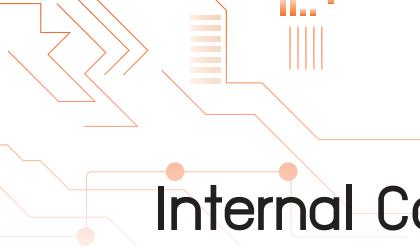
- **The human resource development on the Soft Skill** The Company believes that in order for the Company to be successful, it is not created by only a variety of technical knowledge and skill each personnel has. To have a high quality and less conflict work which partially helped by the relationship between employees that make all works successful and align on the set standard. The Company assigns the human resources in each level to develop on the soft skills, as believe in the importance of team working, human resource management, communication between each others, such as the leader, subordinate, co-worker, and customers. The Company introduces an annual training and developing plan for employees by inviting a speaker and expert with a direct knowledge and experiences in each fields to lecture and educate the employees. In 2020, there are the trainings as follows;

1) **Being Professional & Accountable Leader.** This course creates professionalism to the Company's personnel, where the characteristics and professional features are an important element of an effective leadership in the organization. In addition, the professionalism affects the responsibilities in thought, words, and actions, especially when mistakes occur. These personal responsibilities come with honesty and integrity, which are the main component of being a professional.

2) **Personality and Presentation Skills.** A development on making each personnel to have a good personality and trustable image and that will create a good corporate image. One factor that make a Company successful in the business is the "personnel", to create the best work from each personal effort to fulfill the expecting goals.

3) **Future Leaders Program.** Preparing to understand the management to form an executive through a learning process, future leader forming system. This is the preparation of a new generation to succeed in the future.

- **The human resources development on Ability.** The Company develops on its capacity development, knowledge on the working area, with high intension to develop on an occupational competence, which the operation will rely on the Company's standard. For example, encourages the employees to take a test and get a certificate in a various fields to further fulfill its knowledge and create a career path concretely.



Internal Control

Project Risk Management

As the Company revenues are mainly coming from project auction, the Company bestows serious attention on risks from project sales. Therefore, the Company has established an Enterprise Risk Management Policy and Framework as a major part of business management. The Company also set up the Project Risk Committee, comprised of a Senior Executive Vice President - Customer Relations and Satisfaction Division, an Executive Vice President - Advanced Technology and Application Services Department, two Executive Vice Presidents – Services Division, an Executive Vice President - Finance Division, and an Executive Vice President - Marketing and Sales Division to responsible for evaluate the Company's risks including financial performance, project management, and technical from both internal and external factors in mitigating risks to an acceptable level. The project's achievements are able to make the Company an appropriated return.

Internal control

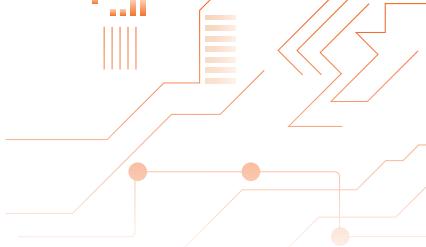
The Board of Directors and the executives are directly responsible for maintaining the internal control system including reviewing its efficiency on a regular basis in order to prevent the shareholders' investments and the Company's assets. The internal control system covers the areas of finance, operation, compliance and risk management. The effectiveness of the international control and risk management systems provide the Company a reasonable assurance that the following objectives and goals will be achieved:

- Reliability and integrity of information and financial reports
- Compliance with regulations, policies, procedures and related laws
- Prevention of the Company's assets including proper control and maintain
- Efficiency, effectiveness business operation and maximize our resources
- Effective achievement of the Company's objectives and strategies

The summarize of the key internal control systems implemented by the Company are as follows:

1. Organization & Control Environment

The Company has facilitated the appropriated organization chart and environmental as a core internal control foundation. The Company has formulated business plans complete with vision, objectives, strategies, and budgets as well as determined evaluation criteria from the operation. It has continues restructured the organization to align it with these business plans. The Company has implemented a good corporate governance system, hires qualified personnel and continuously develops its human resources. It has established key policies and procedures to be used as guidelines in order to control transactions of financial, purchasing and risk management, etc.



2. Risk Assessment

All departments are required to evaluate the effectiveness of the business transaction's risks. The Risk Management Committee and the Audit Committee play major roles in overseeing the implementation of the Company's risk management system to an acceptable level.

3. Management Control

The Company has separated responsibilities over the various management duties and their segregation in order to ensure that there is a control system of checks and balances through the use of proper written authority and approval levels and limits. Guidelines for connected and related transactions have also been developed to ensure compliance with all relevant laws.

4. Information & Communication

The Company has implemented a management information & Communication system to assist in decision making. Critical information and data are collected, analyzed and stored in the Company's database. Two-way communications are both effective and efficient within the Company. At the Board of Directors level, information and supporting documentation are provided to all members in order to make more informed decision making possible.

5. Monitoring

The Company's external auditors, EY Office Limited, who appointed as the audit of the year 2020 which consolidated financial statements of Advanced Information Technology Public Company Limited and its subsidiary and separate statements of financial position in accordance with the generally accepted accounting standards.

The Company established the monitoring system by the executives and the Board of Directors to assess adherence to operation plans. The internal audit department is responsible for monitoring the internal controls independently, and giving an assessment and recommendations to the management team. The Board of Directors has evaluated the Company's internal control system in accordance with the assessment form provided by the Securities and Exchange Commission Thailand (SEC) in the following 5 areas: organization and control environment; risk management; management control; information and communication system; and monitoring system. The results of sufficiency of internal control system evaluation of the company in the year 2020 had an average score of 90%. The Board of Directors concluded that the overall internal control system is adequate and effective.

The Company appointed DIA and Associates Co., Ltd., as the Company's internal audit. The internal audit department reports directly to the Audit Committee, Managing Director and the President. Its duties and responsibilities include consulting, monitoring and assessing the effectiveness of the Company' and its subsidiaries' internal control systems, risk management systems and corporate governance to ensure that these are adequate and effective according to the Company's objectives.



The internal audit department has adopted a risk-based approach in formulating the annual audit plan which focuses on key business risks that might impact on the Company's business objectives and the accuracy of financial reports. This plan is reviewed and approved by the Audit Committee on an annual basis and reviewed the audit results and progress reports on a quarterly basis. The internal audit of the Company encourages applying for the standards of the Standards for the Professional Practice of Internal Auditing, the Institution of Internal Auditors. The policy establishes risk management framework which is independent, accurate, and reinforces the resources adequately.

The Company has established an internal audit charter, aligned with the standard of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The internal audit charter was approved by the Board of Directors resolution no.4/2010.

The Internal Audit results in year 2020 are as follows:

1. Internal Audit No. 4/2019

Human resource control system, salary and wages

1. Operation manual
2. Job description
3. Salary structure
4. Recruitment & selection
5. Training
6. Calculation of pay raise
7. Calculation of the annual bonus payment
8. Payroll control
9. Resignation

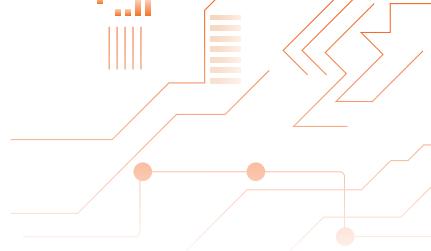
Follow-up of previous audit results

1. Organization overview
2. Human resource system, salary and wages
3. Budget management system
4. System for controlling the withdrawal and reimbursement of advance payment
5. Casheir system
6. Procurement system

2. Internal Audit No. 1/2020

Commission calculation system

1. Operation manual
2. Job description
3. Task division
4. Commission calculation
- 5 Commision report preparation
6. Accounting records
- Control system for petty cash payments and compensation
1. Operation manual
2. Job description
3. Task division
4. Authorization power
5. Petty cash registers and counters
6. Petty cash payments and compensation
7. Petty cash storage
8. Accounting records



3. Internal Audit No.2/2020

Accounts receivable control system

1. Operation manual
2. Job description
3. Accounts receivable aging report
4. Control the issue of invoices and tax invoices
5. Preparation of invoices and tax invoices
6. Preparation of project progress report
7. Accounting records

Sales control system

1. Operation manual
2. Sales department structure
3. Job description
4. Selling price approval to offer to customers
5. User manual for RNFC system
6. Credit term approval
7. Proof of Trade
8. Application for letter of guarantee
9. Application for recovery of Letter of Guarantee

4. Internal Audit No. 3/2020

Check Payment Control System

1. Operation manual
2. Check payment regulations
3. Job description
4. Preparation of checks and approval of check payments
5. AC PAYEE stamping and crossed out the word "bearer"
6. Accounting records

Fixed assets control system

1. Job description
2. Permanent property records
3. Property handover
4. Establishment of fixed asset register
5. Calculation of depreciation
6. Fixed asset inventory
7. Disposal of fixed assets
8. Repair of assets
9. Fixed assets insurance

Financial Information

Related party transactions

During the year, the Company had significant business transactions with the related parties which are conducted fairly at market prices. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	2020	2019	Transfer pricing policy
Transactions with joint arrangement			
Other income	-	1	Agree-upon price
Transactions with the related parties			
Sales of goods and services	7	-	Market price
Finance income	26	-	Agree-upon rate

As at 31 December 2020 and 2019, the balance of the accounts between the Company and those related parties are as follows:

(Unit: Million Baht)

	2020	2019
Trade accounts receivable - related party		
Related company (related by a common director)	-	121
Other receivables - related party		
Joint arrangement	-	1
Advance to related party		
Joint arrangement	-	3

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	2020	2019
Short-term employee benefits	74	67
Post-employment benefits	7	8
Total	81	75

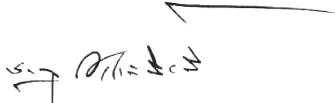
The Board of Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the financial statements of the Advanced Information Technology Public Company Limited including other related financial information which publish in the Annual Report. The financial statements are prepared in accordance with the Financial Reporting Standard that are appropriate in the circumstances and reasonableness of accounting estimates with careful consideration including transparent disclosures of important information in the notes to the financial statements which beneficial to shareholders and investors.

The Board of Directors established the appropriated risk management and internal control systems as well as evaluation to be efficient and up to standard and ensure that the Company's financial statements contain adequate and appropriated information in order to prevent any fraudulent activities or detect significantly abnormal operating. The Board of Directors appointed the Audit Committee to responsible for review of the accounting policy and quality of the Company's financial statements, internal control system, internal audit system, risk management system as well as consider any related transactions. The Audit Committee's opinion shall be provided in the Report of the Audit Committee which represented in this Annual Report.

The accompanying the consolidate financial statements and the separate financial statements of Advanced Information Technology Public Company Limited which comprise the statement of financial position as at 31 December 2020, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements were audited by an independent external auditor, EY Company Limited. The Board also responsible to prepare and disclose information to support the auditor to review and gave opinion in accordance with Thai Standards on Auditing. The auditor's opinion shall be provided in the Report of the independent external auditor which represented in this Annual Report.

In conclusion, the Board of Directors gave opinions that the internal control systems of the Company are appropriate and ensure that the Company's financial statements of the Advanced Information Technology Public Company Limited are accurate in accordance with the generally accepted accounting standards and the related regulations.



Mr. Thana Chaiprasit
Chairman of the Board



Mr. Siripong Oontornpan
Chairman of Executive Board
Committee and President



Independent Auditor's Report

To the Shareholders of Advanced Information Technology Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Advanced Information Technology Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Advanced Information Technology Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Advanced Information Technology Public Company Limited and its subsidiary and of Advanced Information Technology Public Company Limited as at 31 December 2020, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

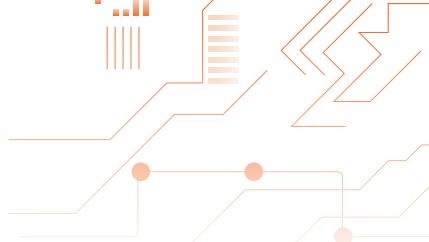
I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.



Revenue recognition

The Company has disclosed its policies on revenue recognition for sales and services provided under contracts, cost estimates for projects under contracts and provision for anticipated losses on projects in Note 5.1 a) and Note 5.1 c) to the financial statements. I identified revenue recognition and estimation of anticipated losses on projects to be areas of significant risk in the audit. This is because the amount of revenue that the Company recognises from such contracts in each period forms a significant portion of the Company's total revenue. In addition, the process of measurement, the determination of appropriate timing of recognition, and the estimation of anticipated losses are areas requiring management to exercise significant judgement to assess the percentage of completion, the probability of loss, and the measurement of anticipated loss. There are therefore risks with respect to amount and timing of the recognition of revenue and provisions for anticipated losses on projects.

I assessed and tested the internal controls put in place by the Company over the process of entering into contracts, estimates of project costs and revisions thereto, recognition of revenue and estimation of percentage of completion and anticipated losses under contracts by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.

I also selected major contracts and randomly selected additional samples and performed the following procedures:

- Read the contracts to consider the conditions relating to revenue recognition.
- Inquired with the Company's engineers/the project managers about the terms of and risks associated with these contracts relevant to revenue recognition and estimates of anticipated loss.
- Made enquiries of the Company's engineers/the project managers, gained an understanding of the Company's process to assess the percentage of completion and cost estimates for projects, compared estimates of project costs to the project budgets approved by authorised person, and on a sampling basis, examined relevant documents and considered the rationale for budget revisions, compared past estimates with actual project costs in order to evaluate the project management's competency in estimating project costs, checked actual costs to supporting documents and performed an analytical review to compare the percentage of completion estimated by the Company's engineers / the project managers to the percentage of completion derived from the actual costs incurred.
- Evaluated the anticipated losses on projects assessed by the management through a comparative analysis of the actual cost incurred to the cost estimates for projects.
- Examined the accounting transactions related to revenue recognition that were recorded through journal vouchers, in order to detect any irregularities.
- Reviewed the disclosures made in the notes to the financial statements with respect to the basis of revenue recognition and the estimation of anticipated losses.



Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Manee Rattanabunnakit

Certified Public Accountant (Thailand) No. 5313

EY Office Limited

Bangkok: 11 February 2021



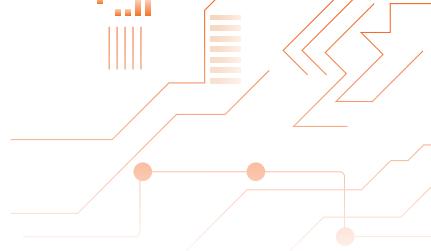
Statement of financial position

Advanced Information Technology Public Company Limited and its subsidiary As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	204,474,495	190,182,417	204,474,495	190,182,394
Trade and other receivables	9	2,633,925,272	2,268,609,813	2,633,925,272	2,268,609,813
Contract assets	10	1,303,894,241	1,705,038,508	1,303,894,241	1,705,038,508
Short-term loan to related party	7	3,000,000	-	3,000,000	-
Inventories	11	1,575,927,735	745,931,039	1,575,927,735	745,931,039
Advances for goods and services		60,000	156,426,249	60,000	156,426,249
Other current assets		130,527,776	150,809,097	130,527,776	150,809,097
Total current assets		5,851,809,519	5,216,997,123	5,851,809,519	5,216,997,100
Non-current assets					
Other non-current financial assets	12	139,584,500	-	139,584,500	-
Investment in subsidiary	13	-	-	-	23
Investments in joint ventures	15	30,707,663	38,025,873	169,999,700	169,999,700
Investments in related party	12	-	84,990,500	-	84,990,500
Property, plant and equipment	16	93,036,395	101,898,287	93,036,395	101,898,287
Right-of-use assets		24,695,962	-	24,695,962	-
Equipment for lease	17	88,674,837	120,564,670	88,674,837	120,564,670
Intangible assets	18	34,934,200	36,190,005	34,934,200	36,190,005
Withholding tax deducted at sources		-	12,766,899	-	12,766,899
Deferred tax assets	27	87,804,082	67,863,310	87,804,082	67,863,310
Other non-current assets		77,936,779	49,316,171	77,936,779	49,316,171
Total non-current assets		577,374,418	511,615,715	716,666,455	643,589,565
Total assets		6,429,183,937	5,728,612,838	6,568,475,974	5,860,586,665

The accompanying notes are an integral part of the financial statements.



Statement of financial position (continued)

Advanced Information Technology Public Company Limited and its subsidiary As at 31 December 2020

(Unit: Baht)

	<u>Note</u>	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from finance institutions	19	250,000,000	400,000,000	250,000,000	400,000,000
Trade and other payables	20	1,341,005,805	738,499,038	1,341,005,805	738,499,038
Unbilled payables		830,353,270	713,542,362	830,353,270	713,542,362
Current portion of liabilities under financial arrangement agreements	21	143,218,049	42,586,522	143,218,049	42,586,522
Current portion of lease liabilities		10,531,887	-	10,531,887	-
Income tax payable		37,462,085	32,404,789	37,462,085	32,404,789
Contract liabilities		351,066,460	544,483,659	351,066,460	544,483,659
Provision for penalty on project delay	10	77,502,855	115,548,813	77,502,855	115,548,813
Other current financial liabilities	22	3,117,304	673,268	3,117,304	673,268
Other current liabilities		133,726,638	94,310,015	133,726,638	94,310,015
Total current liabilities	23	3,177,984,353	2,682,048,466	3,177,984,353	2,682,048,466
Non-current liabilities					
Liabilities under financial arrangement agreements					
	21	171,914,619	62,918,329	171,914,619	62,918,329
Lease liabilities - net of current portion		14,492,528	-	14,492,528	-
Provision for long-term employee benefits	24	139,570,547	97,768,596	139,570,547	97,768,596
Total non-current liabilities		325,977,694	160,686,925	325,977,694	160,686,925
Total liabilities		3,503,962,047	2,842,735,391	3,503,962,047	2,842,735,391

The accompanying notes are an integral part of the financial statements.



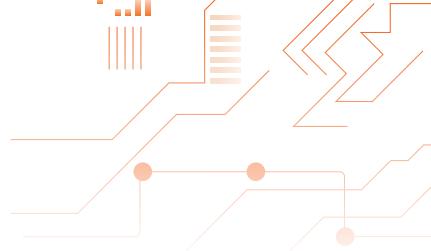
Statement of financial position (continued)

Advanced Information Technology Public Company Limited and its subsidiary As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital					
Registered					
206,320,897 ordinary shares of					
Baht 5 each		1,031,604,485	1,031,604,485	1,031,604,485	1,031,604,485
Issued and fully paid-up					
206,320,897 ordinary shares of					
Baht 5 each		1,031,604,485	1,031,604,485	1,031,604,485	1,031,604,485
Share premium		303,437,091	303,437,091	303,437,091	303,437,091
Retained earnings					
Appropriated-statutory reserve	25	103,160,449	103,160,449	103,160,449	103,160,449
Unappropriated		1,484,454,218	1,445,109,775	1,626,311,902	1,579,649,249
Other components of shareholders' equity		2,565,647	2,565,647	-	-
Total shareholders' equity		2,925,221,890	2,885,877,447	3,064,513,927	3,017,851,274
Total liabilities and shareholders' equity		6,429,183,937	5,728,612,838	6,568,475,974	5,860,586,665

The accompanying notes are an integral part of the financial statements.



Statement of comprehensive income

Advanced Information Technology Public Company Limited and its subsidiary For the year ended 31 December 2020

	Note	Consolidated financial statements		(Unit: Baht) Separate financial statements	
		2020	2019	2020	2019
Profit or loss					
Revenues					
Sales and service income		6,529,652,751	6,903,424,041	6,529,652,751	6,903,424,041
Rental income from equipment for lease		131,232,762	118,903,864	131,232,762	118,903,864
Other income		70,082,803	51,387,340	70,082,803	51,387,340
Total revenues		6,730,968,316	7,073,715,245	6,730,968,316	7,073,715,245
Expenses					
Cost of sales and service		5,414,922,662	5,882,791,366	5,414,922,662	5,882,791,366
Cost of equipment for lease		90,198,230	59,139,930	90,198,230	59,139,930
Selling and distribution expenses		264,781,673	215,309,296	264,781,673	215,309,296
Administrative expenses		446,372,206	375,369,613	446,372,206	375,369,613
Total expenses		6,216,274,771	6,532,610,205	6,216,274,771	6,532,610,205
Operating profit	15	514,693,545	541,105,040	514,693,545	541,105,040
Share of loss from investments in joint ventures		(7,318,210)	(28,548,100)	-	-
Finance income		26,264,529	2,962,533	26,264,529	2,962,533
Finance cost		(21,122,543)	(8,940,201)	(21,122,543)	(8,940,201)
Profit before income tax expenses	27	512,517,321	506,579,272	519,835,531	535,127,372
Income tax expenses		(118,246,449)	(114,486,391)	(118,246,449)	(114,486,391)
Profit for the year		394,270,872	392,092,881	401,589,082	420,640,981
Other comprehensive income:					
Other comprehensive income to be classified to profit or loss in subsequent periods					
Share of other comprehensive income from investments in joint venture	15	-	(5,104,731)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	(5,104,731)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss) - net of income tax	24, 27	(14,497,114)	4,328,239	(14,497,114)	4,328,239
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(14,497,114)	4,328,239	(14,497,114)	4,328,239
Other comprehensive income for the year		(14,497,114)	(776,492)	(14,497,114)	4,328,239
Total comprehensive income for the year		379,773,758	391,316,389	387,091,968	424,969,220
Basic earnings per share	28				
Profit attributable to equity holders of the Company		1.91	1.90	1.95	2.04

The accompanying notes are an integral part of the financial statements.

Statements of changes in shareholders' equity

Advanced Information Technology Public Company Limited and its subsidiary For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements					
Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity Share of other comprehensive income from joint venture
			Appropriated	Unappropriated	
	1,031,604,485	303,437,091	103,160,449	1,275,641,532	7,670,378
Balance as at 1 January 2019				392,092,881	2,721,513,935
Profit for the year	-	-	-	4,328,239	392,092,881
Other comprehensive income for the year	-	-	-	(5,104,731)	(776,492)
Total comprehensive income for the year	-	-	-	(5,104,731)	391,316,389
Dividend paid	31	-	-	(226,952,877)	(226,952,877)
Balance as at 31 December 2019	1,031,604,485	303,437,091	103,160,449	1,445,109,775	2,565,647
					2,885,877,447
Balance as at 1 January 2020	1,031,604,485	303,437,091	103,160,449	1,445,109,775	2,565,647
Profit for the year	-	-	-	394,270,872	2,885,877,447
Other comprehensive income for the year	-	-	-	(14,497,114)	394,270,872
Total comprehensive income for the year	-	-	-	379,773,758	(14,497,114)
Dividend paid	31	-	-	(340,429,315)	379,773,758
Balance as at 31 December 2020	1,031,604,485	303,437,091	103,160,449	1,484,454,218	(340,429,315)
					2,565,647
					2,925,221,890

The accompanying notes are an integral part of the financial statements.

Statements of changes in shareholders' equity (continued)

Advanced Information Technology Public Company Limited and its subsidiary For the year ended 31 December 2020

(Unit: Baht)

Note	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
	1,031,604,485	303,437,091	103,160,449	1,381,632,906	2,819,834,931
Balance as at 1 January 2019	-	-	-	420,640,981	420,640,981
Profit for the year	-	-	-	4,328,239	4,328,239
Other comprehensive income for the year	-	-	-	424,969,220	424,969,220
Total comprehensive income for the year	-	-	-	(226,952,877)	(226,952,877)
Dividend paid	31	-	-	1,579,649,249	3,017,851,274
Balance as at 31 December 2019	1,031,604,485	303,437,091	103,160,449	-	-
Balance as at 1 January 2020	1,031,604,485	303,437,091	103,160,449	1,579,649,249	3,017,851,274
Profit for the year	-	-	-	401,589,082	401,589,082
Other comprehensive income for the year	-	-	-	(14,497,114)	(14,497,114)
Total comprehensive income for the year	-	-	-	387,091,968	387,091,968
Dividend paid	31	-	-	(340,429,315)	(340,429,315)
Balance as at 31 December 2020	1,031,604,485	303,437,091	103,160,449	1,626,311,902	3,064,513,927

The accompanying notes are an integral part of the financial statements.

Cash flow statement

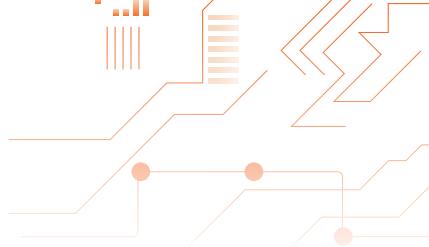
Advanced Information Technology Public Company Limited and its subsidiary As at 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	512,517,321	506,579,272	519,835,531	535,127,372
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	99,018,221	86,681,703	99,018,221	86,681,703
Allowance for doubtful accounts	-	42,741,417	-	42,741,417
Impairment loss on financial assets	107,841,450	-	107,841,450	-
Share of loss from investments in joint ventures	7,318,210	28,548,100	-	-
Provision for penalty on project delay	1,433,321	39,503,720	1,433,321	39,503,720
Loss on write-off withholding tax deducted at source	2,041,991	-	2,041,991	-
Loss (gain) on sales and write-off of building improvement and equipment	(135,136)	3,376	(135,136)	3,376
Loss on write-off of equipment for lease	(173,285)	-	(173,285)	-
Provision for long-term employee benefits	26,665,324	30,115,382	26,665,324	30,115,382
Unrealised (gain) loss on exchange	(12,859,679)	15,008,903	(12,859,679)	15,008,903
Loss on fair value adjustments of financial instruments	2,444,036	1,078,395	2,444,036	1,078,395
Finance cost	21,122,543	8,940,201	21,122,543	8,940,201
Profit from operating activities before changes in operating assets and liabilities	767,234,317	759,200,469	767,234,317	759,200,469
Operating assets (increase) decrease				
Trade and other receivables	(411,225,069)	(804,395,503)	(411,225,069)	(804,395,503)
Contract assets	352,467,773	(1,164,606,315)	352,467,773	(1,164,606,315)
Inventories	(829,996,696)	(367,654,133)	(829,996,696)	(367,654,133)
Advances for goods and services	156,366,249	(156,426,249)	156,366,249	(156,426,249)
Other current assets	20,281,321	34,914,761	20,281,321	34,914,761
Other non-current assets	(28,620,608)	(16,241,232)	(28,620,608)	(16,241,232)
Operating liabilities increase (decrease)				
Trade and other payables	599,580,949	86,898,419	599,580,972	86,898,396
Unbilled payables	116,810,908	229,540,829	116,810,908	229,540,829
Contract liabilities	(193,417,199)	311,372,297	(193,417,199)	311,372,297
Cash paid for penalty on project delay	(39,479,279)	(14,715,033)	(39,479,279)	(14,715,033)
Other current liabilities	39,327,933	34,981,872	39,327,933	34,981,872
Cash paid for long-term employee benefits	(2,984,766)	(9,984,563)	(2,984,766)	(9,984,563)
Cash from (used in) operating activities	546,345,833	(1,077,114,381)	546,345,856	(1,077,114,404)
Interest paid	(21,448,023)	(8,496,639)	(21,448,023)	(8,496,639)
Refundable withholding tax deducted at sources	10,724,908	-	10,724,908	-
Income tax paid	(129,505,645)	(100,000,491)	(129,505,645)	(100,000,491)
Net cash from (used in) operating activities	406,117,073	(1,185,611,511)	406,117,096	(1,185,611,534)

The accompanying notes are an integral part of the financial statements.

Cash flow statement (continued)



Advanced Information Technology Public Company Limited and its subsidiary As at 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Purchase of financial instruments	(54,594,000)	-	(54,594,000)	-
Increase in short-term loan to related party	(3,000,000)	-	(3,000,000)	-
Proceeds from sales of equipment	144,436	-	144,436	-
Proceeds from sales of equipment for lease	173,500	-	173,500	-
Cash payment for purchase of building improvement and equipment	(16,352,220)	(17,459,420)	(16,352,220)	(17,459,420)
Cash payment for purchase of equipment for lease	(23,017,776)	(74,003,944)	(23,017,776)	(74,003,944)
Cash payment for purchase of computer software	(4,642,699)	(3,990,977)	(4,642,699)	(3,990,977)
Net cash used in investing activities	(101,288,759)	(95,454,341)	(101,288,759)	(95,454,341)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(150,000,000)	400,000,000	(150,000,000)	400,000,000
Increase in liabilities under financial arrangement agreements	209,627,817	32,421,469	209,627,817	32,421,469
Cash payment for lease liabilities	(9,823,428)	-	(9,823,428)	-
Dividend paid	(340,340,625)	(226,927,976)	(340,340,625)	(226,927,976)
Net cash from (used in) financing activities	(290,536,236)	205,493,493	(290,536,236)	205,493,493
Net increase (decrease) in cash and cash equivalents	14,292,078	(1,075,572,359)	14,292,101	(1,075,572,382)
Cash and cash equivalents at beginning of year	190,182,417	1,265,754,776	190,182,394	1,265,754,776
Cash and cash equivalents at end of year	204,474,495	190,182,417	204,474,495	190,182,394
Supplemental cash flows information				
Non-cash transactions				
Purchase of building improvement and equipment for which no cash has been paid	2,855,630	5,118,237	2,855,630	5,118,237
Purchase of computer software for which no cash has been paid	-	627,219	-	627,219
Right-of-use assets from lease agreements	9,244,035	-	9,244,035	-

The accompanying notes are an integral part of the financial statements.



Advanced Information Technology Public Company Limited and its subsidiary Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 General information of the Company

Advanced Information Technology Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the sale, design, installation, service, ongoing repair and maintenance, training and lump sum turnkey for information and communication technology network systems and the renting of computers and electronic equipment. The registered office of the Company is at 37/2 Suthisarnvinijchai Road, Samsaennok, Huaykwang, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Advanced Information Technology Public Company Limited (“the Company”) and S P Resources and Commercials Pte. Ltd. (“the subsidiary”), which is a company incorporated in Singapore.
- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchanged differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiary and joint ventures under the cost method.

2.4 The Company has joint arrangements which assessed as joint operations between the Company and other joint operators. The Company recognises its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, to the separate financial statements, the details as follows:

Name of entity	Nature of Business	Country of incorporation	Interest in joint operations	
			2020	2019
			Percent	Percent
AWD Joint Venture	Construction	Thailand	50	50

In May 2019, AWD Joint Venture entered into an agreement on a project of shifting cable conduits underground throughout Bangkok with Krungthep Thanakom Company Limited. AWD Joint Venture is a joint arrangement which is treated as a joint operation among the Company and other two companies, with the Company having an interest of 50% under the joint venture agreement.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below:



Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. They also include stipulations regarding the presentation and disclosure of financial instruments

The adoption of these standards has the impact on the Company's financial statements to result in the following adjustments.

- Classification and measurement of non-listed equity investments - The Company has decided to measure these investments at fair value and classify them as financial assets at fair value through profit or loss.
- Recognition of expected credit losses - The Company recognises an allowance for expected credit losses on its debt instruments measured at amortised cost, and it is no longer necessary for a credit-impaired event to have occurred. The Company applies the simplified approach to consider impairment of trade receivables.

The Company recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

TFRS 16 Leases

TFRS 16 supersedes TAS 17, Leases, together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.



The Company recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Company elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach and fair value measurement of non-listed equity investments.

In the fourth quarter of 2020, the Company has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and contingent liabilities. As a result, in preparing the financial statements for the year ended 31 December 2020, the Company has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Company's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.



4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Company has adopted the set of financial reporting standards related to financial instruments and TFRS16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	The impacts of			
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Non-current assets				
Investment in related party	84,991	(84,991)	-	-
Other non-current financial assets	-	84,991	-	84,991
Right-of-use assets	-	-	25,604	25,604
Liabilities				
Current liabilities				
Current portion of lease liabilities	-	-	7,547	7,547
Non-current liabilities				
Lease liabilities - net of current portion	-	-	18,057	18,057

4.1 Financial instruments

As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:



(Unit: Thousand Baht)

	The former carrying amount	Classification and measurement in accordance with TFRS 9	
		Fair value through profit or loss	Amortised cost
Financial assets as at 1 January 2020			
Cash and cash equivalents	190,182	-	190,182
Trade and other receivables	2,268,610	-	2,268,610
Contract assets	1,705,039	-	1,705,039
Other non-current financial assets	84,991	84,991	-
Total financial assets	4,248,822	84,991	4,163,831

As at 1 January 2020, the Company has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Company recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Company recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

(Unit: Thousand Baht)

Operating lease commitments as at 31 December 2019	35,452
Less: Short-term leases and leases of low-value assets	(4,350)
Add: Option to extend lease term	413
Less: Contracts reassessed as service agreements	(4,080)
Less: Deferred interest expenses	(1,831)
Increase in lease liabilities due to the adoption of TFRS 16	25,604
Liabilities under finance lease agreements as at 31 December 2019	-
Lease liabilities as at 1 January 2020	25,604
Weighted average incremental borrowing rate (percent per annum)	3.75
Comprise of:	
Current lease liabilities	18,057
Non-current lease liabilities	25,604

The adjustments of right-of-use assets due to the adoption of TFRS 16 as at 1 January 2020 are summarised below:

(Unit: Thousand Baht)

Buildings	1,025
Office equipment	2,296
Motor vehicles	22,283
Total right-of-use assets	25,604



5. Significant accounting policies

5.1 Revenue and expense recognition

a) Revenues from contract with customer

The Company considers that the contracts with customers are obtained when the Company is committed by the contracts with customers to transfer to the rights and obligations. The Company identifies the performance obligations in the contracts and allocates the transaction price to the performance obligations in the contracts.

Revenue arising from contracts with customers are recognised when control of goods or service have passed to customers at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to customers, excluding value added tax.

The Company transfers the control either over time or at a point in time depending upon conditions of contracts and laws applied to such contracts. The Company transfers control of assets over time if one of the following criteria is met:

- the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs;
- the entity's performance creates or enhances an asset that the customer controls as the asset is created; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Sales and service income

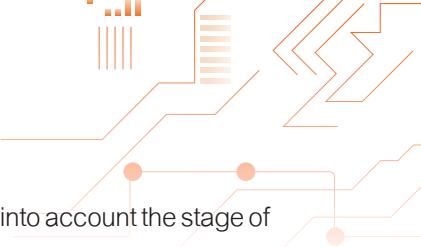
Revenues from the sale, design, installation, service, ongoing repair and maintenance, training and lump sum turnkey for information and communication technology network systems and long-term are recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Company's engineers/the project managers.

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Unbilled receivables" in the statement of financial position.

The obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Advance received from customers" in the statement of financial position.

The service-type warranties provided customers with a service in addition to the assurance with agreed-upon specifications are recognised as revenue over the periods in which the service is provided.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, and allowances to customers.



Service revenues are recognised when the services have been rendered taking into account the stage of completion.

Maintenance income is recognised over the period of maintenance.

Rental income

Rental income is recognised over the period of rental.

b) Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis.

The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

c) Cost of sales and service

Costs of sales, design, installation, service, ongoing repair and maintenance, training, contract lump sum turnkey for information and communication technology network systems and long-term construction are recognised in accordance with the percentage of work completed for which revenue has already been recognised, based on total estimated costs. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained. Differences between the estimated costs and the actual costs are recognised as "work in progress" under inventories or "unbilled payables" under current liabilities in the statement of financial position.

d) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of 3 months, or less, and are not subject to withdrawal restrictions.

5.3 Inventories

Equipment, work in progress and goods in transit are valued at the lower of cost and net realisable value.

Cost consists of the cost of equipment, labour, subcontract works and other relevant expenses.

5.4 Investments in subsidiary and joint ventures

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiary and joint ventures are accounted for in the separate financial statements using the cost method.

5.5 Property, plant, equipment and equipment for lease/Depreciation

Land is stated at cost. Building, equipment and equipment for lease are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant, equipment and equipment for lease is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building	20	years
Building improvement	5	years
Furniture, fixtures and office equipment	5, 10	years
Computers	3, 5	years
Equipment used in projects	3, 5	years
Equipment for lease	Lease period	3 - 6

Depreciation is included in determining income.

No depreciation is provided for land and asset under installation.

An item of property, plant, equipment and equipment for lease is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included as profit or loss when the asset is derecognised.

5.6 Intangible assets

The intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The estimated useful lives of computer software are 10 years.

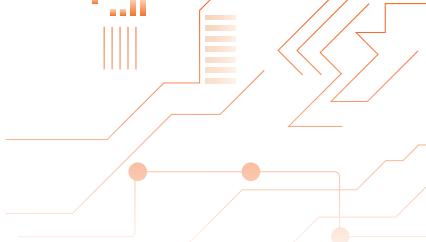
5.7 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

Accounting policies adopted since 1 January 2020

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.



Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2 - 4	years
Machinery and equipment	2 - 5	years
Motor vehicles	2 - 5	years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease period.



Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Company as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases are recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

5.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprise which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

5.9 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.10 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use asset and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

5.11 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.



Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

5.12 Provisions

Provisions are recognised when the Company 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.

5.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.



The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward, to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets, to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity, if the tax relates to items that are recorded directly to shareholders' equity.

5.14 Financial instruments

Accounting policies adopted since 1 January 2020

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

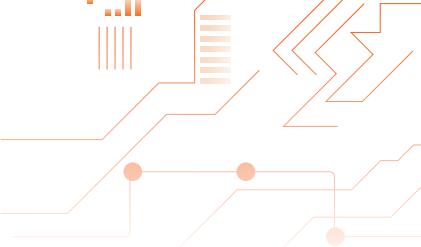
Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives and equity investments which the Company has not irrevocably elected to classify at FVOCI.

Dividends on equity investments are recognised as other income in profit or loss.



Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.



For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

The weighted average method is used for computation of the cost of investments.

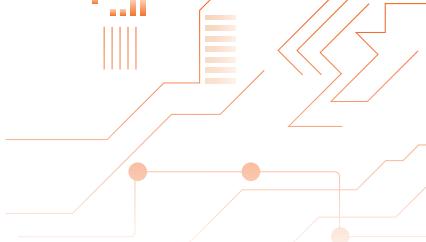
On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.15 Derivatives

The Company uses derivatives (forward currency contracts) to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.



5.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Estimation of percentage of completion

Revenues from sale, design, installation, service, ongoing repair and maintenance, training, lump sum turnkey for information and communication technology network systems and long-term construction are recognised over time when services have been rendered taking into account the stage of completion, the management has exercised judgement based on their best knowledge of the current events and arrangements and their experience of the business in order to estimate the percentage of completion according to output method to reflect the Company's performance obligation to complete, based on information from the engineers/project managers.

Provision for loss/penalty on project delay

The management apply their judgements in estimating the loss/penalty on project delay they expect to be realised on each project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in cost of equipment, labour, other relevant expenses and the current situation.



Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for each customer. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are relevant to investments in joint ventures.

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and recorded the provisions as described in Note 32.5 to the financial statements.

7. Related party transactions

During the years, the Company had significant business transactions with the related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.



(Unit: Million Baht)

	2020	2019	Transfer pricing policy
<u>Transactions with joint arrangement</u>			
Other income	-	1	Agree-upon price
<u>Transactions with the related parties</u>			
Sales of goods and services	7	-	Market price
Finance income	26	-	Agree-upon rate

As at 31 December 2020 and 2019, the balance of the accounts between the Company and those related parties are as follows:

	2020	2019
Trade accounts receivable - related party (Note 9)		
Related company (related by a common director)	-	121
Total trade receivables - related party	-	121
Other receivables - related party (Note 9)		
Joint arrangement	-	1
Total other receivables - relate party	-	1
Advance to related party (Note 9)		
Joint arrangement	-	3
Total advance to related party	-	3

Loans to related party

As at 31 December 2020 and 2019, the balances of loans between the Company and the related company and the movement in loans are as follows:

Loans to related party	Related by	Balance as at 31 December 2019	Increase during the year	Balance as at 31 December 2020
Genesis Data Center Co., Ltd.	Joint venture	-	3,000	3,000

As at 31 December 2020, the Company has short-term loans to joint venture amounted to Baht 3 million (2019: None), which is due at call. The interest rate is 4.5% per annum.

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Million Baht)	
	2020	2019
Short-term employee benefits	74	67
Post-employment benefits	7	8
Total	81	75

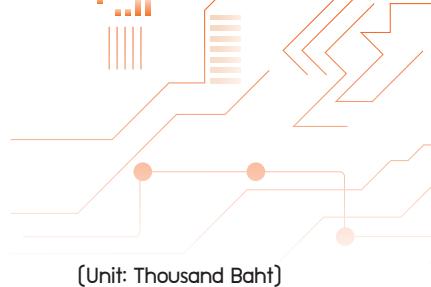
Guarantee obligations with related party

The Company and other companies have provided a written undertaking to a bank to guarantee a long-term loan of Genesis Data Center Co., Ltd., which is a joint venture of the Company. The Company's guarantee is limited to Baht 87 million.

8. Cash and cash equivalents

	(Unit: Thousand Baht)	
	2020	2019
Cash	513	402
Bank deposits	203,961	189,780
Total	204,474	190,182

As at 31 December 2020, bank deposits in savings accounts carried interests between 0.05% - 0.13% per annum (2019: bank deposits in savings accounts and fixed deposits carried interests between 0.10% - 1.00% per annum).



9. Trade and other receivables

(Unit: Thousand Baht)

	2020	2019
<u>Trade receivables - related party (Note 7)</u>		
Aged on the basis of due dates		
Past due over 12 months	-	130,436
Total	-	130,436
Less: Allowance for expected credit losses		
(2019: Allowance for doubtful accounts)	-	(9,117)
Total trade receivables - related party, net	-	121,319
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	754,518	1,249,345
Past due		
Up to 3 months	1,141,303	451,812
3 - 6 months	359,618	339,716
Over 6 - 12 months	383,831	45,288
Over 12 months	91,385	91,291
Total	2,730,655	2,177,452
Less: Allowance for expected credit losses		
(2019: Allowance for doubtful accounts)	(96,730)	(74,348)
Total trade receivables - unrelated parties, net	2,633,925	2,103,104
Total trade receivables - net	2,633,925	2,224,423
<u>Other receivables</u>		
Other receivables - related party (Note 7)	-	1,391
Other receivables - unrelated parties	38,715	39,873
Advance to related party (Note 7)	-	2,923
Total	38,715	44,187
Less: Allowance for expected credit losses		
(2019: Allowance for doubtful accounts)	(38,715)	-
Total other receivables - net	-	44,187
Total trade and other receivables - net	2,633,925	2,268,610



Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

(Unit: Thousand Baht)

As at 1 January 2020	83,465
Provision for expected credit losses	76,562
Amount written off	(7,185)
Amount recovered	(17,291)
Effect from foreign exchange	(106)
As at 31 December 2020	135,445

10. Contract assets / Contract liabilities

(Unit: Thousand Baht)

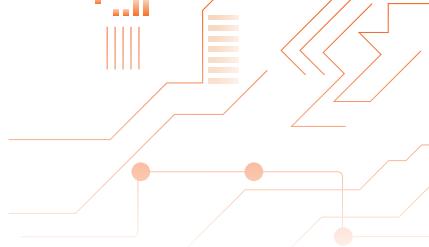
	2020	2019
Contract assets		
Unbilled receivables	1,361,850	1,724,196
Retention receivables	9,878	-
Total	1,371,728	1,724,196
Less: Allowance for expected credit losses		
(2019: Allowance for doubtful accounts)	(67,834)	(19,157)
Total contract assets - net	1,303,894	1,705,039
Contract liabilities		
Advances received from hirers	191,043	327,651
Construction revenue received in advance	160,023	216,833
Total contract liabilities	351,066	544,484

As at 31 December 2020, the balance of unbilled receivables of Baht 1,012 million is expected to be billed within one year and Baht 350 million is expected to be billed after one year.

Set out below is the movement in the allowance for expected credit losses of contract assets.

(Unit: Thousand Baht)

As at 1 January 2020	19,157
Provision for expected credit losses	48,677
As at 31 December 2020	67,834



11. Inventories

(Unit: Thousand Baht)

	2020	2019
Equipment and work in progress	1,556,224	736,016
Goods in transit	21,146	9,915
Total	1,577,370	745,931
Less: reduce cost to net realisable value	(1,442)	-
Total inventories - net	1,575,928	745,931

12. Other non-current financial assets

Other non-current financial assets are investments in non-listed equity instrument at FVTPL. Details of these investments are as follow:

(Unit: Million Baht)

Company's name	Cost		Fair value
	2020	2019	2020
Campana Group Pte. Ltd. (related by common director)	140	85	140

During the year, the Company increased an investment of USD 1.8 million (14,400 shares of USD 125 each) in Campana Group Pte. Ltd. which was incorporated in Singapore. As a result, as at 31 December 2020, the Company has 5.2% shareholding of its registered share capital in this company.

13. Investment in subsidiary

On 6 September 2018, the Board of Directors' meeting of the Company passed a resolution to invest in ordinary shares of S P Resources and Commercial Pte. Ltd., a newly established company in Singapore, principally engaged in the trading of spare parts and hardware accessories and in the other business operations. The investment amounted to SGD 100,000 representing 100% of the registered share of this company. On 25 September 2018, this company registered with the share capital of 1 SGD.

In March 2020, the subsidiary completed the process of closing its business.

14. Joint arrangements – joint operations

Financial information of the Company and the joint arrangement which is the joint operations as described in Note 2.4 to the financial statements are presented including in the separate financial statement as below.

(Unit: Million Baht)

	As at 31 December 2020			
	The Company	The joint arrangement	Elimination entries	Separate financial statements
Summarised information about financial position:				
Current assets	5,855	138	(141)	5,852
Non-current assets	717	-	-	717
Current liabilities	3,166	153	(141)	3,178
Non-current liabilities	326	-	-	326
Shareholders' equity	3,079	(14)	-	3,065

(Unit: Million Baht)

	As at 31 December 2019			
	The Company	The joint arrangement	Elimination entries	Separate financial statements
Summarised information about financial position:				
Current assets	5,213	121	(117)	5,217
Non-current assets	644	-	-	644
Current liabilities	2,677	122	(117)	2,682
Non-current liabilities	161	-	-	161
Shareholders' equity	3,019	(1)	-	3,018

(Unit: Million Baht)

	For the year ended 31 December 2020			
	The Company	The joint arrangement	Elimination entries	Separate financial statements
Summarised information about profit or loss:				
Total revenues	6,733	15	(17)	6,731
Total expenses	(6,204)	(29)	17	(6,216)
Operating profit (loss)	529	(14)	-	515
Finance income	26	-	-	26
Finance cost	(21)	-	-	(21)
Profit (loss) before income tax expenses	534	(14)	-	520
Income tax expenses	(118)	-	-	(118)
Profit (loss) for the year	416	(14)	-	402

	For the year ended 31 December 2019			
	The Company	The joint arrangement	Elimination entries	Separate financial statements
Summarised information about profit or loss:				
Total revenues	7,067	121	(114)	7,074
Total expenses	(6,525)	(122)	114	(6,533)
Operating profit (loss)	542	(1)	-	541
Finance income	3	-	-	3
Finance cost	(9)	-	-	(9)
Profit (loss) before income tax expenses	536	(1)	-	535
Income tax expenses	(114)	-	-	(114)
Profit (loss) for the year	422	(1)	-	421

15. Investments in joint ventures

15.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

Joint ventures	Nature of business	Country of incorporation	Shareholding percentage		Investments under cost method		Investments under equity method	
			2020	2019	2020	2019	2020	2019
Loxley & AIT Holding Co., Ltd.	Invest in the business of lump sum turnkey contracting for the installation of communication tools, electricity plants and sales of related equipment	Thailand	(%)	(%)	100	100	-	-
Genesis Data Center Co., Ltd.	Data center service	Thailand	33.33	33.33	70	70	31	38
					170	170	31	38

15.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements as follows:

(Unit: Million Baht)

Joint ventures	Consolidated financial statements				Separate financial statements	
	Share of loss from investments in joint ventures during the year		Share of other comprehensive income from investments in joint ventures during the year		Dividend received during the year	
	2020	2019	2020	2019	2020	2019
Loxley & AIT Holding Co., Ltd.	-	(18.5)	-	(5.1)	-	-
Genesis Data Center Co., Ltd.	(7.3)	(10.0)	-	-	-	-
	(7.3)	(28.5)	-	(5.1)	-	-

15.3 Summarised financial information about material joint ventures

Summarised information about financial position.

(Unit: Million Baht)

	Loxley & AIT Holding Co., Ltd.		Genesis Data Center Co., Ltd.	
	2020	2019	2020	2019
Cash and cash equivalents	9.5	9.6	-	-
Other current assets	-	-	34.0	32.3
Building and equipment	-	-	394.5	419.5
Non-current assets	-	-	0.4	3.2
Short-term loans from related parties	-	-	(9.0)	-
Current portion of long-term loans	-	-	(30.9)	(23.5)
Current portion of lease liabilities	-	-	(2.9)	(2.3)
Other current liabilities	(0.2)	(0.2)	(6.9)	(4.7)
Long-term loans	-	-	(90.7)	(109.9)
Lease liabilities	-	-	(196.4)	(199.3)
Net assets	9.3	9.4	92.1	115.3
Shareholding percentage (%)	50.00	50.00	33.33	33.33
Carrying amounts of joint ventures based on equity method	-	-	30.7	38.4

Summarised information about comprehensive income.

(Unit: Million Baht)

	For the years ended 31 December			
	Loxley & AIT Holding Co., Ltd.		Genesis Data Center Co., Ltd.	
	2020	2019	2020	2019
Revenue	-	-	47.8	40.2
Depreciation expense	-	-	(26.7)	(26.6)
Selling and administrative expense	(0.2)	(0.4)	(28.1)	(28.3)
Interest expense	-	-	(15.0)	(15.4)
Share of loss from investments in associate	-	(36.5)	-	-
Loss	(0.2)	(36.9)	(22.0)	(30.1)
Other comprehensive income	-	(10.2)	-	-
Total comprehensive income	(0.2)	(47.1)	(22.0)	(30.1)

15.4 Investment in joint venture with capital deficit

The Company recognised share of losses from investment in Loxley & AIT Holding Co., Ltd., until the value of the investments approached zero. Subsequent losses incurred by this joint venture have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this joint venture.

16. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Building and building improvement	Furniture, fixture and office equipment	Computers	Equipment used in projects	Total
Cost						
As at 1 January 2019	35,718	69,046	18,787	51,180	174,219	348,950
Additions	-	711	2,475	6,134	13,258	22,578
Disposals/write-off	-	-	(7)	(28)	(241)	(276)
As at 31 December 2019	35,718	69,757	21,255	57,286	187,236	371,252
Additions	-	858	818	7,390	10,142	19,208
Disposals	-	(68)	(106)	(969)	(905)	(2,048)
As at 31 December 2020	35,718	70,547	21,967	63,707	196,473	388,412
Accumulated depreciation						
As at 1 January 2019	-	32,058	14,094	43,671	149,777	239,600
Depreciation for the year	-	6,718	1,819	5,486	16,003	30,026
Depreciation on disposals	-	-	(7)	(26)	(239)	(272)

(Unit: Thousand Baht)

	Land	Building and building improvement	Furniture, fixture and office equipment	Computers	Equipment used in projects	Total
As at 31 December 2019	-	38,776	15,906	49,131	165,541	269,354
Depreciation for the year	-	6,289	1,911	5,809	14,051	28,060
Depreciation on disposals	-	(68)	(99)	(966)	(905)	(2,038)
As at 31 December 2020	-	44,997	17,718	53,974	178,687	295,376
Net book value						
As at 31 December 2019	35,718	30,981	5,349	8,155	21,695	101,898
As at 31 December 2020	35,718	25,550	4,249	9,733	17,786	93,036
Depreciation for the year						
2019 (Baht 16.0 million included in cost of sales and service, and the balance in administrative expenses)						30,026
2020 (Baht 14.0 million included in cost of sales and service, and the balance in administrative expenses)						28,060

As at 31 December 2020, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting the accumulated depreciation of those assets amounted to approximately Baht 241 million (2019: Baht 183 million).

17. Equipment for lease

(Unit: Thousand Baht)

	Equipment for lease	Equipment for lease under installation	Total
Cost			
As at 1 January 2019	202,582	10,769	213,351
Additions	64,159	9,845	74,004
Transfer in (out)	10,769	(10,769)	-
As at 31 December 2019	277,510	9,845	287,355
Additions	6,099	16,919	23,018
Disposals	(5,805)	-	(5,805)
Transfer in (out)	26,764	(26,764)	-
As at 31 December 2020	304,568	-	304,568
Accumulated depreciation			
As at 1 January 2019	115,766	-	115,766
Depreciation for the year	51,024	-	51,024
As at 31 December 2019	166,790	-	166,790
Depreciation for the year	54,907	-	54,907
Depreciation on disposals	(5,804)	-	(5,804)
As at 31 December 2020	215,893	-	215,893

	Equipment for lease	Equipment for lease under installation	Total
Net book value			
As at 31 December 2019	110,720	9,845	120,565
As at 31 December 2020	88,675	-	88,675
Depreciation for the year			
2019 (all included in cost of equipment for lease)			51,024
2020 (all included in cost of equipment for lease)			54,907

As at 31 December 2020, certain items of equipment for lease were fully depreciated but are still in use.

The gross carrying amount before deducting the accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 72 million (2019: Baht 72 million).

18. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	2020	2019
Cost	66,814	62,171
Less Accumulated amortisation	(31,880)	(25,981)
Net book value	34,934	36,190

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	2020	2019
Net book value at beginning of year	36,190	37,204
Acquisition	4,643	4,618
Amortisation	(5,899)	(5,632)
Net book value at end of year	34,934	36,190

19. Short-term loans from financial institutions

As at 31 December 2020, short-term loans from financial institutions carry interest at rates of 1.25% - 1.35% per annum (2019: 2.10% - 2.15% per annum) and due within February to March 2021.

20. Trade and other payables

(Unit: Thousand Baht)

	2020	2019
Trade accounts payable	1,209,324	643,215
Other payables	12,494	9,597
Accrued expenses	119,188	85,687
Total trade and other payables	1,341,006	738,499

21. Liabilities under financial arrangement agreements

(Unit: Million Baht)

	2020	2019
Liabilities under financial arrangement agreements	319.4	105.7
Less: Deferred interest	(4.3)	(0.2)
Total	315.1	105.5
Less: Portion due within one year	(143.2)	(42.6)
Portion due more than one year	171.9	62.9

The Company entered into financial arrangement agreements to purchase computer equipment and services for project works. The liabilities under the agreements are payable on monthly, quarterly and yearly bases and the terms of agreements are generally 3 - 5 years.

The Company has future minimum payments required under the financial arrangement agreements as follows:

(Unit: Million Baht)

	As at 31 December 2020		
	Less than 1 year	1 - 5 years	Total
Future minimum payments	145.6	173.8	319.4
Deferred interest expenses	(2.4)	(1.9)	(4.3)
Present value of future minimum payments	143.2	171.9	315.1

(Unit: Million Baht)

	As at 31 December 2019		
	Less than 1 year	1 - 5 years	Total
Future minimum payments	42.8	62.9	105.7
Deferred interest expenses	(0.2)	-	(0.2)
Present value of future minimum payments	42.6	62.9	105.5



22. Provision for penalty on project delay

(Unit: Thousand Baht)

	2020	2019
As at 1 January	115,549	90,760
Increase during the year	1,433	39,504
Utilised	(39,479)	(14,715)
As at 31 December	77,503	115,549

23. Other current liabilities

(Unit: Thousand Baht)

	2020	2019
Value added tax payable	14,309	-
Undue output tax	75,691	65,873
Withholding tax payable	40,346	26,321
Others	3,381	2,116
Total other current liabilities	133,727	94,310

24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employee after they retire, was as follows:

(Unit: Thousand Baht)

	2020	2019
Provision for long-term employee benefits at beginning of year	97,769	83,048
Included in profit or loss:		
Current service cost	24,699	11,690
Interest cost	1,966	2,198
Past service costs and gains or losses on settlement	-	16,227
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	(8,729)	823
Financial assumptions changes	3,441	8,673
Experience adjustments	23,410	(14,905)
Benefits paid during the year	(2,985)	(9,985)
Provision for long-term employee benefits at end of year	139,571	97,769



The Company expects to pay Baht 8 million of long-term employee benefits during the next year (2019: Baht 3 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 17 years (2019: 16 years).

Significant actuarial assumptions used for the valuation are summarised below.

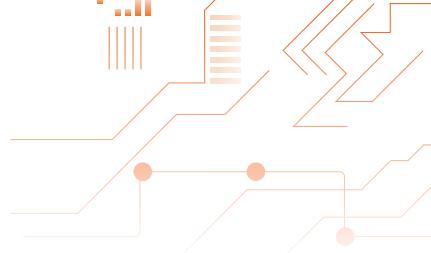
	2020 (% per annum)	2019 (% per annum)
Discount rate	2	2
Salary increase rate	0 - 6	0 - 6
Staff turnover rate	2 - 17	0 - 7

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below.

	(Unit: Million Baht)			
	2020		2019	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(11)	13	(8)	9
Salary increase rate	13	(12)	10	(8)
Staff turnover rate	(8)	8	(8)	9

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.



26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2020	2019
Salaries, bonus, commission and other employee benefits	711,842	653,819
Installation and services expenses	738,919	486,004
Repair and maintenance expenses	572,096	525,021
Depreciation and amortisation	99,018	86,682
Penalty on project delay	1,433	39,504
Entertainment expenses	48,203	56,330
Purchase inventories	4,116,328	4,644,778
Changes in inventories	(557,559)	(400,832)

27. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)	
	2020	2019
Current income tax:		
Current income tax charge	132,217	132,405
Adjustment in respect of income tax of previous year	2,345	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(16,316)	(17,919)
Income tax expense reported in profit or loss	118,246	114,486

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)	
	2020	2019
Deferred tax on actuarial gain (loss)	(3,625)	1,081



The reconciliation between accounting profit and income tax expenses is shown below.

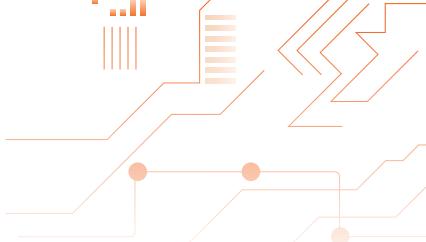
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit before income tax expenses	512,517	506,579	519,836	535,127
Applicable tax rate	20%	20%	20%	20%
Accounting profit before income expense tax multiplied by applicable tax rate	102,503	101,316	103,967	107,025
Adjustment in respect of income tax of previous year	2,345	-	2,345	-
Effects of:				
Non-deductible expenses	11,049	10,245	11,049	10,245
Additional expense deductions allowed	(3,157)	(4,608)	(3,157)	(4,608)
Share loss from investments in jointventures	1,464	5,709	-	-
Others	4,042	1,824	4,042	1,824
Total	13,398	13,170	11,934	7,461
Income tax expenses reported in profit or loss	118,246	114,486	118,246	114,486

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position	
	2020	2019
Deferred tax assets		
Allowance for expected credit losses	40,656	20,524
(2019: Allowance for doubtful accounts)		
Payables under forward contracts	623	67
Provision for penalty on project delay	15,789	23,641
Provision for long-term employee benefits	27,914	19,554
Revenue from contracts with customers	2,822	4,077
Total	87,804	67,863



28. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

The Company's business operations involve 2 principal segments: (1) sales and service and revenue from construction contracts (2) rental of equipment. The Company measured segment performance based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. During the years ended 31 December 2020 and 2019, there were no material activities pertaining to the rental segment. For this reason, no related financial information has been presented by either industry segment or geographical area.

Geographic information

The Company is mainly operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

In year 2020, the Company has revenue from a major customer in the amount of Baht 1,271 million which derived from sales and service income (2019: revenue from one major customers in the amount of Baht 1,879 million).

30. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530, contributed to the fund monthly at rates of 5 - 15% of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020, amounting to Baht 30 million (2019: Baht 28 million) were recognised as expenses.

31. Dividend paid

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends of 2018	Annual General Meeting of the Company's shareholders held on 11 April 2019	123.8	0.60
Interim dividends of 2019	Board of Directors' meeting of the Company held on 8 August 2019	103.2	0.50
Total for 2019		227.0	1.10
Final dividends of 2019	Annual General Meeting of the Company's shareholders held on 23 March 2020	288.8	1.40
Interim dividends of 2020	Board of Directors' meeting of the Company held on 10 August 2020	51.6	0.25
Total for 2020		340.4	1.65

32. Commitments and contingent liabilities

32.1 Capital commitments

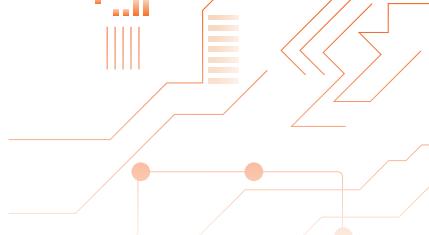
As at 31 December 2020, the Company had no capital commitments (2019: capital commitments relating to purchase of equipment for lease of Baht 34 million).

32.2 Operating lease and service commitments

The Company has entered into several lease agreements in respect of leases of buildings and vehicles and service agreements. The terms of the agreements are generally between 1 and 5 years.

As at 31 December 2020 and 2019, the Company has future payments required under these contracts as follows:

	(Unit: Million Baht)	
	2020	2019
Payable:		
In up to 1 year	-	16
In over 1 year and up to 5 years	-	19



32.3 Obligations relating to undelivered and unrendered contracts

1. The Company has contracts related to selling goods and rendering services that are undelivered and unrendered to its customers of approximately Baht 7,121 million (2019: Baht 7,163 million). The Company expects to satisfy the performance obligations within 10 years.
2. The Company has engaged in various rental contracts with companies of which the government is a major shareholder, government agencies and private companies, with a total contract value for future services rendering as follows:

	(Unit: Million Baht)	
	2020	2019
In up to 1 year	74	120
In over 1 year and up to 5 years	43	47

The Company has obliged to complete the equipment installation and render maintenance services of these equipment in accordance with conditions stipulated in the contracts.

32.4 Guarantees

As at 31 December 2020, there were outstanding bank guarantees of Baht 2,307 million (2019: Baht 1,977 million) which have been issued by banks on behalf of the Company and consortium, in respect of certain performance bonds as required in the ordinary course of its business. These included letters of guarantee amounting to Baht 2,305 million (2019: Baht 1,975 million) to guarantee contractual performance and Baht 2 million (2019: Baht 2 million) to guarantee payments due to creditors.

32.5 Litigation

The Company was sued for fines in a lawsuit case brought by the government claiming damages for a breach of contract because the Company failed to complete work. At present, the case is being considered by the Civil Court. However, the Company has recorded provision for the contingent liabilities amount of Baht 77 million which the management believes that it is sufficient in the current situation.

33. Fair value hierarchy

As at 31 December 2020 and 2019, the Company had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Equity investments	-	-	140	140
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	3	-	3

(Unit: Million Baht)

	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	1	-	1

33. Financial instruments

33.1 Derivatives not designated as hedging instruments

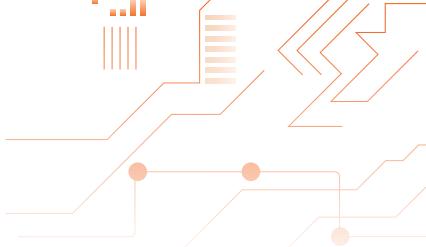
(Unit: Thousand Baht)

	2020	2019
Derivative liabilities not designated as hedging instruments		
Foreign exchange forward contracts	3	1

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally 6 months.

33.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term loans, trade accounts payable and liabilities under financial arrangement agreements. The financial risks associated with these financial instruments and how they are managed is described below



Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables and contract assets

The Company manages the risk by adopting appropriate credit control policies and procedures and most customers are government agencies, companies in which the government is a major shareholder. Therefore, the Company does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for each customer. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's chief financial officer on an annual basis, and may be updated throughout the year. The limits are set to mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk. The Company enters into foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods to manage its risk exposure.

Foreign currency risk

The Company exposures to foreign currency risk related primarily to its trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers it appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currency are summarised below.

Foreign currency	2020			
			Contractual exchange rate	
	Bought amount	Sold amount	Bought	Sold
US dollar	(Million) 4.6	(Million) -	(Baht per 1 foreign currency unit) 30.15 - 31.29	-

Foreign currency	2019			
			Contractual exchange rate	
	Bought amount	Sold amount	Bought	Sold
US dollar	(Million) 4.7	(Million) 4.5	(Baht per 1 foreign currency unit) 30.17 - 30.40	30.16 - 30.42

As at 31 December 2020, the Company has outstanding balance of trade receivables and trade payables denominated in foreign currency of USD 1 million and USD 3.7 million, respectively (2019: USD 5.5 million and USD 2.8 million, respectively).

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, short-term loans and liabilities under financial arrangement agreements. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk is expected to be minimal.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	(Unit: Million Baht)									
	Fixed interest rates				Non-interest bearing		Total		Effective interest rate	
	Within 1 year		1 - 5 years						2020	2019
	2020	2019	2020	2019	2563	2562	2020	2019	2020	2019
Financial assets									(% per annum)	
Cash and cash equivalents	164	181	-	-	40	9	204	190		
Trade and other receivables	-	-	-	-	2,634	2,269	2,634	2,269	-	-
Loan to related party	3	-	-	-	-	-	3	-	4.5	-
	167	181	-	-	2,674	2,278	2,841	2,459		



	Fixed interest rates				Non-interest bearing		Total		Effective interest rate	
	Within 1 year		1 - 5 years		2020	2019	2020	2019	2020	2019
	2020	2019	2020	2019						
Financial liabilities									(% per annum)	
Short-term loans	250	400	-	-	-	-	250	400	1.2 - 1.3	2.1 - 2.2
Trade and other payables	-	-	-	-	1,341	738	1,341	738	-	-
Liabilities under financial arrangement agreements	143	43	172	63	-	-	315	106	0.0 - 3.2	0.0 - 2.6
Lease liabilities	11	-	14	-	-	-	25	-	3.75	-
	404	443	186	63	1,341	738	1,931	1,244		

Liquidity risk

The Company monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities and derivative financial instruments as at 31 December 2020 based on contractual undiscounted cash flows:

				(Unit: Thousand Baht)		
				Less than 1 year	1 to 5 years	Total
Non-derivatives						
Short-term loans from financial institutions				250	-	250
Trade and other payables				1,341	-	1,341
Liabilities under financial arrangement agreements				143	172	315
Lease liabilities				11	14	25
Total non-derivatives				1,745	186	1,931
Derivatives						
Derivative liabilities				3	-	3
Total derivatives				3	-	3



33.3 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

34. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Company's debt-to-equity ratio was 1.1:1 (2019: 0.9:1).

35. Event after the reporting period

On 11 February 2021, the Board of Directors' meeting of the Company passed a resolution to propose the payment of a dividend in respect of the operating results of 2020 of Baht 1.25 per share, which is an addition of an interim dividend payment of Baht 0.25 per share. The Company will propose to the Annual General Meeting of the Company's shareholders that such dividend be paid.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 11 February 2021.



Management Discussion and Analysis

Advanced Information Technology Public Company limited Statement of Financial Position For the year ended 31st December 2020

(Unit: Thousand THB)

Statement of Financial Position	2020	%	2019	%	2018	%
Assets						
Current Assets						
Cash and cash equivalents	204,475	3.18%	190,182	3.32%	1,265,755	29.63%
Trade and other receivables	2,633,925	40.97%	2,268,610	39.60%	1,500,184	35.11%
Contract assets	1,303,894	20.17%	1,705,039	29.77%	560,205	13.11%
Short-term loan to related party	3,000	0.05%	-	0.00%	-	0.00%
Inventories	1,575,928	24.48%	745,931	13.20%	267,951	6.27%
Advances for goods and services	60	0.12%	156,426	2.73%	-	0.00%
Other current assets	130,528	2.03%	150,809	2.63%	186,802	4.37%
Total current assets	5,851,810	91.00%	5,216,997	91.97%	3,780,897	88.49%
Non-current assets						
Other non-current financial assets	139,585	2.17%	-	0.00%	-	0.00%
Investment in joint ventures	30,707	0.48%	38,026	0.67%	71,679	1.68%
Investment in related parties	-	0.00%	84,990	1.48%	84,990	1.99%
Property, plant, and equipment	93,036	1.45%	101,898	1.78%	109,350	2.56%
Right-of-use assets	24,696	0.38%	-	0.00%	-	0.00%
Equipment for lease	88,675	1.38%	120,565	2.10%	97,585	2.28%
Intangible assets	34,934	0.54%	36,190	0.63%	37,203	0.87%
Deferred tax assets	87,804	1.39%	67,863	1.19%	45,239	1.06%
Others non-current assets	77,937	1.21%	62,084	1.08%	33,075	0.77%
Total non-current assets	577,374	9.00%	511,616	8.93%	491,889	11.51%
Total assets	6,429,184	100.00%	5,728,613	100.00%	4,272,786	100.00%
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from finance institutions	250,000	3.89%	400,000	6.98%	-	0.00%
Trade and other payables	1,341,006	20.83%	738,499	12.89%	642,788	15.04%
Unbilled payables	830,353	12.92%	713,542	12.46%	484,002	11.33%
Current portion of liabilities under financial arrangement agreements	143,218	2.23%	42,587	0.74%	29,132	0.68%

Statement of Financial Position (Continued)

For the year ended 31 December 2020

(Unit: Thousand THB)

Statement of Financial Position	2020	%	2019	%	2018	%
Current portion of lease liabilities	10,532	0.16%	-	0.00%	-	0.00%
Income tax payable	37,462	0.61%	32,405	0.57%	-	0.00%
Contract liabilities	351,066	5.46%	544,484	9.50%	94,466	2.21%
Provision for penalty on project delay	77,503	1.21%	115,549	2.02%	90,760	2.13%
Other current financial liabilities	3,117	0.05%	673	0.02%	-	0.00%
Other current liabilities	133,727	2.08%	94,310	1.64%	59,976	1.40%
Total current liabilities	3,177,984	49.44%	2,682,048	46.82%	1,401,124	32.79%
Non-current liabilities						
Liabilities under financial arrangement agreements	171,915	2.67%	62,918	1.10%	43,952	1.03%
Lease liabilities - net of current portion	14,492	0.22%	-	0.00%	-	0.00%
Provision for long – term employee benefits	139,571	2.17%	97,769	1.70%	83,048	1.94%
Total non-current liabilities	325,978	5.06%	160,687	2.80%	127,000	2.97%
Total liabilities	3,503,962	54.50%	2,842,735	49.82%	1,528,124	35.76%
Shareholders' equity						
Issued and fully paid-up share capital	1,031,604	16.05%	1,031,604	18.01%	1,031,604	24.14%
Share premium account	303,437	4.72%	303,437	5.30%	303,437	7.10%
Retained earnings						
Appropriated-statutory reserve	103,160	1.60%	103,160	1.80%	103,160	2.42%
Unappropriated	1,484,454	23.09%	1,445,111	25.23%	1,298,790	30.40%
Other components of shareholders' equity	2,566	0.04%	2,566	0.04%	7,670	0.18%
Total shareholders' equity	2,925,222	45.50%	2,855,878	50.38%	2,744,662	64.24%
Total liabilities and shareholders' equity	6,429,184	100.00%	5,728,613	100.00%	4,272,786	100.00%

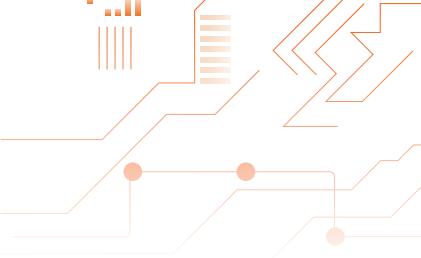


Statement of Comprehensive Income

For the year ended 31 December 2020

(Unit: Thousand THB)

Statement of Comprehensive Income	2020	%	2019	%	2018	%
Revenues						
Sales and service income	6,529,653	97.01%	6,903,424	97.59%	4,042,567	95.81%
Rental income from equipment for lease	131,232	1.95%	118,904	1.68%	141,042	3.33%
Other income	70,083	1.04%	51,387	0.73%	44,685	1.06%
Total revenues	6,730,968	100.00%	7,073,715	100.00%	4,228,294	100.00%
Expenses						
Cost of sales and service	5,414,923	80.45%	5,882,791	83.16%	3,301,125	78.07%
Cost of equipment for lease	90,198	1.34%	59,140	0.84%	89,384	2.11%
Selling and distribution expenses	264,782	3.93%	215,309	3.04%	185,029	4.38%
Administrative expenses	446,372	6.63%	375,370	5.31%	312,163	7.38%
Total expenses	6,216,275	92.35%	6,532,610	92.35%	3,887,701	91.94%
Operating profit	514,693	7.65%	544,105	7.65%	340,593	8.06%
Share of loss from investments in joint ventures	(7,318)	(0.11)%	(28,548)	(0.40)%	(38,557)	(0.91)%
Profit before finance cost and income tax expenses						
tax expenses	507,375	7.54%	515,557	7.25%	302,036	7.14%
Finance income	26,265	0.39%	2,962	0.04%	9,334	0.22%
Finance cost	(21,123)	(0.31)%	(8,940)	(0.13)%	(982)	(0.02)%
Profit before income tax expenses	512,517	7.62%	506,579	7.16%	310,388	7.34%
Income tax expenses	(118,246)	(1.76)%	(114,486)	(1.62)%	(73,555)	(1.74)%
Profit for the year	394,271	5.86%	392,093	5.54%	236,833	5.60%
Other comprehensive income:						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>						
- Share of other comprehensive income from investments in joint venture	-		(5,105)		7,670	
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>						
- Actuarial gain (loss) - net of income tax	(14,497)		4,328		-	
Other comprehensive income for the year	(14,497)		(777)		7,670	
Total comprehensive income for the year	379,774	5.64%	391,316	5.53%	244,504	5.78%
Basic earnings per share	1.91		1.90		1.15	



Statement of Cash Flow

For the year ended 31 December 2020

(Unit: Thousand THB)

Statement of Cash Flow	2020	2019	2018
Cash flow from operating activities			
Profit before tax	512,517	506,579	310,388
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities			
Depreciation and amortization	99,018	86,682	117,900
Allowance for doubtful accounts (reversal)	-	42,742	14,927
Impairment loss on financial assets	107,841	-	-
Share of loss from investments in joint ventures	7,318	28,548	38,557
Provision for penalty on project delay	1,433	39,504	13,660
Loss on write-off withholding tax deducted at source	2,042	-	-
Loss (gain) on sales and write-off of building improvement and equipment	(135)	3	255
Loss (gain) on write-off of equipment for lease	(173)	-	1
Provision for long-term employee benefits	26,665	30,115	12,498
Unrealized loss (gain) on exchange	(12,859)	15,009	(9,740)
Loss on fair value adjustments of financial instruments	2,444	1,078	-
Finance cost	21,123	8,940	1,390
Profit from operating activities before changes in operating assets and liabilities	767,234	759,200	499,836
Operating assets (increase) decrease			
Trade and other receivables	(411,225)	(804,396)	789,362
Contract assets	352,468	(1,164,606)	(126,025)
Inventories	(829,996)	(367,654)	37,839
Advances for goods and services	156,366	(156,426)	-
Other current assets	20,281	34,914	(80,835)
Other non-current assets	(28,620)	(16,241)	3,865

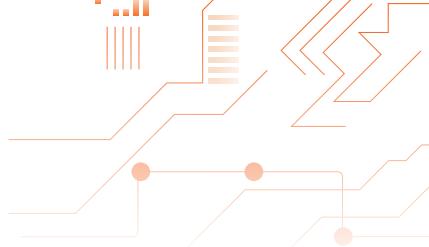


Statement of Cash Flow (Continued)

For the year ended 31 December 2020

(Unit: Thousand THB)

Statement of Cash Flow	2020	2019	2018
Operating liabilities increase (decrease)			
Trade and other payables	599,581	86,899	(653,481)
Unbilled payables	116,811	229,541	24,247
Contract liabilities	(193,417)	311,372	6,663
Cash paid for penalty on project delay	(39,479)	(14,715)	-
Other current liabilities	39,327	34,982	320
Cash paid for long-term employee benefits	(2,985)	(9,985)	(1,770)
Cash from (used in) operating activities	546,346	(1,077,115)	500,021
Interest paid	(21,448)	(8,497)	(1,389)
Refundable withholding tax deducted at sources	10,725	-	-
Income tax paid	(129,506)	(100,000)	(118,244)
Net cash from (used in) operating activities	406,117	(1,185,612)	380,388
Cash flows from investing activities			
Purchase of financial instruments	(54,594)	-	-
Decrease (increase) in loan of related parties	(3,000)	-	18,000
Proceeds from sales of equipment	144	-	-
Proceeds from sales of equipment for lease	174	-	20
Cash payment for purchase of building improvement and equipment	(16,352)	(17,459)	(15,595)
Cash payment for purchase of equipment for lease	(23,018)	(74,004)	(24,889)
Cash payment for purchase computer software	(4,643)	(3,991)	(2,355)
Net cash used in investing activities	(101,289)	(95,454)	(24,819)
Cash flows from financing activities			
Increase (decrease) in short-term loans from financial institutions	(150,000)	400,000	-
Repayment of long-term loans	-	-	(28,960)
Increase (decrease) in liabilities under finance arrangement agreements	209,628	32,421	24,293
Cash payment for lease liabilities	(9,823)	-	-
Dividend paid	(340,341)	(226,928)	(371,349)
Net cash from (used in) financing activities	(290,536)	205,493	(376,016)
Net increase (decrease) in cash and cash equivalents	14,292	(1,075,573)	(20,447)
Cash and cash equivalents at beginning of year	190,182	1,265,755	1,286,202
Cash and cash equivalents at end of year	204,474	190,182	1,265,755



Overview

Summary of the operation

In 2020, the performance of Advanced Information Technology Public Company Limited was the Company's turnover and recognition of profit (loss) from the investment in joint ventures. The main revenue of the Company was from being a system integrator which integrated the systems and equipment related to information and communication technology and applied them to meet the needs of each organization or known as Solution. The types of revenue can be categorized as follows:

1. Sales such as revenue from sales of equipment, software and Turnkey projects or projects that were developed or completed in good working condition and then handed over to its customer.
2. Services such as revenue from consultation, design, installation, training, as well as equipment maintenance.
3. System and equipment for lease such as revenue from lease of system license and lease of computer equipment.

Most of the Company's revenue are from large-scale customers, which are the government agencies, state enterprises, government sector, and large-scale private companies. Changes in politics and public expenditure budgets therefore have a profound effect on performance. This can be seen in the results of the 2020 performance, where all businesses encountered the effect of COVID-19 pandemic, causing many businesses to close down or experience a sharp decline in both sales and net profits. However, the Company still experienced a slightly decrease in revenue from 2019, where the Company has achieved highest revenue since its incorporation. This is because, in 2020, the Company had revenues from large-scale projects that are continuing from 2019 and most of the Company's customers are government agencies and state enterprises with expenditure budgets approval before the COVID-19 pandemic. Therefore, the works in the projects that the Company participated in the auction has not decreased, but there may be some delay in the implementation of the projects due to the communicable disease control measures adopted by the government. As a result, the performance in revenue decreased from the year 2019, but it is still higher compared to the performance in 2018, as shown in the table below

Items	2020	2019	2018
Total revenue (MB)	6,730.97	7,073.72	4,228.29
Increase (decrease) of changes in revenue from prior year	(342.75)	2,845.43	(1,159.54)
Increase (decrease) of percentage changes in revenue from prior year	(4.85)%	67.30%	(21.48)%
Profit Attributable to Equity Holders of the Company (MB)	394.27	392.09	236.83
Increase (decrease) of changes in net profit from prior year	2.18	155.26	(194.30)
Increase (decrease) of percentage changes in net profit from prior year	0.56%	65.56%	(45.07)%



In 2020, the COVID-19 pandemic has affected a wide range of economic activities, especially the tourism and hospitality sectors. Especially in the first half of 2020, due to the strict communicable disease control measures adopted by the government, there were no infection within the country in the second half of the year. In the second half of the year, the economy started to recover due to the easement of communicable disease control measures, as well as stimulation from fiscal and monetary measures issued by the government sector. However, by the end of 2020, Thai economy has started to suffer from the second wave of COVID-19 pandemic, and communicable disease control measures have been used again but the measures were considered less restrictive compared to at the beginning of 2020, which had a serious impact on the economy. However, amid the socio-economic conditions impacted by the COVID-19 pandemic, in 2020, the Company was still able to generate satisfactory revenues and profits despite its earnings drop from 2019, where the Company has achieved high turnover since its incorporation. This is because the Company had revenues from ongoing large-scale projects from 2019 and the government expenditure budget for 2020 was issued in time during the COVID-19 pandemic. The government sector has not decreased, which is an opportunity for the Company to participate in such auction.

In 2020, most of the Company's revenue were from large-scale projects such as the New Parliament Project in Information and Communication Technology, the Purchasing and Installation of Cloud Project to support the service of the central government cloud of CAT Telecom Plc., Development of Ticketing and Booking System (D-Ticket) Project of the State Railway of Thailand, the High-Speed Internet Service Project in Remote Areas and the Communication network equipment purchase Project of the Government Savings Bank, etc.

In 2019, the overall economy has slowed down, but government investment expenditures have expanded, although there has been some contraction, especially at the end of the year due to the Annual Budget Expenditure Act B.E. 2563 that has not yet been promulgated. In the midst of the overall economic downturn in the whole system, in 2019, the Company had the highest total revenue since its incorporation. This is because the Company has entered into contracts in many large-scale projects with the government sector, in which the auction of such projects had been postponed in the previous years. In 2019, the Company handed over a large-scale project with a contract value over 1,000 million Baht, which was the largest project the Company has ever worked for. The revenue from large-scale projects the Company handed over included the New Parliament Project in Information and Communication Technology, the High-Speed Internet Service Project in Remote Area and the Core and Access Switch for Core Network Replacement and SDN Project.

For the Company's performance in 2018, the total revenue and net profit decreased from those in 2017. This is because in 2018, the government budget and spending focused on infrastructure and transportation, but the overall government spending on technology and communications did not increased significantly. In addition, there was a delay in the procurement process causing the postponement of large-scale project auction. In 2018, the Company handed over several large-scale projects with a contract value over 100 million Baht, such as Provision of Mobile Phone Signals and Broadband Internet Services in Marginal Areas Project, Data Center Project of Icon Siam, Substation Construction Project in Lop Buri and Saraburi Province of the Provincial Electricity Authority and Network System Project of Krung Thai Computer Service. These projects had high contract values but had relatively low gross profit margins due to the high competition and relatively low number of projects in the market.



In 2020, the change in net profit was inconsistent with the change in revenue. This is because many new large-scale projects in 2020 had relatively high gross profit margins, although there was revenue recognition from ongoing large-scale projects from 2019 with relatively low gross profit margins. It is also a result of the accrued interest receivable the Company received from the large receivables in an amount of 25.52 million Baht and share of loss from investment in the joint ventures which decreased by 21.23 million Baht. As a result, the net profit changed in an opposite direction to the change in revenue.

For the Company's performance in 2020, in the consolidated financial statements, total revenue decreased by 342.75 million Baht or 4.85% compared to that in 2019. However, the net profit in 2020 increased by 2.18 million Baht or 0.56% compared to that in 2019. The Company's performance in 2019, in the consolidated financial statements, total revenue increased by 2,845.43 million Baht or 67.30% compared to that in 2018. The net profit in 2019 increased by 155.26 million Baht or 66.93% compared to that in 2018.

Comparison and Estimation

The estimated revenue of the Company in 2020 was 6,000 million Baht. Compared to the actual performance, in which the Company's total revenue was 6,730.97 million Baht, it can be seen that the actual performance is higher than the estimated revenue obtained from the revenue recognition of the ongoing large-scale projects from the year 2019 and the expenditure budget that was approved prior to the COVID-19 pandemic. Therefore, the number of projects available for competitive auction did not decrease and the Company was able to win the auction for many large-scale projects.

In 2019, the Company revised its estimated revenue from 5,000 million Baht at the beginning of the year to 7,000 million Baht at the middle of the year. Compared to the actual performance, in which the Company's total revenue was 7,076.68 million Baht, it can be seen that the actual performance was closed to the estimated value due to many large-scale communication technology projects that had been delayed from the previous year tenders or the projects with the delayed investment by government from previous years and started the investment and auction in 2019.

In 2018, the estimated revenue of the Company was 6,000 million Baht. The actual revenue was 4,228.29 million Baht which was lower compared to the estimated revenue. This is due to the decrease in number of projects in the market as the result of the delay in procurement process, leading to postponement of scheduled auctions for the large projects.

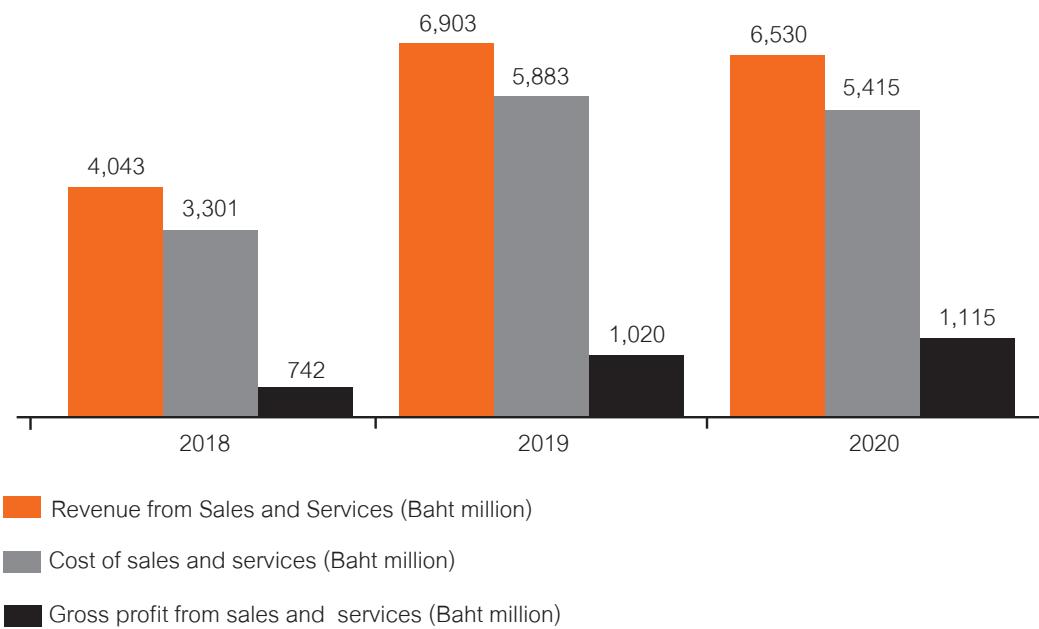
Performance and Profitability

The main revenue of the Company was from the projects which the Company won the auction from government agencies, state enterprises, government sector and large private companies. Therefore, changes in revenue can be divided into:

- Revenue from sales and services, consisting of revenue from sales of systems or equipment, construction of buildings and facilities for installing computer and telecommunication equipment as well as after-sales maintenance services within the same project.
- Revenue from the systems and computer equipment for lease including maintenance during the lease term.

Revenue and Cost from Sales, Services, and Construction Contracts

The analysis of changes in revenue, cost and gross profit can be shown as below:



The Chart of Revenue, Cost, and Gross Profit from Sales and Services

It can be seen from above chart that the Company's revenue from sales and services in 2020 decreased compared to that in 2019, but increased compared to that in 2018. The main reason is that in 2020 the Company has not been working on large-scale projects as in 2019. However, the Company has performed and recognized revenue from the ongoing projects from the year 2019. In addition, the Company has worked on higher number of large-scale projects. This is because the government budget and spending were approved prior to the COVIE-19 pandemic. As a result, revenues of the year 2020 decreased by 373.77 million Baht or representing a decrease of 5.41%



In 2019, revenue from the Company's sales and services increased significantly from those in 2018. This is because the Company has entered into contracts in many large-scale projects with the government sector, in which the auction of such projects had been postponed in the previous years due to many large-scale communication technology projects that had been delayed from the previous year tender or the projects with the delayed investment by government from previous years. The revenue from sales and services in 2019 increased from that in 2018 by 2,860.86 million Baht or 70.77%.

For the performance in 2018, the revenue from sales and services of the Company decreased compared to that in 2017. This is mainly due to the decrease in number of large-scale projects and postponement of procurement for large-scale projects. However, the government spending in 2017 was expanded in order to stimulate the economy. As a result, revenue from sales and service in 2017 were higher compared to that in 2018. The revenue in 2018 decreased from that in 2017 by 1,774.16 million Baht or 35.82%.

The Comparison Table of Revenue, Size, and Number of Projects from Sales and Services

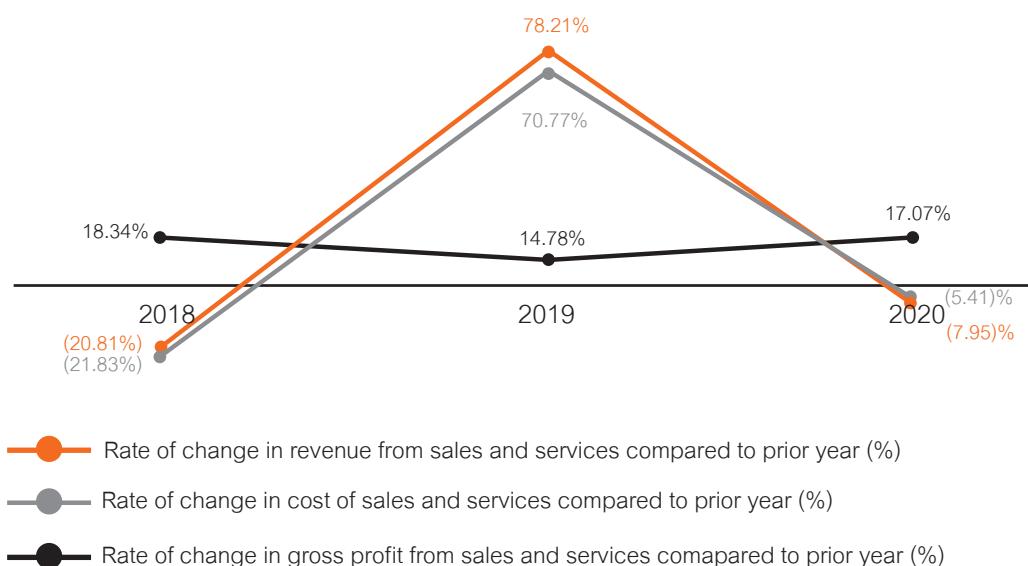
Range of Revenue, recognized by projects	2020		2019		2018	
	No. of Projects	Revenue (MB)	No. of Projects	Revenue (MB)	No. of Projects	Revenue (MB)
More than 1,000 million baht	-	-	1	1,827	-	-
500 – 1,000 million baht	1	549	1	618	-	-
100 – 500 million baht	12	1,992	5	776	4	1,090
50 – 100 million baht	16	1,089	17	1,200	9	598
20 – 50 million baht	33	1,098	29	917	28	791
10 – 20 million baht	46	651	36	512	40	567
Less than 10 million baht	1,348	1,151	929	1,015	816	996
Income from adjustment in accordance with financial reporting standards TFRS 15	-	-	-	38	-	-
Total	1,456	6,530	1,018	6,903	897	4,042

According to the comparison table of revenue, size and the number of projects from sales and service, in 2020, the Company recognized the revenue from 1,456 projects and the number of projects significantly increased compared to those in 2019 and 2018. The increased revenue was from the revenue recognition of the projects with the value ranged between 100-500 million Baht and the projects with the contract value less than 10 million Baht. This is because the large-scale projects were divided into smaller projects for tender. The revenue recognized from the projects with the contract value of more than 1,000 million Baht decreased from that in 2019. This is because there were delays in building construction works of such large-scale projects, the Company was unable to perform the installation of the information technology system. In addition, the impact of the COVID-19 pandemic situation made it impossible to perform the works to the Company's fullest capability.

In 2019, the Company recognized the revenue from 1,018 projects and the number of projects increased compared to that in 2018. An increase in revenue was from the large-scale projects with the contract value over 500 million Baht, which was the highest revenue recognition of the Company since its incorporation. According to the comparison of revenue proportion, the total revenue from 2 projects with the contract value over 500 million Baht was 2,444.47 million Baht, accounting for 35.41% of total revenue from sales and services recognized in the year 2019. In addition, the projects with recognized revenue between 50-100 million Baht in 2019 decreased compared to that in 2018 and the revenue from the projects with the recognized revenue between 20-50 million Baht increased compared to that in 2018, despite the similar number of projects. While the number and revenue from the projects with recognized revenue of 100 – 500 Baht decreased compared to that in 2018. This is because the Company engaged in the large-scale projects with the contract value over 500 million Baht instead.

In 2018, the number of the project that Company recognized the revenue was 897 projects which increased from that in 2017. However, the total recognized revenue decreased, especially when compared to that in 2017. This is because change in revenue in 2018 was due to large-scale projects with the contract value over 50 million Baht and the number of and revenue from these projects decreased. There were only 13 of these large-scale projects and the total revenue was 1,688.28 million Baht, accounting for 41.76% of total revenue from sales and services. This indicates the decrease in number and postponement of procurement process of large-scale projects.

However, due to the relatively high competition in terms of technology and price due to the limited number of projects in the market, most of the projects were from the government sector and state enterprises, while private investment was affected by Economics recession and the COVID-19 pandemic. In 2020, the company had a high gross profit margin of 17.07%, an increase from the year of 2019 which was 14.78% due to the recognition of revenue for large projects with low gross margin, which operated projects continued from 2019 that it decreased. While in 2020, the company has the large project with a higher gross margin. As a result, the overall gross profit margin of the projects increased as can be seen from the diagram below.



The Chart of Changes in Revenue and Cost of Sales and Services.

From the chart of changes in revenue, costs and gross profit, it was found that the Company's costs of sales and services in 2020 decreased by 467.87 million Baht or representing a decrease of 7.95% compared to that in 2019 while the rate of decrease in revenue in 2020 was 5.40%. This indicates that the rate of increase in costs was higher compared to the rate of increase in revenue. This is because the company has the large project with a higher gross margin.

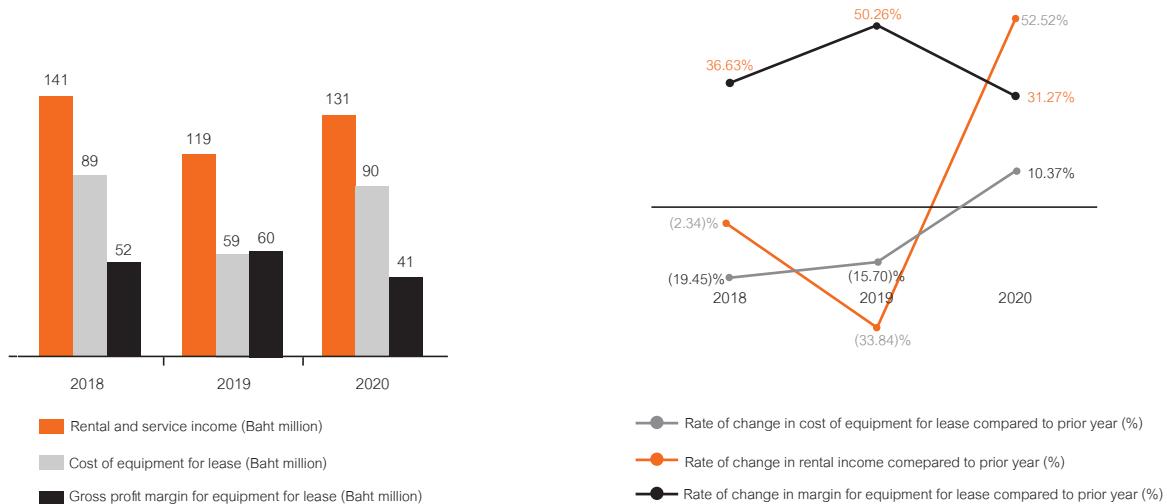
In 2019, the Company's costs of sales and services increased by 2,581.61 million Baht or 78.22% compared to that in 2018, while the rate of increase in revenue in 2019 was 70.78%. This indicates that the rate of increase in costs was higher than the rate of increase in revenue due to relatively high competition. The Company had a record of the provision for penalty from delay in hand over of some projects which was included in the cost of sales.

In 2018, the costs of sales and services and construction contracts decreased by 867.62 million Baht or 20.80% compared to those in 2017, while the rate of decrease in revenue in 2018 was 21.85%. This indicates that the rate of decrease in costs was slightly lower compared to the rate of decrease in revenue because the reserved penalty for delay in hand over of some projects was included in the cost of sales.

The chart above shows the comparison of rate of change in revenue and costs. It can be seen that the rate of change in revenue and the rate of change in costs were not much difference between 2018 and 2020, thus the gross profit margins were similar. As shown in the chart above, the gross profit margin was approximately 17.07-18.34%, but in 2019 there was a different rate of change in revenue and cost due to the large-scale projects recognized in 2019 with lower gross profit margins compared to those in 2018 and 2020.

Revenue and Cost of System and Computer Equipment for Lease

The revenue from system and computer equipment for lease is the revenue from leasing telecommunication and computer equipment, in which the customers of the Company were state enterprises, government agencies and private companies. The performance of leasing system and computer equipment can be summarized as the financial highlights as follows:



The Chart of Revenue, Cost, and Gross Profit of System and Computer Equipment for Lease

The Chart of Changes in Revenue, Cost, and Gross Profit of System and Computer Equipment for Lease



From the chart above, the revenue from lease in 2020 increased by 10.37% due to new lease agreements of equipment and license the Company entered into. However, the increase rate in equipment rental costs decreased by 52.52%. This resulted in a decrease of 31.27% in gross profit margin of equipment for lease in 2020. This is because some equipment lease projects have been renewed with shorter agreement terms. As a result, the equipment life estimates have to be shortened, resulting in a decrease in the gross profit of rental equipment in 2020.

Rental income in 2019 decreased due to the expiration of the equipment lease agreements and leasehold rights. In addition, the gross profit margin of in 2020 increased by 50.26% compared to that in 2018 which showed the gross profit margin of 36.64%. This is because in some equipment lease projects had been fully depreciated but the projects have been renewed. This resulted in higher gross profit margin. In addition, there was an increase in investment in equipment lease projects in 2019, which some projects had been delivered and will result in continuous lease revenue in the future.

In 2018, lease revenue decreased due to the expiration of the lease agreements for equipment and leasehold rights and the decrease in investment in equipment leasing projects, while the remaining leasing projects had indifferent gross profit margins, therefore the rates of decreases in revenue and costs of equipment leasing projects were similar.

Other Revenue

Other revenue is the revenue related to the core business of the Company, which is shown in other income. Most of other revenue mainly came from sales promotion derived from the orders of foreign sellers according to the promotion conditions for each type of products and services, reversal of doubtful accounts, reversal of provision of penalty and reversal of provision of losses from lawsuit recorded in the previous years.

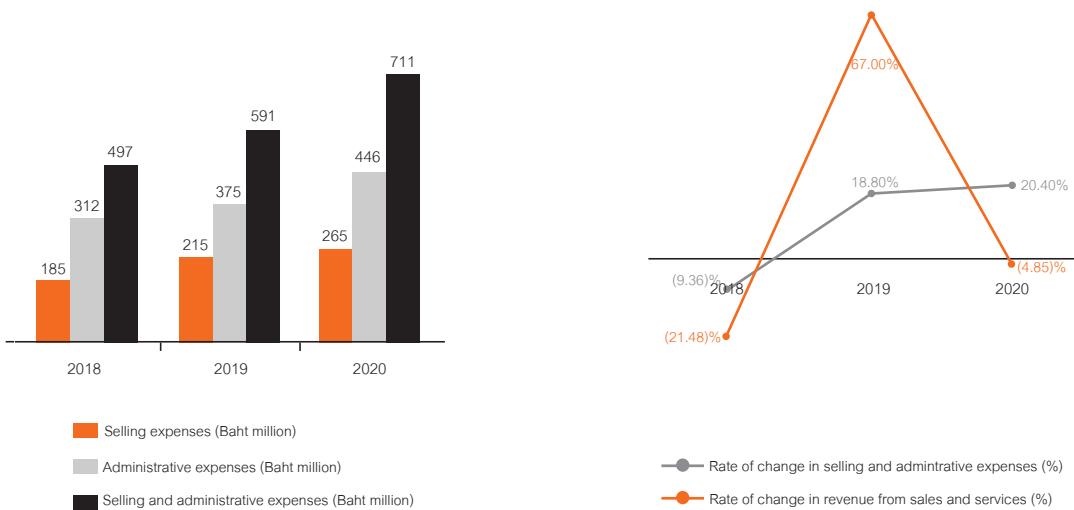
In 2020, other revenue of the Company was 70.08 million Baht and was significantly increased by 36.37% compared to that in 2019 which was 18.69 million Baht. This is because in 2020, the Company obtained the revenue from reaching the sale promotion targets of the main suppliers. The revenue from sale promotion in 2020 increased by 17.82 million Baht compared to that in 2019. Most of other revenue mainly came from sales promotion (60.00 million Baht) and the delay penalties charged from the suppliers was 4.68 million Baht, etc.

In 2019, other revenue was 51.39 million Baht which was close to that in 2018 (54.02 million Baht). This is mainly due to the gain from temporary adjustment of investment value, because there were large-scale projects that required a lot of funds during 2019. Therefore, the investment must be temporarily adjusted by transforming into cash and cash equivalents. At the same time, there were also foreign exchange losses. However, the Company had higher sales promotion revenue from the main suppliers as the purchase volume increased. Other revenue mainly was rebate of sales promotion by 42.18 million Baht.

In 2018, other revenue was 44.69 million Baht and similar to that in 2017 which was 51.39 million Baht. Other revenue mainly was rebate of sale promotion, by 38.66 million Baht.

Selling and Administrative Expenses

The selling and administrative expenses of the year 2018–2020, can be shown in the following comparison:



In general, selling and administrative expenses increase or decrease in accordance with the increase or decrease in revenue. In 2020, the Company's total revenue decreased while selling and administrative expenses increased. The selling and administrative expenses of the Company was 711.15 million Baht, increased by 120.48 million Baht or 20.40%, while the total revenue of the Company in 2020 decreased by 4.85%, this inconsistent shift in direction was due to the Company's net anticipated credit loss allowance (Allowance for Doubtful Accounts) from reversal of anticipated credit loss allowance for non-billable and late receivables in accordance with Thai Financial Reporting Standards No. 9 in an amount of 100.66 million Bath. However, such expenses did not directly correlate with the increase in revenues and the increase in employee-related expenses, including salaries and commissions of 56.82 million Baht. Administrative expenses of the joint ventures increased by 5.99 million Baht minus some decreased expenses, such as selling expenses and customer receptions due to the COVID-19 pandemic in an amount of 12.47 million Baht.

In 2019, selling and administrative expenses of the Company was 590.68 million Baht, increased by 93.50 million Baht or 18.80%, while total revenue in 2019 increased by 67.00 %. These changes were in the same direction but at very different rates because a part of selling and administrative expenses was fixed cost which did not increase as revenue increased. Therefore, higher change in revenue could cover the fixed selling and administrative expenses, resulting in lower rate of fixed cost and the increased rate of selling and administrative expenses was less than the increased rate of revenue.

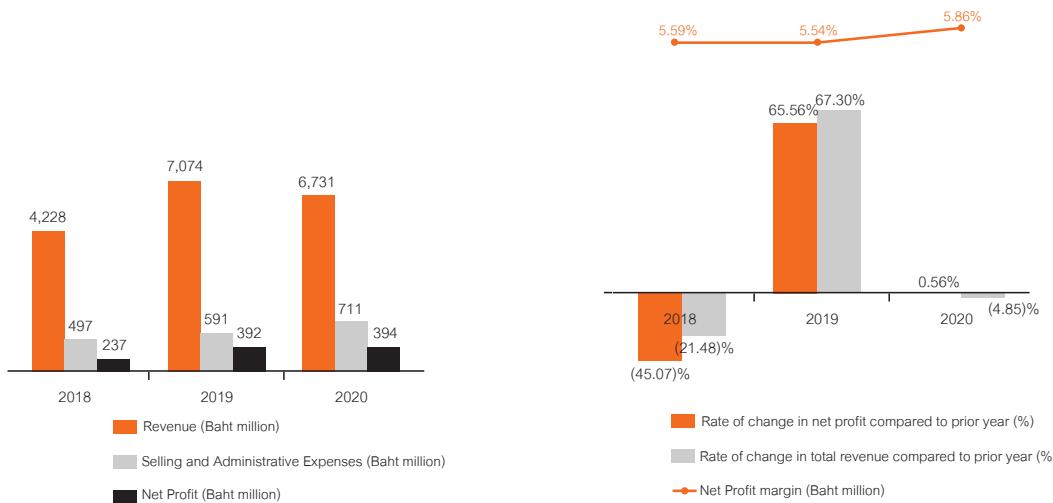
In 2018, selling and administrative expenses of the Company was 497.19 million Baht, decreased by 51.35 million Baht or 9.36%, while total revenue in 2018 decreased by 21.62%. Changes in selling and administrative expenses were not in the same direction because a part of selling and administrative expenses was fixed cost which did not decrease as revenue decreased. As the result, the decrease rate of selling and administrative expenses was less than the decrease rate of revenue.

Financial expense (revenue)

In 2020, the Company's financial revenue increased by 23.30 million Baht or 786.56%. This was because the Company has charged the interest payment from a large receivable in an amount of 25.52 million Baht. As a result, the Company's financial revenue in 2020 was 5.14 million Baht higher compared to the financial expense.

Net Profit and Net Profit Margin

Normally, the change in net profit is usually directly proportional to and at the same rate as the change in the revenue, as shown in the diagram below. However, the increase or decrease in some expenses was not in the same direction with the revenue, therefore the rates of changes in revenue and net profit were not at the same rate. Changes in revenue and net profit during 2018–2020 can be summarized as follows:



Comparison Chart in Net Profit,
Selling and Administrarive Expenses, and Revenue

The Chart of Changed Rate in Net Profit compared to
the changed in Total Revenue in the Previous Year

In 2020, the Company's net profit slightly increased by 2.18 million Baht or 0.56% compared to that in 2019, while the total revenue decreased by 4.85 due to several factors, including:

1. The Company acquired large-scale projects with higher total gross profit margins which resulted in an increase in gross profit margin from 15.39 in 2019 to 17.35% in 2020.
2. Other revenues increased by 18.69 million Baht derived from increased sales promotion revenue.
3. Selling and administrative expenses in 2020 increased compared to those in 2019 which was mainly due to the record of anticipated credit loss allowance (Allowance for Doubtful Accounts) in an amount of 100.66 million Baht.
4. The Company received an accrued interest receivable from large receivable in an amount of 25.52 million Baht.
5. Share of loss from investment in the joint ventures decreased by 21.23 million Baht.

All of these factors made the net profit margin for the year 2020 increased to 5.86% compared to that in 2019, which was 5.54%.

In 2019, the Company's net profit increased by 155.26 million Baht or 65.56% compared to that of 2018 due to increase in revenue, which increased at the same rate of increase in total revenue which was 67.30%. It was found that in 2019, the Company worked for the large-scale projects with lower gross margin compared to those in 2018. However, some administrative expenses were fixed cost which did not increase as the revenue increased. Therefore, the rate of increase in selling and administrative expenses was lower and could compensate for the lower gross profit margin. As a result, the rate of change in net profit increased at a similar rate to the rate of change in total revenue.

In 2018, the Company's net profit decreased by 194.30 million Baht or 45.07% from that of 2017 due to decrease in revenue. However, compared to the rate of decrease in total revenue which was 21.48%, it was found that the net profit margin decreased at a higher rate. This is because in 2018, the Company worked for large-scale projects with relatively low gross profit margins. In addition, a part of selling and administrative expenses was fixed cost which did not decrease as revenue decreased, resulting in lower rate of change in net profit compared to rate of change in revenue.

Analysis of the Financial Ratios

The financial analysis reflects the operating result, which can be seen from the financial data, as follows;

Financial Ratio (Unit: Percent)	2020	2019	2018
Profitability Ratio			
Gross Profit Margin	17.35	15.39	18.96
Operating Profit Margin	6.96	6.61	6.15
Cash Profit Ratio	87.61	(255.45)	147.81
Net profit margin	5.86	5.54	5.59
Efficiency Ratio			
Return on Equity	13.57	13.93	8.43
Return on Assets	6.49	7.84	5.09
Return on Fixed Assets	244.10	223.00	146.33
Asset Turnover Rate	1.11	1.41	0.91

From the above table, the financial ratios with significant changes can be described as follows:

- The gross profit margin in 2020 increased from that in 2019. This is because the new projects in 2020 had higher gross profit compare to the projects in 2019. However, gross profit margin in 2019 was lower than that in 2020 and 2018 as most of the projects the Company acquired had relatively gross profit margins due to relatively high competition from limited number of projects. In addition, there were only hardware sales in some projects with low gross profit margins. Especially in 2019, there was an extremely large-scale project of such type resulting in very low gross profit margin in 2019. It was also caused by the provision of delay penalties for the projects in progress which were included in cost of sales and services.



- Cash profit ratio in 2020 was positive which indicated that the earnings in 2020 could be converted into cash flow in the Company. This is because, in 2020, in addition to having good operating performance, the Company could also collect money from the receivables that have brought forward from 2019. Cash profit ratio in 2019 was negative because the large-scale projects were pending for handing over on milestone basis. The Company had invested a lot of money in equipment and service fees during installation, therefore the cash spent was higher than the cash received. The cash profit ratios of the year 2018 were positive, indicating that Company had a net profitable performance and could collect payments from accounts receivable as in 2020.

- The net profit margins during 2018 - 2020 were very similar. However, the vertical analysis showed that the proportion of selling and administrative expenses in each year were different. In 2020, the Company had a higher gross margin than that of 2019, but showed increased selling and administrative expenses which was mainly due to the record of anticipated credit loss allowance, an expense that is not directly related to an increase in revenue. As for the year 2019, the gross profit margin was lower because the Company acquired large-scale and highly competitive projects. This resulted in a high revenue from handing over which could cover a lot of fixed expenses. Therefore, the selling and administrative expenses were not very high. In 2018, the gross profit margin was higher than that of 2019 and 2020. However, the comparison of financial ratios showed that the selling and administrative expenses were high due to the low revenue. Therefore, the comparison of administrative expenses which were part of the fixed expenses indicated that the administrative expenses were at high rate. In addition, the share of loss from investments in the joint ventures was relatively high which made an annual net profit margin in 2018 close to that in 2019 and 2020.

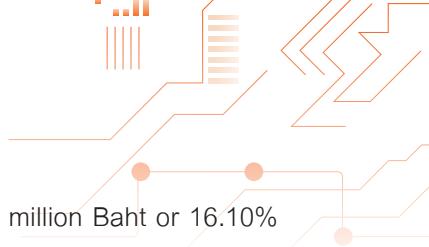
- Return on equity may increase or decrease depending on the net profit of the Company in each year as the changes in return on assets and fixed assets. In other words, the return on equity in 2020 was high and similar to that in 2019, but higher than that in 2018 in accordance with the high net profits in 2019 and 2020 due to the significant increase in revenue.

- The asset turnover ratio may increase or decrease depending on revenue in each year. The overall revenue in 2019 was higher compared to that in 2020 and 2018, resulting in an increase in asset turnover ratio in 2019 compared to that in 2020 and 2018.

Asset Management Capability

Trade Accounts Receivable

Most of the Company's overdue the trade accounts receivable were government agencies, government organizations and state enterprises which had specific procedures and required longer time in the processes. The Company's executives expected to receive full payment and the anticipated credit loss allowance (allowance for doubtful accounts) was expected to be sufficient in order to reserve for overdue accounts receivable from private enterprises. The Company recorded the anticipated credit loss allowance on each the account receivable, taking into account the past collection experience, outstanding receivables aging, and the expected economic conditions of the vulnerable customers with similar credit risk.



The accounts receivable and other receivables in 2020 increased by 365.32 million Baht or 16.10% from that in 2019 due to the increase long outstanding receivables. This is because the Company acquired large-scale projects from government agencies and state enterprises with a long period of inspection, handing over and payment according to the processes of each agency. In addition, some large-scale projects required contract amendments, which took quite a long time, thus increasing the number of accounts receivable in 2020

In analyzing the account receivables classified by receivable aging, can be shown as the table below;

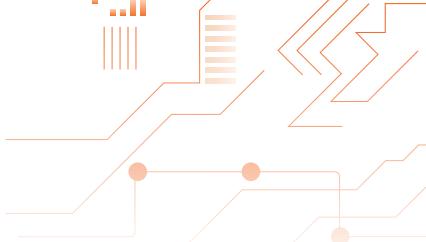
Account Receivable classified by aging	Unit : Thousand THB			Increase (Decrease)	
	2020	2019	2018	2020 VS 2019	2019 VS 2018
Trade Accounts Receivable – related Parties					
Not yet due	-	-	-	-	-
Under 3 months past due	-	-	-	-	-
3-6 months past due	-	-	23,436	-	(23,436)
6-12 months past due	-	-	131,565	-	(131,565)
Over 12 months past due	-	130,436	-	(130,436)	130,436
Total Trade Accounts Receivable – related Parties	-	130,436	154,911	(130,436)	(24,475)
Less: Allowance for expected credit losses	-	(9,117)	(9,117)	(9,117)	-
Total Trade Accounts Receivable – related Parties, net	-	121,319	145,874	(121,319)	(24,555)
Trade Accounts Receivable – unrelated Parties					
Not yet due	754,518	1,249,345	430,181	(494,827)	819,164
Under 3 months past due	1,141,303	451,812	526,488	689,491	(74,676)
3-6 months past due	359,618	339,716	76,661	19,902	263,055
6-12 months past due	383,831	45,288	63,264	338,543	(17,976)
Over 12 months past due	91,385	91,291	308,080	94	(216,789)
Total Trade Accounts Receivable – unrelated Parties	2,730,655	2,177,452	1,405,074	553,203	772,378
Less: Allowance for expected credit losses	(96,730)	(74,348)	(50,764)	22,382	23,584
Total Trade Accounts Receivable – unrelated Parties, net	2,633,925	2,103,104	1,354,310	530,821	748,794
Other Receivable	38,715	44,187	-	(5,472)	44,187
Less: Allowance for expected credit losses	(38,715)	-	-	38,715	-
Total other receivables-net	-	44,187	-	(44,187)	44,187
Total Trade Accounts Receivables and Other Receivable-net	2,633,925	2,268,610	1,500,184	365,315	768,426



From the table above, it can be seen that in 2020 the trade accounts receivable from unrelated parties increased by 530.82 million Baht or 25.24% mainly due to the accounts receivable with less than 3 months overdue. These accounts receivable were from projects that have just been handed over in 2020 such as Network Hardware Trading Project of the Government Savings Bank, Remote Communication Network System Development Project for Nationwide Branches of the Bank for Agriculture and Agricultural Cooperatives and many other projects of Krung Thai Computer Service, National Telecom Public Company Limited and the Secretariat of the House of Representatives, etc. In addition, there were also the accounts receivable with more than 6 – 12 months overdue which were the accounts receivable from some projects that have been handed over in 2019. The long-overdue accounts receivable included Information and Communication Technology Project at the New Parliament Building of the Secretariat of the House of Representatives and Remote Communication Network System Development Project for Nationwide Branches of the Bank for Agriculture and Agricultural Cooperatives, etc. This is mainly due to the delay in payment due to the long inspection process according to the customer's internal processes. In addition, some projects have amended the contract term, which took a longer period, thus during the year 2020, the Company has increased the anticipated credit loss allowance for the trade accounts receivable by 22.38 million Baht.

In addition, in 2020 the Company has also reserved the anticipated credit loss allowance for other receivables arising from advance payment of products prepaid items awaiting return from the supplier. This is due to cancellation of such projects, which were still in the process of refund and was expected to take a long time. Receivables in interrelated businesses decreased by 100%, because at the end of 2020 the Company received full payment from receivables and reversed the allowance for anticipated credit losses that were previously recorded.

In 2019, the trade accounts receivable from unrelated businesses significantly increased compared to that in 2018. The undue accounts receivable increased by 819.16 million Baht or 190.42% mainly due to Information and Communication Technology Project at the New Parliament Building of the Secretariat of the House of Representatives and the Computer Hardware Trading and Network Development Project of the Office of the Permanent Secretary for Higher Education, Science, Research and Innovation. The amount of accounts receivable with 3–6 months overdue increased by 263.06 million Baht or 343.13% mainly due to the Computer Hardware Trading and Network Development Project of the Office of the Permanent Secretary for Higher Education, Science, Research and Innovation and Core and Access Switch for Core Network Replacement and SDN of Krung Thai Computer Service. An increase in 3-6 months overdue receivables was due to relatively long inspection process in accordance with customer's procedures. However, in addition to an increase in accounts receivables from the revenue during inspections, some of the accounts receivable also significantly decreased. Especially the accounts receivable with more than 12 months overdue decreased by 216.79 million Baht or 70.37% due to receipt of payment from the state enterprises and government agencies that had inspected and completed the amendment of the project contract during the year.



Inventory

Most of the inventories shown in the financial statement were the inventory awaiting handing over of projects which have not been completed in accordance with the terms of handing over under the contract. According to the Company's purchase policy, an order will be placed only after receiving the purchase order or contract from the customer. As a result, there is no defect in the backlog of the warehouse and obsolete products, although the Company's core activities are technology business which poses high risk regarding product obsolescence.

The inventory in 2020 was 1,575.93 million Baht which increased by 830.00 million Baht or 111.27% compared to that in 2019 which was 745.93 million Baht. This is because in 2020, the Company has invested in several large-scale projects such as the Purchasing and Installation of Cloud Project to support the service of the central government cloud of CAT Telecom Public Company Limited, the New Parliament Project in Information and Communication Technology, the Sales and Installation and Centralized Management of Information and Communication Technology Infrastructure of the Provincial Electricity Authority, the D-Ticket Project of the State Railway of Thailand and the Installation of Underground Cable Conduit, Mae Sai District, Chiang Rai Province, etc. These projects are still in operation and have not been completed according to the milestone. Therefore, these projects cannot be handed over, resulting in an increase in inventory in 2020 compared to that in 2019.

Investment

As at 31 December 2020, the Company has invested in subsidiaries, joint ventures, and related companies, are as follows;

Investment in subsidiaries

The Board of Directors' meeting had a resolution on September 6, 2018 to invest in ordinary shares of S P Resources and Commercial PTE. LTD., a newly incorporated company in Singapore, principally engaged in the trading of spare parts and hardware accessories and in the other business operations in Singapore. On September 25, 2018, this company has registered with the share capital of 1 SGD, representing 100% of the registered shares of this company. However, at the end of the year 2019, S P Resources & Commercials PTE. LTD. was on the process of closing due to changing in company plans to invest in foreign companies. In March 2020, the said subsidiary has completed the registration of its dissolution.

Investment in joint ventures

The Company has invested in 2 joint ventures which are:

- 1) Loxley & AIT Holding Company Limited, a joint venture between the Company and Loxley Public Company Limited. Each party holds 50% of shares with a registered capital of 100.00 million Baht, accounting for 100.00% of the paid-up capital.
- 2) Genesis Data Center Company Limited, a joint venture between 3 companies: WHA Infonite Holding Company Limited and Interlink Telecom Public Company Limited. Each party holds 33.33% of shares with a registered capital of 70.00 million Baht, accounting for 100.00% of the paid-up capital.



Other Non-Current Financial Assets (Investments in Interrelated Businesses)

During 2017, the Company has invested in the interrelated businesses. The Company has invested in Campana Group Pte. Ltd., a company incorporated in Singapore, by buying the shares instead of Loxley Public Company Limited which has waived its right to invest in an amount of 2.5 million USD (28,365 ordinary shares at a par value of 86.38 USD per share).

During 2020, Campana Group Pte. Ltd., has increased its capital to 278,920 shares. However, the Company has increased the capital in an amount of 1.8 million USD (14,400 shares at a par value of 125 USD per share). As a result, the Company holds 5.20% of the registered capital of that company.

Other non-current financial assets increased by 139.58 million Baht or 100.00% due to the additional investment in Campana Group Pte. Ltd in the fourth quarter of 2020. In addition, Thai Financial Reporting Standards No. 9 on Financial instruments, which became effective in 2020, classifies the investments in interrelated businesses as non-current financial assets with measured at fair value. As a result, the investments in interrelated businesses shown in the financial statement as at December 31, 2019 decreased by 85.00 million Baht or 100.00%.

Investment Expenditure in Systems or Equipment for Lease

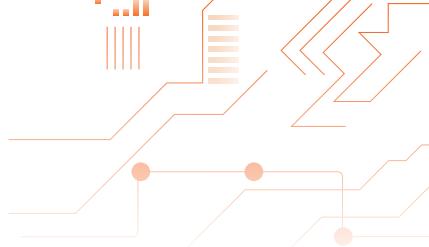
List of Investment Expenditure	2020	2019	2018
Investment expenditure in equipment for lease (million THB)	23.02	74.00	24.89

From the above table of investment expenditures in systems or equipment for lease during 2018 – 2020, the Company has increased its investments in systems or equipment for lease. This is because, in 2019, the Company has made additional investments in the equipment lease projects rather higher for the state enterprises and private organizations, which depends on the procurement policy of customers who want to rent the equipment rather than buying. However, continual investment in equipment lease projects will keep the Company's revenue with little change. In 2020, some equipment lease projects from the previous year were renewed without too much additional investments in equipment, thus reducing investment expenditures in equipment for lease in 2020.

In 2020, the value of equipment for lease was 88.67 million Baht which decreased by 31.89 million Baht compared to that in 2019 which was 120.56 million, accounting for 26.45% decrease due to depreciation of equipment for lease for the year 2020.

Other Elements in the Financial Statement with the Significant Changes

As at December 31, 2020, the Company's financial position has significantly changed from the financial position as at December 31, 2019. The comparison is shown in the following table which can be explained as follows:



Assets

Assets Items which has significant changes	Outstanding		Changes	
	2020	2019	2020 VS 2019	
	(Million Baht)	(Million Baht)		%
Unbilled receivables	1,303.89	1,705.04	(401.14)	(23.52)
Advances for goods and services	0.06	156.43	(156.37)	99.96
Other current assets	130.53	150.81	(20.28)	(13.45)
Right of Use Assets	24.70	-	24.70	100.00
Withholding tax deducted at sources	-	12.77	(12.77)	(100.00)
Deferred tax assets	87.80	67.86	19.94	29.38
Other non-current assets	77.94	49.32	28.62	58.03
Total Assets	6,429.18	5,728.61	700.57	12.22

Contract assets (unbilled receivables and retention) decreased by 401.14 million Baht or 23.52%. This is because at the end of 2020 the invoices have been issued for the completed and handed over projects, resulting in a decrease in contract assets (unbilled receivables).

Advance payment for goods and services decreased by 156.37 million Baht or 99.96%. This is because, during 2020, the Company received the goods the Company had previously paid, resulting in a decrease in advance payment for goods and services.

Other non-current assets decreased by 20.28 million Baht or 13.45% due to decreased input tax. This is because, at the end of 2020, the Company has issued the output tax invoices with higher value for the receipt of payment and delivery of the goods compared to the value of input tax invoices at the end of the year. The input tax of 2019 was quite high due to the investment in large-scale projects.

Right-of-use asset increased by 24.70 million Baht or 100.00% due to the adoption of Thai Financial Reporting Standards No. 16 on Lease Agreement in 2020, requiring the lessees to recognize assets and liabilities for every lease agreement with a lease period of more than 12 months, unless the underlying asset is of low value.

Withholding tax deducted at sources decreased by 12.77 million Baht or 100.0%. This is because, in 2020, the Company received tax refund for the year 2018 from the Revenue Department.

Deferred tax assets increased by Baht 19.94 million or 29.38%, mainly due to the recording of deferred tax assets from the provision of allowance for doubtful accounts.

Other non-current assets increased by 28.62 million Baht or 58.03%, mainly due to advance payment for project maintenance which covered the insurance period for more than 1 year.



Liabilities Items which has significant changes	Outstanding		Changes	
	2020	2019	2020 VS 2019	
	[Million Baht]		[Million Baht]	%
Short-term loans from finance institutions	250.00	400.00	(150.00)	(37.50)
Trade and other payables	1,341.01	738.50	602.51	81.59
Unbilled payables	830.35	713.54	116.81	16.37
Current portion of liabilities under financial arrangement agreements	143.22	42.59	100.63	236.30
Contract liabilities	351.07	544.48	(193.41)	(35.52)
Provision for penalty on project delay	77.50	115.55	(38.05)	(32.93)
Other current liabilities	133.73	94.31	39.42	41.79
Liabilities under financial arrangement agreements	171.91	62.92	109.00	173.24
Lease liabilities - net of current portion	14.49	-	14.49	100.0
Provision for long-term employee benefits	139.57	97.77	41.80	42.75
Total liabilities	3,503.96	2,842.74	661.22	23.26

Short-term loans from financial institutions decreased by 150.00 million Baht or 37.50%. This is because, at the end of 2020, the Company could collect payments from many large receivables and has therefore repaid the loans from financial institutions.

Trade accounts payable and other payables increased by 602.51 million Baht or 81.59%. This is because, at the end of 2020, the Company purchased goods and services in large-scale projects, which were undue payments, resulting in an increase in trade accounts payable.

Unbilled costs increased by 116.81 million Baht or 16.37% due to the handing over of large-scale projects at the end of 2020 in which the Company has not yet received invoices from trade payables, resulting in higher unbilled costs compared to that in 2019.

Liabilities under financial management contracts (for both liabilities due within one year and net amount of the liabilities due within one year) increased by 209.63 million Baht. This is because in 2020 the Company has entered into additional financial management contracts for its financial management in order to provide sufficient short-term facilities to accommodate large-scale projects in the future.

Contract liabilities decreased by 193.41 million Baht or 35.52% due to the gradual handing over of projects in which the Company has received advance payments from customers, resulting in a decrease in unearned revenue from customers.



Provision of delay penalty decreased by 38.05 million Baht or 27.31%. This is mainly because the recorded delay penalty has been paid, thus reducing the provision of delay penalty.

Other current liabilities in 2020 increased by 39.42 million Baht or 41.79% compared to that in 2019. This is mainly due to an increase in 1) unbilled output tax of service revenue which was in the process of payment, 2) value added tax of December 2020 to be submitted in January 2021, and 3) deferred withholding tax on expenses together with employee bonuses of December 2020 which was higher than the deferred withholding tax of December 2019.

Liabilities under lease agreements – the net liabilities due within one year increased by 14.49 million Baht due to the adoption of Thai Financial Reporting Standards No. 16 on Lease Agreement in 2020.

Provision of long-term employee benefits increased by 41.80 million Baht or 42.75%. This is due to significant decrease in the discount rate in the long-term employee benefit liability calculation, based on the long-term bond interest rate. The Company therefore reassessed the provision of long-term employee benefits for the year 2020, resulting in higher provision of employee benefits.

Shareholders' Equity

In 2020, the shareholders' equity increased by 69.34 million Baht or 2.43% compared to that in 2019. All of the increase came from the net profit in 2020 minus dividends paid during 2020. This is the same reason for an increase in shareholders' equity in 2019 which increased by 111.22 million Baht or 5.05% compared to that in 2018. All of the increase in 2019 was from the net profit in 2019 minus dividends paid during 2019.

Capital Structure

The appropriateness of the capital structure can be determined by the financial policy ratio analysis, as shown in the table below;

Financial Policy Ratio	Consolidated Financial Statement		
	2020	2019	2018
Debt to Equity Ratio (Times)	1.20	0.99	0.56

The debt to equity ratios in 2019 and 2020 were 0.99 and 1.20, respectively, indicating that more external sources of fund were used compared to shareholders' funds. This is because in 2019 and 2020 the Company got several large-scale projects which required a lot of capital for the operation, especially the projects of government sector and state enterprises that took a long period of inspection and payment, in the form of work in progress, contract assets and trade accounts receivable. These external sources of funds included interest-bearing funds, consisting of loans from financial institutions and loans from financial leases with interest-bearing debt and non-interest funds such as trade accounts payable, accrued expenses and other liabilities. It can be seen that the ratios of interest-bearing funds to the funds shown as total liabilities were only 17.78% and 16.84%, respectively. It shows that although the amount of liabilities of the Company increased, it did not significantly affect the interest expenses. In addition, the interest rates on loans from financial institutions were relatively low.

In 2018, there was no extremely large-scale project and the debt to equity ratio was 0.56. This indicates that the major sources of funds came from the shareholders rather than liabilities or loans which reflected the financial stability of the Company.

Financial Policy Ratio	Separated Financial Statement		
	2020	2019	2018
Dividend Payout Ratio (%)	76.92	93.14	75.19

The dividend payout ratio is calculated from the separate financial statements because it is considered the performance of the Company in terms of net profit. It can be seen that in the past, the Company has always been profitable and paid dividend continuously, in which the actual dividend payout ratio was higher than the Company's dividend policy which was set at 40% minimum.

Liquidity Analysis

For the liquidity ratio from the consolidated financial statements can be shown as follows:

Ratio	2020	2019	2018
Liquidity Ratio (Times)	1.84	1.95	2.70
Quick Ratio (Times)	1.30	1.55	2.37
Cash Flow Ratio (Times)	0.14	(0.58)	0.22
Accounts Receivable Turnover (Times)	1.68	2.33	1.75
Average Collection Period (Days)	214	155	206
Inventory Turnover Rate (Times)	4.74	11.72	11.82
Average Inventory Period (Days)	76	31	30
Payable Turnover (Times)	2.88	4.27	2.22
Average Payment Period (Days)	125	84	162
Cash Conversion Cycle (Days)	165	102	79

The above table shows that for the liquidity ratio in 2020: 1) The quick ratio slightly decreased compared to that in 2019 due to an increase in current liabilities as a result of large-scale projects acquisition and the projects in progress, as evidenced by the increase in inventories. Most of the increased liabilities came from trade accounts payable and liabilities under financial management contracts, resulting in decrease in the liquidity ratio to 1.84, but the liquidity ratio was still high; 2) The trade receivables turnover in 2020 was similar to that in 2018, but lower than that in 2019. This is because the high balance of trade accounts receivable and contract assets (unbilled receivables) due to the large-scale projects of government agencies and state enterprises which took a long period of equipment inspection, resulting in a longer debt collection period; 3) The repayment period in 2020 was longer than that in 2019. This is because at the end of 2020 there was an expedited delivery of goods and operations in order to complete the works according to the contracts, resulting in a very high year-end trade payable. In addition, several projects received a credit term that was longer than usual. As a result, the repayment period was longer. However, in overall, the period of cash turnover from sale to receipt of payment was longer, mainly due to the relatively long collection period from the receivables.

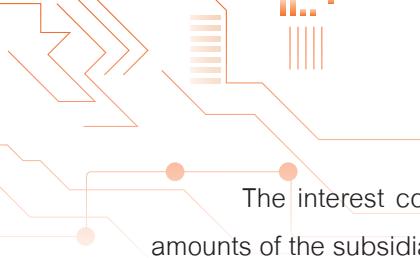
As for the liquidity ratio in 2019: 1) The quick ratio decreased compared to that in 2018 due to an increase in current liabilities as a result of many large-scale projects which required more investment and a lot of funds from financial institutions, accounts payable and other related liabilities. Therefore, the liquidity ratio decreased to 1.95, but it was still considered to be at a high level; 2) The accounts receivable turnover in 2019 was close to that in 2017, when the revenue from handed over projects was high and with similar characteristics of receivables since most customers were government agencies and state enterprises which took quite a long time in inspection process; 3) The repayment period in 2019 was shorter than that in 2017-2018. This is because many suppliers of large-scale projects were new suppliers or the suppliers with infrequent transactions in the past. Therefore, the credit terms were shorter. However, an average repayment period was between 60-90 days, which considered a long credit term.

In 2019, the Company's overall liquidity ratio was at a good level: 1) Current assets were twice the current liabilities. Similarly, the quick ratio was also at a high level; 2) The Company's net profit was in cash, as can be seen from the positive cash flow ratio; 3) The collection period was relatively long, especially in 2018 since most customers were government agencies and state enterprises which took quite a long time in contract amendment and inspection process as there were many delivery and inspection locations; 4) In 2018, the credit term was relatively long due to the back-to-back payment used in large-scale projects for the payment to suppliers; and 5) Cash cycle of the Company which represented the duration of the cash flow from the payment to the payables to the collection period from receivables in 2018 was longer than that in 2018 due to longer collection period as a result of 3) mentioned above.

Interest Payment Ability

The debt repayment capacity in the consolidated financial statements is determined by the financial ratios below:

Financial Policy Ratio	Consolidated Financial Statement		
	2020	2019	2018
Interest Coverage Ratio (Times)	32.46	(106.67)	585.01



The interest coverage ratio primarily reflected the Company's performance because the monetary amounts of the subsidiaries were very small in the consolidated financial statements without affecting the ratio analysis. The interest coverage ratio can be considered from the cash flow from operating activities before interest expense and income tax. It can be seen that in the year 2018 and 2020, the Company had positive interest coverage ratios, indicating that the Company had sufficient cash flow for interest payment. This is because the Company's turnover was profitable and the Company also had good cash flow from operating activities. In 2020, an interest coverage ratio decreased because the Company got several large-scale projects with high value. These projects took more than 1 year to complete which required a lot of capital and took quite a long time in inspection process before reaching the payment process since most customers were government agencies and state enterprises. As a result, the interest expense on borrowings increased but the interest coverage ratio was still positive due to the cash flow from operating activities.

Debt Commitment

The Company has debt commitment and estimates of contingent liabilities, which can be divided, into 4 parts;

1. Capital commitments

As at 31 December 2020, the Company and its subsidiaries had no capital commitment (2019: capital expenditures were 34 million Baht in connection with the purchase of equipment for lease).

2. Long-term lease commitments

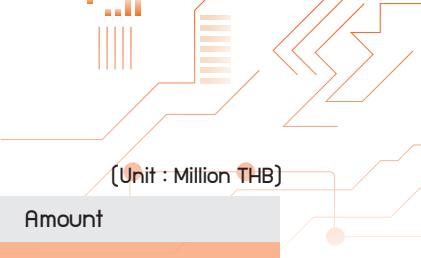
In 2020, the Company has adopted the Thai Financial Reporting Standards No. 16 for the first time. The Company recognized the lease liabilities for leases that were previously classified as operating leases at the present value of the remaining lease payments discounted by the Company's incremental borrowing rate at the date the Standard Financial reporting No. 16 was first adopted. Equipment leases where most of the risks and returns of ownership were transferred to the lessee were financial leases. Finance leases were recorded as capital expenditures at the fair value of the leased assets or the net present value of the lease payments, whichever was lower. The lease obligations less financial expenses were recorded as long-term liabilities, while interest expenses were recorded as profit or loss over the lease term. Assets acquired under finance leases were depreciated over the useful life of the leased assets or the lease term, whichever was lower.

For leases that were previously classified as finance leases, the Company recognized the book values of assets and liabilities under the lease agreements at their original book values prior to the date the Standard Financial reporting No. 16 was first adopted.

The Company uses a single-entry bookkeeping method for recognition and measurement the values of all leases except for short-term leases and leases where the underlying assets are of low value as at the effective date of the lease agreement. The Company recorded the right-of-use assets, which represent the right to use the underlying assets and lease liabilities under lease payments.

3. Sales and Service Obligations under Contracts

The Company has entered into sales contracts which have not yet been delivered or rendered, and equipment lease agreements for future service and maintenance service under the conditions specific in the agreement, which were off-balance sheet items as at December 31, 2020



(Unit : Million THB)

Type of Contract	Amount
Sales and services to customers which have not yet delivered or rendered	7,121
Leasing of electronic equipment, fees that must be serviced in the future.	117

4. Guarantees

4.1 Bank guarantees

As at December 31, 2020, there were outstanding bank guarantees of 2,307 million Baht issued on behalf of the Company and the Consortium, in connection with certain performance obligations in the normal course of business of the Company which were off-balance sheet items.

(Unit : Million THB)

Type of Guarantees	Amount
Guarantee of performance according to the contract	2,305
Guarantee payment to creditors	2

4.2 Underwriting

The Company and other companies have provided a written undertaking to a bank to guarantee a long-term loan of Genesis Data Center Company Limited which is a joint venture of the Company. The Company's guarantee is limited to 87 million Baht.

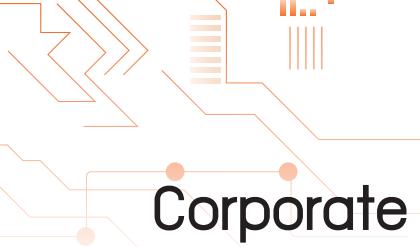
Factors affecting the future performance

The main risk factor affecting business operations is rapid technological change which is also an important factor in the Company's operational planning. The Company has kept track of the trend of new technology and developed knowledge of personnel to support and be able to adapt to new technological innovations in a timely manner.

There are also other external factors, especially the role of government sector in economic management policy and public investment expenditures. This is because most of the high-value technology projects come from the government sector and most of the Company's customers are government bodies, government organizations and state enterprises. Therefore, political stability is an important factor for government stability. In addition, the economic factors have pushed forward the government to establish economic policies and public expenditures in accordance with the economic conditions during various periods. The Company has observed and tried to adapt to such uncontrollable external factors.

Foreign exchange risk is also a very important factor due to high and fast fluctuation of Thai Baht value last years. However, the Company has reduced risk of currency fluctuation by using financial instruments from financial institutions. From all external risk factors, the Company has adapted and searched for tools to support and deal with the above risk factors.

In addition, an unexpected important external factor that has played a huge role in 2020 and continuing in 2021 was COVID-19 pandemic. This COVID-19 pandemic has had a negative impact on the economy and society around the world and is uncontrollable with no direct cure for the disease at present. Therefore, we have to wait and hope from the effectiveness of COVID-19 vaccines.



Corporate Governance

The Board of Directors recognizes the importance of good corporate governance, therefore implementing good corporate governance principles as a tool to add value and promote the Company's sustainable business growth, which will strengthen the managerial system to be efficient, transparent, and auditable to build confidence to shareholders, investors, stakeholders, and all related parties.

Corporate Governance Policy

The Company continuously adheres and follows good corporate governance based on sufficiency and adhering good governance, to be the organization that is transparent and auditable, including operates business that cares about society, community, and environment, as well as supports the personnels to be good people with morality and improves a quality of working life, to be a sustainable organization.

In 2020, the Company has disclosed the information of good corporate governance for the listed companies in 2017 (CG Code). In addition, the Company has also complied with the principles of good corporate governance for listed companies in accordance with the guidelines set forth by the Stock Exchange of Thailand in 5 categories:

1. Rights of shareholders
2. Equitable treatment of shareholders
3. Roles of stakeholders
4. Information disclosure and transparency
5. Responsibilities of the Board of Directors

For the year 2020, the Company has received a "very good" (4 stars) rating for corporate governance for the year 2020 based on the results of the corporate governance survey of 692 listed companies by the Thai Institute of Directors in cooperation with the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, according to the quality assessment of the 2020 shareholders' meeting organized by the Thai Investors Association, the Company's score was 91%, reflecting that the Board of Directors has given importance to good corporate governance and the practice has been revised to be up to date.

1. Rights of Shareholders

The Company treats its shareholders as the owners with all the fundamental rights as determined by law. Additionally, the Company has a policy to ensure its shareholders are provided up-to-date important corporate information, the shareholders' meeting, etc. The rights of the shareholders are as described in the following sections;

1.1 The Shareholder's Meeting

The Company determines that the Annual General Shareholders Meeting shall be held annually with no more than four (4) months from the end date of the Company's fiscal year. The shareholders are eligible for attending the Annual General Shareholders Meeting and casting a vote are required to be registered on the share register book at the record date. The number of shares for each shareholder is entitled to cast votes shall follow the details on the share register book at the record date. The record date shall be scheduled within



two months before the Annual General Shareholders Meeting and after the date the Board of Directors gives approval for the Annual General Shareholders Meeting. Once the Board of Directors has approved the record date, this date shall not be changed.

The Company held the 2020 Annual General Meeting of Shareholders by Teleconference using Electronic Devices (E-AGM) on 2nd July 2020 at 10:00 a.m., which was live broadcasted at the seminar room, 1st floor, Head Office of Advance Information Technology Public Company Limited, No. 37/2 Suthisarn Winitchai Road, Sam Sen Nok Sub-district, Huai Khwang District, Bangkok Metropolis 10320. All the directors and chief executives attended the meeting to answer shareholders's questions, where Miss Manee Rattanabannakit and Miss Kamonkan Pongpanich, auditors from EY Office Company Limited and legal consultants from Kudun and Partners Company Limited actes as the observers and responsible for vote counting, including checking the accuracy of the vote at the meeting in which the chairman has conducted the meeting as required by law. All agenda items were approved at this Meeting.

1.2 Invitation Letter for the Shareholder's Meeting in Advance

The Company appointed the Thailand Securities Depository Co. Ltd. (TSD), a securities registrar, to deliver a shareholder meeting invitation to eligible shareholders at least 14 days in advance and provides the shareholder adequate information specifying the date, time, place and agenda including concerned matters with the objectives and reasons; supporting documentation and information for decision making; a resolution of the Board of Directors; reports on the previous meeting resolutions; the Annual Report; and a proxy form and procedures. An announcement is also published three (3) days prior to the meeting date on newspaper so that each shareholder shall have sufficient time to analyze the information in advance. Additionally, The Company also published in the Company's website at https://investor-th.ait.co.th/shareholder_meeting.html prior to the scheduled Shareholder Meeting. The reason these steps are taken is to encourage all shareholders, including institutional ones, to attend the Company's Shareholders Meetings.

1.3 Proxy form and Voting procedures

In order protect all shareholders to have their basic rights, a shareholder who cannot attend the meeting themselves by granting proxy to their representatives or an independent director. The names, credentials and qualifications of the assigned independent directors will be stated in the meeting notice according to a requirement by the Ministry of Commerce. The Company prepares the meeting notice including Proxy Form, supplementary documentation, and the procedure on the Company's website at https://investor-th.ait.co.th/shareholder_meeting.html prior to the meeting date.

1.4 The Shareholder's Meeting facilitates

The Company has a policy to support and facilitate the shareholders, including institutional investors, to attend the general meetings of shareholders by arrange the appropriate location where the mass transportation is available and sufficient for the shareholders to conveniently commute to attend the meeting. Furthermore, the Company shall provide convenience to all shareholders at the appropriate time and location including assist at the shareholder registration process 1 hour prior to the Shareholders Meeting start time, as well as provide banquet food, snacks and refreshments to the shareholders throughout the meeting.



1.5 The Shareholder's Meeting process

Prior to the beginning of the Shareholders Meeting, the Chairman shall inform the shareholders on the voting procedure for each agenda item in accordance with the Company's regulations. The attendees are welcome to raise the questions, comments, and recommendations for each agenda. The Directors and the Managements shall provide an answer all questions clearly. The Chairman shall organize the agenda according to the proposed agenda and will not add any agenda without noticing the shareholders in advance. According to the Annual General Meeting, the Company facilitates the shareholders' meeting with an E-Voting system and barcode machine for registration, having being made available in order to better facilitate its shareholders and to ensure the transparency within the meeting. In addition, at the meetings, the Company does no bundling of several items into a single vote; such as, for example, the election of directors is only ever voted on a one-by-one vote.

Moreover, the Company appoints an independent party of scrutineers/inspectors as a vote counting at the Annual General Meetings or the Extraordinary General Meetings and disclosed the result of each agenda and recorded in the minutes.

Due to the COVID-19 pandemic situation in the past year, the Company was concerned with shareholders for this situation and therefore held the 2020 Annual General Meeting of Shareholders by Teleconference using Electronic Devices (E-AGM), and the meeting was live broadcasted at the seminar room, 1st floor, Head Office of Advance Information Technology Public Company Limited. In addition, the system developed by Conovance Company Limited, a service provider that complies with the requirements of the Electronic Transactions Development Agency, was used in this meeting.

1.6 Conflicts of Interest Report

The Company in accordance with Section 89/14 of the Securities and Exchange Commission Act B.E. 2535, which was amended by the Securities and Exchange Commission Act (No.4) B.E. 2551. The Act determines that directors and executives are required to report any conflict of interests of personal and their related persons. This interest is related to its management or its subsidiaries and is in accordance with the announcement of the Capital Market Commission Th. No. 2/2009 dated January 26th, 2009, which stated the requirements to comply to Good Corporate Governance. The Board of Directors has set the guidelines and determines to report the interest of the Directors, Executives and their related persons as follows:

1. The directors and the executives shall report their interests from their initial designation and any change in their interests within 7 working days in accordance with the report form for interests of directors and executives and submit the report to the corporate secretary to proceed and retain for audit purposes.
2. The corporate secretary shall submit the report of interests, and any change, to the chairman and audit committees within 7 working days from the date of receiving the said report and report to the Board of Directors in the next meeting.
3. At the end of the year, the Company secretary shall prepare a report on the conflict of interest and submit to the directors and executives for data verification or the purpose of disclosure in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).



However, in the Shareholders' Meeting, the directors who have an interest or involve in any agenda will abstain from voting in such agenda.

1.7 Process after the Shareholder's Meeting

The Company delivers the minutes of Annual General Shareholders Meeting, including the recorded details for each agenda item and a description of the voting and vote tabulation procedures used. All are declared before the meeting commences, including an opportunity for shareholders to ask questions or raise issues, questions and answers, resolutions, voting results of each agenda item containing approving, dissenting, and abstaining votes, and list the Board Members who attended or missed the meetings to The Stock Exchange of Thailand and the Securities and Exchange Commission within 14 days after the Meeting; additionally, the minutes are published on the corporate website at www.ait.co.th as to inform all investors and shareholders.

2. Equitable treatment of Shareholders

The Board of Directors maintains the policy of provide the equal treatment to all shareholders, as follows:

2.1 Disclosure the Shareholder's Meeting Agenda and Documentation on the Company's website

Prior to the Annual General Shareholders Meeting, an individual shareholder shall have an opportunity to propose additional matter in the agenda that would be beneficial to the Company performance. The Company notifies shareholders through the Stock Exchange of Thailand and the corporate website at https://investor-th.ait.co.th/shareholder_meeting.html prior at least 30 days before the Annual General Meeting of shareholder's date in order for the shareholders to have adequate time to be prepared for the meeting. As the corporate website consist of 2 languages, Thai and English in order to facilitate transparency of information and communication to all shareholders, both Thai and Foreigners. The Company also provides the opportunity for shareholders to propose matters to be included as an agenda at the Shareholder meetings and send their questions in advance via the Company's website or e-mail: companysecretary@ait.co.th

2.2 Channels for the Company's information and complaints

All stakeholders of the Company are able to access information of AIT equally, which is distributed and available equally to all shareholders through the various following channels including reporting of news and leads through the Company's website, phone, letter, and e-mail to the Corporate Secretary Office:

1. Telephone : 0-2275-9400
2. Website : www.ait.co.th
3. E-mail : companysecretary@ait.co.th

The question, complaint, and recommendation shall be forwarded to the related departments to investigate and inform back to the reporter

2.3 Prevention policy to protect against Insider Information

Pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 (1992), the directors, executives, and auditors of the Company are required to disclose changes in their securities holdings and derivatives, and this includes their spouses and underage children to allow the investors and the shareholders to acknowledge and monitor the movement of securities of such persons who are in a position or status that may know inside information of the Company and may exploit such information for their own benefits before the information is



disclosed to the public. In addition to the regulatory requirements, when securities holdings of directors and executives are changed, such information will be added to an agenda to be reported to the Board of Directors at the Board of Directors' meeting on a quarterly basis.

In addition, the Company has policy and adheres to ethics, integrity, and honesty in operating business with customers, partners, investors, and shareholders, by determining guidelines in "Business Code of Conduct" manual under the title "Insider information usage and securities trading" for the directors, executives, and employees at all levels adhering and applying to secure important data and news from being disclosed, accessed to sources of information arbitrary or with impure intentions. For violation, the directors, executives, and employees with a serious offense shall be subjected to disciplinary sanctions, the details can be found in the topic "Insider information control" and has published such manuals on the Company's website.

3. Roles of Stakeholders

The Company recognizes the rights of stakeholders and has policies to give confidence by giving priority to stakeholders, including shareholders, employees, customers, partners, competitors, as well as the public and society as a whole. There is a cooperation between different group of stakeholders according to the roles and duties in order for the Company's business to operate well with stability and response to fair benefits for all parties, therefore, The Board of Directors has provided the "Code of Conduct" guide which specifies responsibility to the stakeholders to be used as practices by the relevant departments, as well as to inform and encourage all directors, managers, and staffs to work and conduct business activities to protect and ensure basic rights of stakeholders as follows;



Shareholders

1. Perform their duties with integrity, transparency and fairness to ensure any decision-making provides optimal benefits to all relevant groups
2. Perform their duties professionally with knowledge, expertise, intention, carefulness, knowledge application and managerial skill
3. Report complete and accurate organizational situations on the regular basis
4. Do not attempt to benefit themselves or any other outside person with the Company's undisclosed information
5. Do not disclose the Company's confidential information to outside persons, especially competitors
6. Do not proceed with any matter which may cause any conflicts of interest



Employees

1. Provide appropriate remuneration to the employees, based on the employees' knowledge, capabilities and as appropriate including benefits which exceeds than those required by law
2. Provide employees with equal opportunity for human resources development
3. Avoid any unfairness that may threaten or pressure or affect the work stability of employees
4. Create work environmental conditions with concerns of safety to employees' lives, physical conditions, health and assets regularly
5. Abide by the laws and regulations relevant to the employees



Customers

1. Provide products and services with quality including maintain its quality standard
2. Disclose complete and accurate information relevant to products and services
3. Provide guarantees under appropriate time and conditions
4. Do not deliver damaged or defective products and services to customers
5. Establish a system to allow the customers to question or comment on the Company's products and services and quickly respond
6. Keep customer information confidential and do not exploit such confidentiality with dishonest purposes for personal benefit or the benefit of outside persons
7. Adhere to the customers' requirements and conditions strictly. In a case that the conditions may not be met, the executives must quickly inform the customer and work to jointly reach a solution



Traders and / or Creditors

The Company confirms to its principle of business operations in order to the respect the admission of the Creditors that they have strictly complied with all the terms and conditions agreed upon in a transaction and strictly follow each covenanted condition. The practices are as follows:

1. Strictly follow the trade partners and creditors' conditions. In a case that the conditions are not met, the executives shall inform them beforehand to jointly find a solution and protect against any damage
2. Do not request or receive personal benefits or give benefits to trade partners, debtors or creditors for dishonest purposes
3. Report financial information accurately and completely



Competitors

1. Abide by the rules of competition framework
2. Avoid tarnishing or making accusations against competitors or their products without integrity, information and truth
3. Do not access a customers' confidential information without integrity or appropriateness



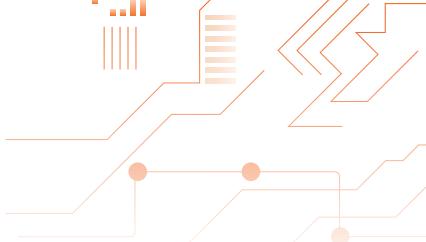
Social Community and Environment

1. Support any activities that benefit the public, the community and society overall
2. Return the partial of Company's profit to society-related activities regularly
3. Do not do anything that impacts natural resources or the environment
4. Continuously implant consciousness of our responsibility to the public, community and society amongst employees at all levels
5. Abide and supervise according to the law and regulations established by any supervision unit

4. Information Disclosure and Transparency

4.1 The Board of Directors shall be responsible for financial statements and general information for shareholders and general investors with transparency, accountability and punctuality with explanation information provided on the performance, policies, future trend, successes and obstacles. Such information is disclosed in the annual report (form 56-2), the Annual Registration Statement (form 56-1) and via the Company's website at www.ait.co.th in both Thai and English languages for disseminating to the investors, the shareholders and the stakeholders as determined by the regulation of the Securities Exchange Commission, the Stock Exchange of Thailand and general accounting standards. All financial statements are reviewed and examined by the Company's auditors, the Executive Committee, the Audit Committee and the Board of Directors.

4.2 Disclosure of any interrelated transactions shall be disclosed in substantiated details for the shareholders. The information includes the pricing policy for the interrelated transactions in a case of interrelated trade, lending for interrelated businesses, borrowings from interrelated business, accounts receivable and payable for interrelated businesses, investment in interrelated business, guarantees and collaterals for related businesses. This is to allow the investors and the shareholders to acknowledge such information with transparency. Under requirements on the interrelated transactions, when the Company and its subsidiaries have interrelated transactions with associated companies or related persons in terms of joint benefits, the Company and its subsidiaries are required to follow business conditions for the associated companies and persons on an arm's length basis. If there are any interrelated transactions that falls under the conditions of the interrelated transactions of listed companies with its subsidiaries or joint ventures, controlling persons or management executives, the Board of Directors shall review and proceed on the principles, procedures and disclosure of the interrelated transactions according to the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.



Investor Relations

The Company has established the Investor Relations unit to support and be a key function to disseminate information, answer all questions, including listen and exchange any opinions with shareholders, analysts, institutional investors, and relevant institutes. The Company's investor relations is Ms. Sinanang Oontornpan, for more information, the contact channels are available on three channels

1. Telephone : 0-2275-9400
2. Website : <http://investor.ait.co.th/>
3. E-mail : ir@ait.co.th

Investor Relations Activities

In 2020, the Company opens an opportunity for investors, analysts, shareholders, and institutional investors to access the data, operating performance, business growth strategy, including major events throughout year with Q&A sections. The previous year, there are activities, as follows;

1. An Opportunity Day, counted two times by the Stock Exchange of Thailand
2. An Analyst Meeting, to provide information on the Company's performance quarterly, counted four times.
3. Earning Release for each quarter, counted four times.
4. Other activities, that are the conference with Thuhoon newspapers, counted one time.

5. Responsibilities of the Board of Directors

5.1 Structures and Responsibilities of the Board

The Board of Directors comprised of four committees: The Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee. These committees have been formed in order to provide a proper assignment of duties and authority to provide for a clear direction and the most efficient Company operation.

The Board of Directors shall determine the corporate goal, and determine roles, duty and authorities for the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, and the Chairman of the Board. The Executive Committee shall set the Company policy, direction and strategy in operating business to achieve the corporate goal set by the Board of Directors. The Audit Committee shall review the Company's operations to be compliant with the relevant laws. The Nomination and Remuneration Committee shall consider the remuneration of directors, all subcommittees, president, or any persons appointed by the Board of Directors. Additionally, the Nomination and Remuneration Committee shall consider compensation packages for the Company's management and employees in terms of bonus and annual salary increases, and then propose these at the Board of Directors' meeting for approval.

Furthermore, the Board of Directors shall set the internal control systems, internal audit department, and the measures for effectively managing risk. The Board of Directors shall also set out a monitoring plan and review the performance regularly at the Board of Directors' meeting. The Company has hired an outsource company, DIA Audit Co., Ltd. to be its Internal Auditor. Mr. Apinan Sripramont is now the appointed head of the Internal Audit Department and he reports to the Audit Committee on a quarterly basis.



5.2 Balance of Power of Non-Executive Directors

According to the Company's Regulations No.14, the Board of Directors will comprise of at least five (5) directors who experiences in various fields. As of 31th December 2020, the Board of Directors consisted of 11 directors; of which, seven (7) are non-executives or representing by 64 percent and the remaining four (4) executive directors. Therefore, executive directors totaling approximately 36 percent of the total directors. The number of independent directors are 4 directors or totaling approximately 36 percent of the total directors in accordance with the principles of good governance set out by the stock Exchange of Thailand.

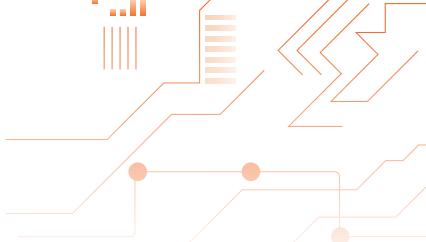
5.3 The Role of Chairman and President

Authority, Duties and Responsibilities of the President

1. Perform the duties as assigned by the Board of Directors or the Executive Board Committee under the Company's objectives, regulations and Articles of Association. In dealing with transactions, the Board of Directors has clearly approved maximum limit of each transaction. This limit should not exceed the limit approved by the Board of Directors. The maximum limit of each transaction however, may be appropriately revised upon the consideration and judgment of the Board of Directors. The delegation of authority to the President should not include any transaction in which the President or any other person involved may then have a conflict of interest (as determined through notification by the Securities and Exchange Commission) with the Company or its subsidiaries. Any duties performed should conform to the Notification by the Stock Exchange of Thailand in its article "Rules, procedures, and disclosures of any related party transactions of the listed company" An exemption to this is for any transaction which is a normal business transaction at market price and under the rules and regulations as specified by the Company.
2. Prepare the Company's business plan, strategy plan, and estimated annual budget to propose to the Executive Board Committee.
3. Follow the business plan, strategy plan, and estimated annual budget which have been approved by the Executive Board Committee.
4. Determine the organizational structure and management framework to include every details of selection, training, hiring, and termination of the Company's employees.
5. Empower to appoint or discharge an employee whose position is lower than the President
6. Perform with honesty and prudently for the protection and benefit of the Company.

5.4 Orientation Program for new Directors

The Board of Directors has set up the committee charter to determine the scope, guidelines, as well as the rules and regulations of the Company, which require that new directors shall be informed with the Company's business policy, relevant information, laws and regulations. An orientation shall be organized for new directors. The Board of directors has assigned the President and the Company Secretary to prepare a summary of information for the new directors, as well as to prepare useful information and documents, including meeting records. In addition, new directors are required to visit the establishment in order to understand the industry and business operations of the Company, as well as to clarify the nature of business and operating strategies by the President and Executive Director.



5.5 Development and training of Directors

The Board of Directors has set a policy to support and facilitate Directors for the training and learning programs to ensure that their continually improvement and performance, both internal and external training programs. All Directors must attend training program for understanding the performance of their duties. The Board of Directors realize the significance of their participation in training or seminars by attend various programs or development of their knowledge and skills. The Board of Directors attends training courses organized by the Thai Institute of Directors Association (IOD), namely, Director Certificate Program (DCP), Director Accreditation Program (DAP), Advanced Audit Committee Program (AACP), monitoring the Quality of Financial Reporting (MFR)

Development and Training of The Director in 2020

Name of the Directors	Details
1. Mr.Siripong Oontornpan	- Digital Transformation for CEO #2 oraganized by Bangkokbiznews, Thansettakij and MFEC Public Company Limited.
2. Mr.Chodiwat Duntasarn	- Top Executive Program in Commerce and Trade #13 (TEPCoT13) oraganized by University of the Thai Chamber of Commerce.

5.6 Self-Evaluation of the Directors

1. Self-Evaluation of the Board of Directors and Sub-Committees

The Company holds an evaluation of the Board of Directors and the sub-committee performance once a year, to evaluate its performance efficiency according to good corporate governance and this will help the Board of Directors to review their own works, issues, and obstacles throughout the year and utilize the evaluation to improve their performances. The criteria on the evaluation of the Board of Directors and the individuals, covers six topics, consists of the structure and qualification of the Board of Directors, roles and responsibilities of the Board of Directors, the Board of Directors' meeting, the duties of the directors, the relationship with the Management department, and the self-development of the directors and the development of the executives.

In 2020, the Board of Directors' meeting no.7/2020 on 10 November 2020, the Company secretary submitted the Board of Directors' evaluation form to the directors, consists of the evaluation form for the Board of Directors, the Audit Committee, and the Nomination and Remuneration Committee, to evaluate the performances of the Committee and the individuals. The results of the performances of the Board of Directors and the sub-committee can be concluded as follows;



The Board of Directors/ Sub-Committee	The Evaluation on the Performance of the Committee (Percentage)	The Evaluation on the Performance of the Individual Directors (Percentage)
The Board of Directors	90%	95%
The Audit Committee	95%	94%
The Nomination and Remuneration Committee	88%	88%

2. Self-Evaluation of the Chairman of the Executive Board Committee and President

The Company evaluates the performance of the Chairman of the Executive Board Committee and President at the end of the year by The Nomination and Remuneration Committee and then they will propose to the Board of Directors for an approval. The results of evaluating the performance of the Chairman of the Executive Board Committee and the President are considered as confidential information which is not disclosed. The performance of the Chairman of the Executive Board Committee and the President was evaluated base on 3 criteria: a measure of performance, evaluation of leadership and management, budgeting and project evaluation. The evaluation will be used to determine the salary raise percentage of Chairman of the Executive Board Committee and the President and then present to the Board of Directors for an approval.

Sub-Committees

The Board of Directors has appointed three sub-committees, consists of the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee, to operate on specific matters and propose the matters to the Board of Directors for an approval by setting a charter for the sub-committee to define the scope of authority, which is disclosed on the Company website.

1. The Audit Committee

The Audit Committee is responsible for supervising and ensuring the accuracy of the financial statements' preparation procedures and efficiency of the Company's internal control system, review the accuracy and sufficiency of financial reports, reviews the effectiveness of internal control system and internal audit considering the independence of the Internal Audit Department. In addition, the Audit Committee is responsible for approval of appointment/ relocation/ termination of employment of head of the Internal Audit Department, selection/ appointment/ termination of employment of the auditors considering the independence, related items or the items that may have a conflict to meet the criteria. The Audit Committee is also responsible for preparation of the Audit Committee's report for disclosure in the annual report which shall be signed by the chairman of the audit committee. In 2020, the Audit Committee held 4 meetings and the attendance record of each director is presented under the topic "The Attendance of the Directors in 2020". There were also 4 meetings held by the auditors without the management and the list of Audit Committee is as follows.

Name	Position
1. Mr. Chokechai Tanpoonsinthana	Chairman of the Audit Committee
2. Mr. Pongtep Polanun	Director
3. Mr. Sripop Sarasas	Director

Secretary : Ms. Sarin Chandranipapongse

* All directors are knowledgeable and experienced in reviewing the reliability of the Company's financial statements.

Authority, Duties and Responsibilities of the Audit Committee

1. Authority of the Audit Committee

The Audit Committee has the authority to perform any act as determined by the Board of Directors as shown in Duties and Responsibilities of the Audit Committee:

- (1) Under its scope of authority, the Audit Committee is authorized to call for or order the management, heads of offices, or any employees to present opinions, attend meetings or submit any required or necessary documents.
- (2) Consider, select and nominate the Company's auditor as well as the auditor's remuneration to the Board of Directors, and propose this at the Annual General Shareholders Meeting for the Company's shareholders approval. Assess the auditor's performance and other tasks related to the audit.
- (3) Make the final decision in a case where the management team disagrees with the auditor on financial reports.
- (4) Consider the disclosure of Company information in any case where there is a connector transaction or transaction that may lead to a conflict of interest, so as to ensure accurateness, completeness, and at all times compliance with the laws and regulations.
- (5) Review the auditor's report of investigation and discuss with the management team the assessment policy and risk management.
- (6) Hire external advisors or specialists to make comments or give advice as necessary.
- (7) Set up a meeting with the auditor without the management team or company representatives.

2. Duties and Responsibilities of the Audit Committee

The Audit Committee has Duties and Responsibilities as determined by the Board of Directors as follows:

- (1) Review the accuracy of the Company's quarterly and annual financial reports in accordance with generally accepted accounting principles and ensure there is adequate disclosure.
- (2) Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient and ensure the independence of the internal audit department. In addition, the Audit Committee may appoint, change or remove the head of the internal audit department or any other department responsible for internal audit tasks.
- (3) Review the Company's compliance with the laws on securities and exchange; the regulations of the Stock Exchange of Thailand (the 'SET'); and the laws relating to the Company's business.
- (4) Review, select, propose, appoint, or terminate the independent person to act as the Company's auditor and offer remuneration to such person, including attending the meeting with the auditor without a participation from management team at least once a year.



(5) Review all connected transactions or transactions that may lead to conflicts of interest and so ensure that they are in compliance with the related laws and the regulations of the SET and that they are reasonable and bring the highest possible benefits to the Company

(6) Prepare reports to be signed by the Chairman of the Audit Committee and disclosed in the Company's Annual Report. These reports must contain the following information

- a) An opinion on the accuracy, completeness and reliability of the Company's financial report
- b) An opinion on the adequacy of the Company's internal control system
- c) An opinion on the compliance with the laws on securities and exchange, the regulations of the SET and the laws relating to the Company's business
- d) An opinion on the suitability of the external auditor
- e) An opinion on transactions that may lead to conflicts of interest
- f) The number of Committee meetings held and the members' attendance record
- g) Any comments or opinions received by the Committee regarding its performance in accordance with its Charter
- h) Any other transaction which, according to the Committee's opinion, should be known to the shareholders and general investors,

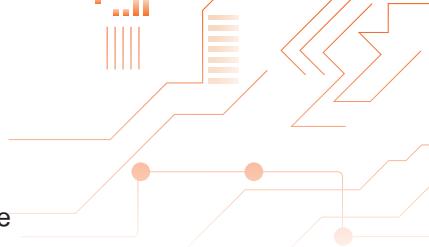
(7) Perform other tasks as requested by the Board of Directors and other tasks which the Audit Committee agrees to perform.

2. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be responsible for determining the remuneration and proposing it to the Board of Directors for an approval in the shareholders' meeting if the shareholders find it appropriate by considering the expected benefits from the Board of Directors and be comparable within the same industry. The Company set a policy in determining the remuneration to the directors at the comparable rate of the same industry to motivate and be appropriate to the knowledge ability and responsibilities of the directors. The Board of Directors remuneration in 2020 can be found in the topic "The Board of Directors Remuneration". There are two (2) ordinary meetings as the attendance record of each director is presented under the topic "The Attendance of the Directors in 2020", the list of the Nomination and Remuneration Committee is as follows;

Name	Position
1. Mr. Pongtep Polanun	Chairman of the Nomination and Remuneration Committee
2. Mr. Siripong Oontornpan	Director
3. Mr. Sripop Sarasas	Director
4. Mr. Kittisak Sopchokchai	Director
5. Mr. Suraporn Raktaprachit	Director

Secretary: Ms. Sinanang Oontornpan



Authority, Duties and Responsibilities of the Nomination and Remuneration Committee

1. Authority of the Nomination and Remuneration Committee

- (1) Consider and approve the selection and evaluation processes, as well as the compensation for the President.
- (2) Consider and approve proposals for the names of qualified candidates to the Board of Directors for their consideration and approval in the case of a vacancy in a director's position.
- (3) Consider and approve proposals for the name of a qualified candidate for the position of President to the Board of Directors for their consideration and approval.
- (4) Consider and approve proposals for the names of other candidates to the Board of Directors for their consideration and approval in positions whose functions, responsibilities and authorities are directly given by the Board of Directors.

2. Duties and Responsibilities of the Nomination and Remuneration Committee

- (1) Develop the criteria, selection and evaluation processes, as well as the compensation for the President.
- (2) Propose persons for approval of the Board of Directors in the case of a vacancy in a director's position resulting from any reason, other than the end of a term retirement from that position or to increase the numbers of directors. Once approved by the Board of Directors the resolution is put forward for the approval of the shareholders.
- (3) Propose to the Board of Directors the name of a person to receive approval from the Shareholder's Meeting in the case that there is a vacancy of a director position due to term retirement.
- (4) Propose to the Board of Directors for the approval of the President to retire from being an employee in the Company according to the current operating regulations.
- (5) Propose any person that the Board of Directors will then delegate its authority to perform a specific task for the Company.
- (6) Recommend the appropriate remunerations for each of the Company's Board of Directors and Committees and then propose to the Board of Directors for the approval of these remunerations at the Annual General Meeting.
- (7) Recommend appropriate bonus and salary increases for the management and employees to the Board of Directors for their approval.
- (8) Prepare the report of the Nomination and Remuneration Committee that disclosed in the Company's annual report, which that report must be signed by the Chairman of the Nomination and Remuneration and commented as of the SET's requirements.

3. The Executive Board Committee

The Executive Board Committee consists of:

Name	Position
1. Mr. Siripong Oontornpan	Chairman of Executive Board Committee and President
2. Mr. Suraporn Raktaprichit	Director
3. Mr. Chodiwat Duntasarn	Director
4. Mrs. Sasinet Baholyodhin	Director

Secretary: Ms. Sarin Chandranipapongse

Authority, Duties and Responsibilities of the Executive Board Committee

1. Authority of the Executive Board Committee

- (1) Approve the appointment, change or removal of any management position, with the exception of the President.
- (2) Approve the Company's compensation structure and benefits of management and employees; and propose to the Nomination and Remuneration Committee before proposing to the Board of Directors.
- (3) Approve any change in the Company management structure, code of conduct or business processes of any division.
- (4) Approve the borrowing and lending of money or applying for credit approval from a financial institution; including a guarantee or payment of ordinary business transactions with a specific credit limit of each transaction that has already been agreed and assigned. The amount incurred in these transactions must be under a limit in accordance with the Company guidelines and authority limits which have already been reviewed by the Board of Directors. However, the aforementioned credit limit may be changed if appropriate according to the judgment of the Board of Directors.
- (5) Consider to enter into a commercial contract with a credit limit as determined by the Board of Directors.
- (6) Responsible for studying the possibility of investing in new projects and be empowered in approving all direct investments or investment with the juristic person or the others in various ways to operate the business on purposes. The investment must not be over THB 20 million per a project and THB 100 million per year, including other investments such as shareholding and other relevant action. The conditions of new investment projects are as follows;
 1. The investment project must be relevant to the core business or the ICT business of Advanced Information Technology PCL.
 2. The investment project must be studied and clearly presented a feasibility study.
 3. The investment project must be an investment as a joint venture, not giving a loan or a financial assistance.



4. The investment project must be reported to the Board of Directors every time after investing in that project.
5. The investment project must not be relevant or connected to the directors or the managements of the Company in accordance with the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).

If uncleared with the abovementioned conditions, the investment project has to be taken back and approved by the Board of Directors prior any investment.

2. Duties and Responsibilities of the Executive Board Committee

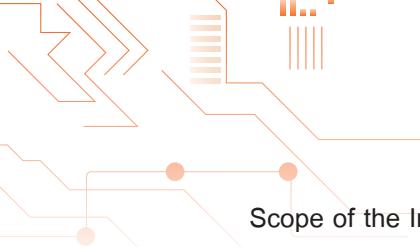
- (1) Formulate the Company's business plan, annual budget, and investment plan for the Board of Directors' approval.
- (2) Manage the Company's business operations in order to achieve the planned objectives and targets, and also comply with laws, the Company's regulations, and Stock Exchange of Thailand's rules and regulations.
- (3) Direct, control, and monitor the day-to-day operations as set out in the Company's internal control system as well as the Audit Committee's comments and recommendations.
- (4) Act in other roles and on duties and within authorities as determined and delegated by the Board of Directors.
- (5) Prepare the report on Company's financial and operating performance and report this performance to the Board of Directors each quarter.

The above mentioned authority excludes the interrelated transactions, acquisition or liquidation of the listed Company's important assets according to the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The Company shall abide by the SET regulations and requirements on any issue. In addition, the above-mentioned authority excludes other issues for which the Company's regulations require the prior request and approval at the Annual General Shareholders Meeting.

Nomination and Appointment of Directors and Top Executives

1. Independent Directors

Name	Position
1. Mr. Pongtep Polanun	Independent Director
2. Mr. Chokechai Tanpoonsinthana	Independent Director
3. Mr. Sripop Sarasas	Independent Director
4. Mr. Thanarak Phongphatar	Independent Director



Scope of the Independent Director

Independent Directors are defined as Directors who do not hold any management position and are not employees of the Company or Subsidiary. They must additionally be independent of any major shareholders, management, and of any other related persons - and they must have the responsibility to determine if there is anything that may affect the equitable treatment of Shareholders. The qualifications to be an Independent Director are as follows:

1. Holds not more than 1% of the total voting shares of AIT, its parent company, its subsidiaries, its associated companies, major shareholders or a controlling person - including stocks that held by related persons of the Independent Director;
2. Is not, or has not ever been an executive director, employee, staff member, or advisor who received a salary or a controlling person of AIT, its parent company, its subsidiaries, its associated companies, major shareholders or a controlling person unless the foregoing status has been ended for at least 2 years. This shall not include the Independent Director who used to be a government official or advisor of a government agency which was a major shareholder or acted as controlling persons of AIT;
3. Is not be a person that related to blood or legal registration, such as father, mother, spouse, sibling or child, including a spouse of the children, managements, major shareholders, controlling persons, or persons to be nominated as management or a controlling person of AIT or its subsidiaries;
4. Has not, or has not had a business relationship with AIT, its parent company, its subsidiaries, its associated companies or a controlling persons in the manner that may interfere with their independent judgement, or is not, or has not ever been, a major shareholders, managements or controlling persons of any person having a business relationship with AIT, its parent company, its subsidiaries, its associated companies or controlling person unless the foregoing relationship has been ended at least 2 years;
5. Has not, or has not ever been, an auditor of AIT, its parent company, its subsidiaries, its associated companies or a controlling persons and is not a major shareholders, non-independent directors, managements, controlling persons or partner of an audit firm which employs auditors of AIT, its parent company, its subsidiaries, its associated companies or a juristic person who may have a conflict of interest unless the foregoing relationship has been ended for at least 2 years;
6. Has not, or has not ever been, any professional advisor including legal or financial advisor who received an annual service fee exceeding Baht 2 million from AIT, its parent company, its subsidiaries, its associated companies or a controlling persons, and is not a major shareholders, non-independent directors, managements, controlling persons or partner of the professional advisor unless the foregoing relationship has been ended for at least 2 years;
7. Does not represent as an AIT Board Member or its major shareholders or a shareholders who related to major AIT shareholders;
8. Does not operate any business similar to, or materially competing with AIT or its subsidiaries or not being a material partner in any partnership, executive director, employee, staff, advisor who receives salary or holds more than 1% of total voting shares of the Company which operates similar to, or materially competing business with AIT or its subsidiaries;



9. Has no characteristics which make incapable of expressing independent opinions with regard to the AIT business. Note: A holding of no more than 1% of total voting shares of AIT is in compliance with the minimum rules of stock holding as an Independent Director by the Securities and Exchange Commission and the Stock Exchange of Thailand.

The definition of independent directors is the same as the minimum requirements of the SEC. or the SET. The Independent directors shall not hold shares exceeding 1% of the total number of voting shares of the Company.

2. Nomination of Directors and Executives

2.1 Guidelines for nomination and qualifications of directors

Nomination and Appointment of Directors

Appointment of the Directors shall be determined by many qualifications such as knowledge, skills, and experience related to the business. The Nomination and Remuneration Committee is responsible for review of the qualifications and performances of the candidates in appointment of the Directors.

The Board of Directors is well aware of the benefits of the diversity of the Board of Directors, therefore focuses on transparency in the nomination of the candidates, without restrictions on gender, age, education level, professional experience, skills and knowledge. The Nomination and Remuneration Committee is responsible for review of the qualifications and performances taking into account the benefits of the diversity of candidates or directors who retire by rotation or resign. The Nomination and Remuneration Committee also considers necessary skills that are lacking in the Board of Directors in order to be in line with the Company's business strategy and propose it to the Board of Directors for an approval. After that, the list of proposed directors will be proposed to the shareholders' meeting to elect the directors.

Qualifications of Directors

The person who will be appointed as the Company's Director must meet the qualification by considering the knowledge, ability, personal talent as the following qualifications;

1. To have the qualifications with no prohibited characteristics as specified by the Act of Public Company Limited, including have no manner indicating a lack of trustworthiness to manager the company from the reviews of shareholders according to the Securities and Exchange Commission and the Stock Exchange of Thailand regulations.
2. To have knowledge, skill or experience in the ICT industry or accounting, finance or business administration or any other field as the Board deems appropriate.
3. To devote time especially for making key decision and responsibility duties for the beneficial for the Company and be able to participate in all the Board and Shareholder's Meetings, unless unable due to a necessity or unexpected emergency.
4. To have a moral, ethical, and any other qualifications that meet the requirement of law or deemed appropriate by the Board

2.2 The criteria and procedures of selecting the candidates for the director appointment

The criteria and procedures of selecting the directors are set to be determined in shareholders' meeting by counting the majority votes in accordance with the following criteria and procedures;

- (1) Each shareholder shall have one vote per one share.
- (2) Each shareholder shall use his or her vote according to (1) to elect one or several directors. However, dividing the votes is not possible.
- (3) The candidate with the highest votes will be elected as the directors, where the number of elected directors is equal to the required directors of each time. In the case of the elected candidates have equal votes and the numbers of directors are over the requirement, the President shall have a casting vote.

2.3 The Nomination of key management positions and Succession plan

The Board of Directors recognizes that employees are key driving force of the quality organization. The challenge for the business is a building personnel with knowledge and ability which readiness to keep pace with sustainable business expansion. In addition, they have inherited the spirit of the founder including the culture of the organization from generation to generation. Thus, the Company has developed a policy encourages the managements to enhance personnel development in an efficient way to achieve the vision, mission and values.

The Company has recruit eligible persons to responsible for key management positions at all levels in accordance with the qualifications as proper and transparency, and to ensure that the Company has recruited executives with professionalism, neutrality and non-involvement in politics. They also understand the culture and conduct of the business of the company. The company has a well-defined succession plan follows.

- (1) Chairman of the Board / President

The Board of Directors has developed a succession plan for the Company's Chief Executive Officer and executives when these positions become vacant. The Company have a management policy to appoint the executives who work at the same level acting as a secondary position until the recruitment and selection of personnel qualified in accordance with the Company has taken place and that they shall also have the vision, knowledge, ability and experience with appropriate to the corporate culture considered by the Nomination and Remuneration Committee who will advise the Board of Directors to nominate deserving individuals as members to the meeting of shareholders.

- (2) Vice President

When the positions of Vice President upward are vacant or they are unable to conduct their position, the Company has developed a succession plan detail as follows:

1. Analysis of the business circumstantial of the Company's strategic plans, investment plans and expansion plan.
2. Assess the employees' performance to be consistent with the strategy of the company both in the short and long term.
3. Plans to establish the availability of manpower by recruit and training staff and prepare to replace the resigned employees.
4. Develop recruitment and training plan in advance before employees retire or resign.



5. Define the knowledge, skills, personality and attitudes of good wishes of employees in each position and develop an individualized plan.
6. Selection and evaluation employee's performance and assessment of potential employees to consider their appropriate job.
7. Utilize KPI tools to test and evaluate personnel to analyze their potential.

The Governance and Operations of Joint Ventures

The Company has 3 joint ventures: Loxley & AIT Holding Co., Ltd., Genesis Data Center Co., Ltd., and Campana Group Pte. Ltd. The Company has sent senior executives to act as supervisory agents in order to control and manage and to be responsible for the operations of the associated companies to maintain the interests of the Company's investments as follows:

Name	Joint Venture		Joint Venture of the Company's Joint Venture
	Loxley and AIT Holding Co., Ltd.	Genesis Data Center Co., Ltd.	
1. Mr. Siripong Oontornpan	Director	-	-
2. Mr. Suraporn Raktaprachit	-	-	Director
3. Mr. Asawin Kangvolkij	Director	-	-
4. Mrs. Sasinet Baholyodhin	-	Director	-
5. Mr. Apichai Nimgirawath	-	Director	-

Prevention policy to protect against Insider Information

The Company has a policy and method to prevent the directors, executives, and employees from misuse of the Company's inside information for their own benefits, which has been included in the Code of Conduct guide on "Insider Information Usage and Securities Trading" to be used as a guideline in the said matters by the directors, executives, and employees. The details are as follows:

1. Directors, executives and employees of the Company shall at all times keep the company's secrets and/or inside information confidential.
2. Directors, executives and employees of the Company shall not disclose any inside information or exploit it for their own benefits or others' benefits in a direct or indirect way and with or without financial benefit.
3. Directors, executives and employees of the Company shall not trade, transfer, or pass the Company's securities and/or inside information to anyone and this includes their spouses, children and related persons. Those who infringe this clause are considered to have made a serious wrongdoing.
4. Educate Directors and executives on their duty to report their securities holdings of their and their spouses as well as their children and also to inform them of the penalty for wrongdoing under the Securities and Exchange Act of 1992 and the regulations of the Stock Exchange of Thailand.



5. The Company executives are required to report changes in securities holdings to the Office of the Securities and Exchange Commission under Section 59 of the Securities and Exchange Act of 1992 and deliver a copy of this report to the Company on the same day in which the report is sent to the Office of the Securities and Exchange Commission.

6. Disclose the securities holdings of company's directors and executives completely and accurately in the annual report as required by the Office of the Securities and Exchange Commission.

7. The Company will send a circular to inform executives who have material inside information that may affect the securities pricing. They must suspend the trading of company shares before the announcement of financial statements or making such information public and shall not disclose such material information to any person. In addition, to ensure all employees follow the same guidelines regarding the use of inside information. The Company has published this information in the employees' manual.

Audit Fee

In 2020, the auditor's remuneration is listed below;

- An annual audit fee and a quarterly audit fee, amounted THB 1.68 million
- Other compensation to the audit fee, - none -
- The Company audit fee of the last three years is as follows;

Transactions	2020	2019	2018
Audit Fee of Advanced Information Technology PCL	1,680,000	1,600,000	1,490,000
- Annual audit fee	900,000	880,000	800,000
- Quarterly audit fee	780,000	720,000	690,000

The Level of Understanding and Implementation of the corporate governance principle for the listed companies in 2020

The Board of Directors acknowledges the CG Code and recognizes the roles as a leader in creating sustainable values for the business and evaluating the overall CG Code implementation, once a year. For the year 2020, the matter has considered and reviewed and also recorded in the minutes of the Board of Directors Meeting No. 8/2020.

The Compliance with Principles of Good Corporate Governance in Other Matters

The Company regularly reviews the guidelines in accordance with good corporate governance principles. 2019, the Company has complied good corporate governance, except for the following matter;

(1) Independent directors should not hold office for more than 9 years. The Company has 3 independent directors who have been in position more than 9 years: Mr. Chokechai Tanpoonsinthana, Mr. Pongtep Polanun, and Mr. Sripop Sarasas. These 3 independent directors have knowledge, abilities, and well understanding in the Company business, and are also accepted by the financial market and capital market sectors. In 2020, they have been providing useful advices as the independent directors and the audit guidelines for the Audit Committee. Long-term experience of these directors allows them have better understanding of the Company's business. The details of each position of independent directors of the Company are as follows:

Name	Appointed Date of the Independent Director	Year(s) (Appointed date - Present)
Mr. Thanarak Phongphata	5 April 2012	7 Years 7 Months
Mr. Chokechai Tanpoonsinthana	15 Febuary 2003	16 Years 10 Months
Mr. Pongtep Polanun	15 Febuary 2003	16 Years 10 Months
Mr. Sripop Sarasas	15 Febuary 2003	16 Years 10 Months

(2) All members of the Nomination and Remuneration Committee should be independent directors. At present, the Nomination and Remuneration Committee has 5 members, consisting of 2 independent directors, 2 executive directors and 1 non-executive director. Mr. Pongtep Polanun is an independent director who is the chairman of the Nomination and Remuneration Committee. From the past performance, the Nomination and Remuneration Committee is considered to be a committee that adheres to the criteria for nomination and remuneration that are consistent and comparable within the same industry, as well as having a thorough understanding of the nature of Company's business.

(3) The Chairman of the Board should be an independent director and should not be the same person as the Managing Director. At present, the Chairman of the Board is not the same person as the Managing Director and the Company has clearly separated duties and responsibilities to ensure a balance and transparency in accordance with good corporate governance principles.

Sustainability Report

Advanced Information Technology Public Company Limited has realized and attached great importance to sustainable development. The organization has been managed in accordance with good corporate governance principles and business ethics by considering all groups of stakeholders, as well as taking into account social, community and environmental responsibility. In this regard, the Company has established the Corporate Social Responsibility Committee responsible for determination of policies and operational guidelines for the aforementioned matters to be in accordance with the business goals and current situation to contribute to sustainable business development.

The Corporate Social Responsibility Committee

1. Mrs.Netnapit Oontornpan	Senior Executive Vice President – Corporate Affairs Division
2. Mrs.Pannawee Kaewmanee	Executive Vice President – Human Resource and Administration Department
3. Ms.Sureerat Prachayanukul	Executive Vice President – Financial Controller Department
4. Mr.Krit Khongchuanark	Executive Vice President – Internal IT Support Department

Social Responsibility Policy

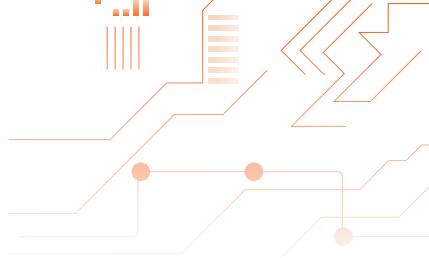


* Full policy of the Corporate Social Responsibility is published on the Company's website www.ait.co.th

The Company has considered the sustainable development issues according to their importance level for the proper operation, by determining the vision and mission that represent the importance of the stakeholders, which is part of the regular business operations. The Company has analyzed and defined the criteria for considering the Company's stakeholders, as follows;

1. Define the business process framework by applying the supply chain or value chain to be a guideline for identifying stakeholders and responsible issues that linked to each other.
2. Identify stakeholders and social responsible issues according to the defined business process framework, including considering the effects from each business process, which the Company is able to monitor stakeholders in each process and social responsibility issues in various dimensions.

Table of the Company's Stakeholders



Stakeholders	Stakeholder's Expectation	Examples of Engagement
Shareholder and Investor	<ul style="list-style-type: none"> • Good performance and sustainable under appropriate risk management • Treat and provide information to shareholders equally • Transparent of the Company's operation • Company information is easily accessible and sufficient for investment decisions 	<ul style="list-style-type: none"> • Hold the Annual General Meeting 1 time a year • Pay the dividend in accordance with the Company's policy • Assign investor relations officer to answer any questions on the phone to shareholders and investors • Provide the opportunities for analysts or investors to meet with executives to inquire useful information through the Company's activities such as Analyst Meeting, Company Visit, Opportunity Day and Meet the Press, etc. • Provide information through various channels with equal, transparent and up-to date
The Board of Director	<ul style="list-style-type: none"> • Transparent of the Company's operation in order to sustainable growth • Fair treatment to all stakeholders 	<ul style="list-style-type: none"> • Hold the Board of Directors' meeting every quarter • Realize the significance of the related transactions • Provide adequate, complete, and timely information • Participate in good corporate government • Self-development of the Board of Directors relating their responsibilities



Stakeholders	Stakeholder's Expectation	Examples of Engagement
Customer	<ul style="list-style-type: none">• Satisfy to our customers• Ready to listen and respond to customer's needs• Code of ethics of doing business with customers, such as protect the confidentiality of their clients	<ul style="list-style-type: none">• Provide sales staff and pre-sale staff to create understanding and provide appropriate advice according to customer needs, understand and give advice appropriately according to customer needs.• Sell quality products that meet the needs of most customers• Prepare customer satisfaction survey• Develop direct hot-line system for hearing problems and notifying relevant parties to solve problems for customers without delay• Hold annual AIT Smart Connect event to build good relationships with customers• Strictly adhere to the Code of Conduct practices on "Policy and Treatment of Customers"
Employee	<ul style="list-style-type: none">• Reasonable Compensation and Benefits• Stability and career path• Work-life balance• Good communication between management and staff• Realize the significance of the development of the employees by give an opportunity to all employees with fairness• The environment friendly for safety of both health and asset of employees	<ul style="list-style-type: none">• Regularly survey the compensation of the market every year• Provide provident fund, life and health insurance• Provide training for employees to developing skills as well as technical training in both domestic and international• Improve working environment with safety and good hygiene, such as ozone treatment within the building, cutting trees around the building, changing fire extinguishers location, etc.



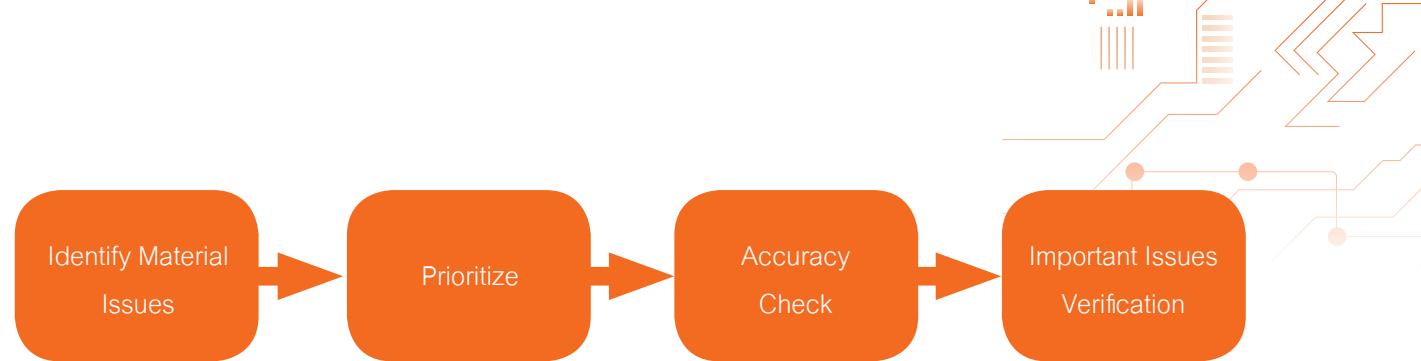
Stakeholders	Stakeholder's Expectation	Examples of Engagement
		<ul style="list-style-type: none"> Promote activities for better quality of life of employees by providing space for different exercises such as badminton club, football club, yoga class, Zumba class, etc. Hold the AIT Business Direction event as a communication channel between executives and employees Provide the AIT Intranet that allows employees to access information and news of the Company faster
Supplier	<ul style="list-style-type: none"> Operate business with transparency and fairness Trust and Reliable Maintain good ralationship 	<ul style="list-style-type: none"> Arrange the annual seminar for partners to maintain good relations Comply with trade terms and agreements Strictly adhere to the Code of Conduct practices on "Policy and Treatment of Business Partners / Creditors"
Creditor	<ul style="list-style-type: none"> Pay interest and repayment principal on time Repayment to creditors as a system 	<ul style="list-style-type: none"> Strengthening relationships in different ways including receive suggestions or complaints The company uses Cash Management System to facilitate the payment to creditors and be able to manage repayment as a system Strictly adhere to the Code of Conduct practices on "Policy and Treatment of Business Partners / Creditors"



Stakeholders	Stakeholder's Expectation	Examples of Engagement
Sub-Contractor	<ul style="list-style-type: none">Operate business with transparency and fairnessTrust and ReliableMaintain good relationship	<ul style="list-style-type: none">Define criteria for selection of external sub-contractors, such as technical capabilities, expertise and experience, financial status, business reputation, history of complaints and litigation, etc.
Competitor	<ul style="list-style-type: none">Operate business in transparent and fairness	<ul style="list-style-type: none">Create fairly competition conditions togetherStrictly adhere to the Code of Conduct practices on "Policy and Treatment of Competitors"
Social	<ul style="list-style-type: none">Support activities that benefit to the community and public	<ul style="list-style-type: none">Provide students the opportunities to learn and practices through AIT Internship 2018 and Co-orporative Education program in each yearOrganize activities to provide support in needy communities whether it is materials or funds
Regulatory agency and government	<ul style="list-style-type: none">Compliance with the Securities and Exchange ActCooperation in driving state policies	<ul style="list-style-type: none">Cooperate by using the Company's area as a polling stationRespond to government policies related to the Company's business such as Digital Economy and EEC, etc.Comply with rules, regulations and laws and be ready to cooperate in activities beneficial to the public sector

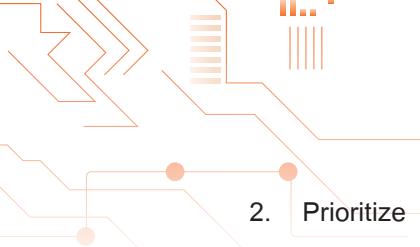
Determination of Sustainability Issues

The Company applies the criteria for determining issues that are significant to the business operation and related to the stakeholders, which affected the Company's sustainability, by evaluating contents and creating management guidelines in accordance with these 4 principles, as follow;

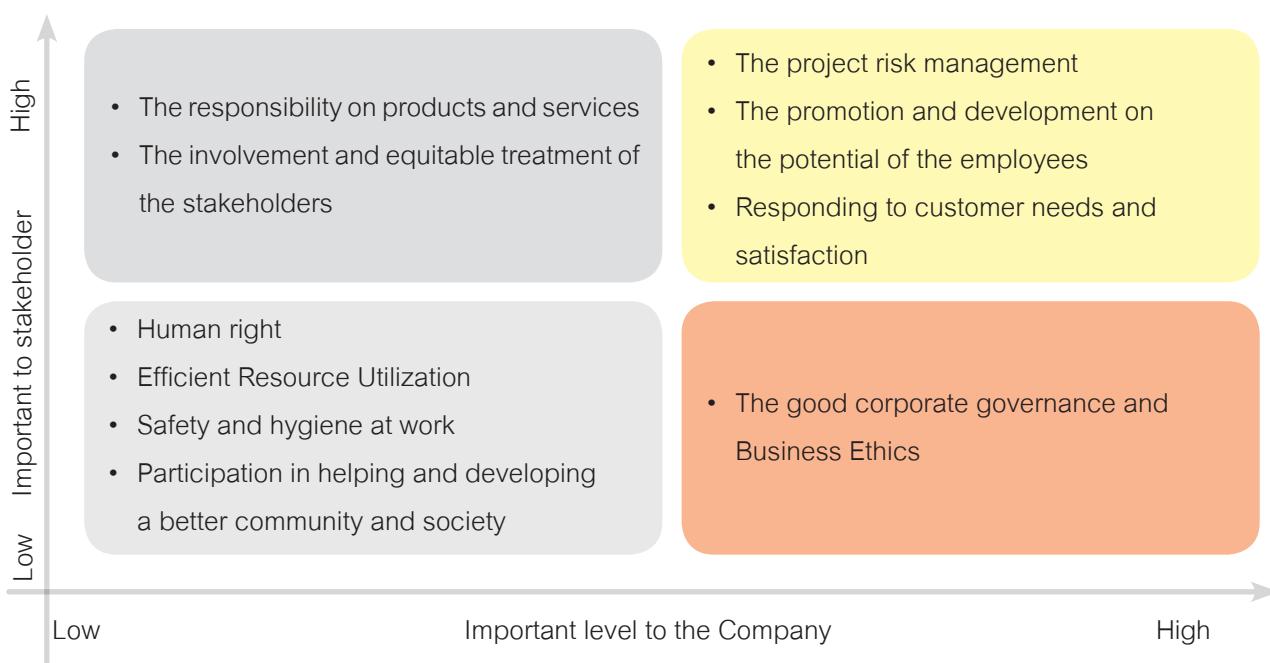


1. **Identify Material Issues** : The Company will consider opportunities and challenges, including the sustainability issues related to Information Communication Technology industry as well as the stakeholders' expectations and the business direction. The Company determine the Sustainability Issues as follow;

Sustainability Framework	Material Topics	Stakeholders				
		Internal		External		
		Employees	Shareholders / Investors	Customers	Business Partners	Society
Sustainable Organization Management	The good corporate governance and Business Ethics	●	●	●	●	
	The project risk management	●	●	●	●	
Value Chain Management	The responsibility on products and services			●	●	
	Responding to customer needs and satisfaction			●		
	The involvement and equitable treatment of the stakeholders	●		●	●	
Employee Development	Human right	●				
	The promotion and development on the potential of the employees	●				
	Safety and hygiene at work	●				
Social and Environmental Management	Efficient Resource Utilization	●			●	
	Participation in helping and developing a better community and society				●	



2. **Prioritize** : The Company takes the material issue to prioritize its importance, by considering the stakeholders' attention and the impacts that may affect in the business.



3. **Accuracy Check** : The Company will verify the accuracy to determine the operational guidelines on the important issues and present relevant information in the Sustainability Development Report. Including disclosing information on the Company website.

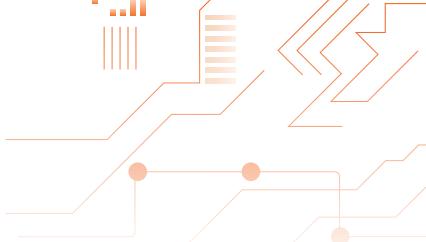
4. **Important Issues Verification** : The Company reviews related issues for the information assurance and applying information to indicate the important sustainability issues in the future.

Sustainable Organization Management

The good corporate governance and Business Ethics

⊕ Operation Practice with Fairness

The Company is committed to conducting business in a fair and ethical manner, paying attention to legal compliance and respecting social rules and regulations. The Board of Directors has stipulated its commitment in the corporate social responsibility policy and also encourages all directors, managers, and employees to strictly adhere to the guidelines specified in the "Code of Conduct" guide of the Company in order to operate the business with honesty, integrity and fairness. It also covers the administration of all stakeholders, i.e. shareholders, employees, customers, competitors, business partner, creditors including society and environment in order to achieve business goals that will lead to sustainable growth of an organization. The details of "Code of Conduct" guide can be found on the Company website.



Equal Treatment to Labor Force

The Company highly realizes that all employees are the valuable resources of the Company as a major factor to drive the Company business performance in achieving its goals. As a result, the Company's policy is to treat employees with fairness in all respects for opportunities, remuneration, promotion, transfer, and welfare in the following respects;

1. Respect for the human rights in accordance with the fundamental human rights principles.
For more details, please see more under the topic of "Respect to Human Rights" in the Annual report page no. 178
2. Define "Compensation and Benefits Policy", regarding to employee motivation, internal impartiality and compensation standards, and job value to the Company. The Company essentially determines corporate compensation, benefit and welfare policy being compatible to position accountability, knowledge, and competence with business operations and is kept up-to-date as compared to leading companies in the same industry

Anti-Corruption

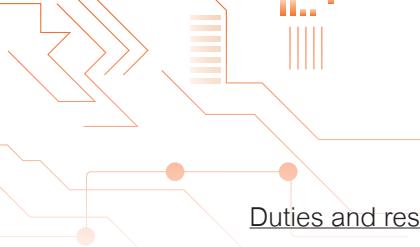
The Company is aware of an importance of conducting business with integrity and has a policy to treat all groups of stakeholders in accordance with the corporate governance code and code of conduct. In addition, the Company has committed to anti-corruption for both internal and external corruption of all forms, direct or indirect, to ensure that the Company has a policy for determining responsibility, guidelines and requirements for appropriate operations, and to ensure that decisions and business practices that may be at risk of corruption are carefully considered and performed. The Company has therefore established a "**Anti-Corruption Policy**" in written in order to be used as a guideline for operations and business decisions of directors, executives and employees. The Anti-Corruption policy is also published on the Company's website, with the following details:

Definition

Corruption refers to bribery of any form, whether offering, giving, pledging, promising, requests, claims, giving or receiving assets or other benefits that are considered inappropriate for government officials, government agencies, private agencies, or any other person doing business with the Company, either direct or indirect, for the said person to act or refrain from performing their duties in order to obtain or maintain any other improper business interests, unless otherwise allowed by the laws, regulations, announcements, local traditions or trade practices.

Anti-Corruption Policy

Directors, executives, and employees of the Company are prohibited from conducting or accepting or supporting corruption of all forms, both direct and indirect. This also applies to the subsidiaries. Compliance with the anti-corruption policy shall be reviewed on a regular basis, as well as reviews of practices to be in line with changes in business, regulations, announcements and legal requirements.

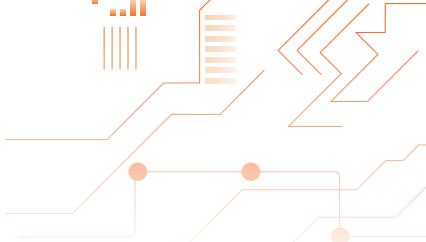


Duties and responsibilities

1. The Board of Directors has a duty and responsibility to set policies and supervise to provide an efficient anti-corruption system to ensure that the management realizes and gives importance to anti-corruption and cultivate a good corporate culture.
2. The Audit Committee is responsible for reviewing financial and accounting reporting system, internal control system, internal audit system and risk management system to ensure that they meet international standards, concise, appropriate, modern and effective.
3. The President and Chief Executives are responsible for establishing a system and promoting and supporting anti-corruption policy in order to communicate with employees and all relevant parties, including reviewing the suitability of systems and measures to be in line with changes in business, regulations, announcements and legal requirements.
4. Employees shall perform their duties in accordance with this policy. In case of doubt, employee shall ask the supervisor. Any violation of this policy shall be reported to the supervisor or via the specified reporting channels.

Guidelines for Compliance with Anti-Corruption Policy

1. Directors, executives, and employees of the Company shall comply with an anti-corruption policy and business, Code of Conduct guide and shall not be involved in any corruption, direct or indirect.
2. Directors, executives, and employees shall not use their authority assigned by the Company to seek personal benefits or provide benefit to their family, friends or close persons, either direct or indirect, throughout the business process, such as actions by any unrighteous means in order to distribute personal goods or services to the Company or to compete in business, direct or indirect, etc.
3. Executives and employees of the Company shall not neglect or ignore when they see any actions that are considered corruption which may be negatively affected the Company. Such actions shall be reported to the supervisor or responsible person via the specified reporting channels and the employees shall cooperate in the investigation.
4. Executives and employees of the Company shall not call for, accept or receive any other unrighteous benefits from stakeholders, and shall be cautious and avoid entertainment reception by the Company's stakeholders who may gain benefits from performance of employees or executives of the Company.
5. If employees are in doubt, hesitant, or are under pressure to involve in corruption, they can consult with their supervisor, human resource department or a person assigned by the Company to be responsible for monitoring of code of conduct at any time, or employees can make a complaint through the specified reporting channels. The informant or the complainant will be protected fairly and all information is treated as confidential.
6. Executives and employees of the Company shall cooperate in promoting the internal practices of the organization with the department responsible for internal control and internal audit and providing information and monitoring of the operating results if any corruption or corruption information is observed. The informant or the complainant will be protected fairly and all information is treated as confidential.



Terms of Operation

1. This anti-corruption policy shall apply to all aspects of the human resource management process, from recruitment or selection of personnel, promotion, training, performance appraisal, and compensation. Supervisors at all levels shall communicate and create understanding with employees in the business activities under their responsibility and control the operation for more efficiency.
2. Any action under the anti-corruption policy shall adhere to the principles, corporate governance code, code of conduct guide, including the regulations and operating manual of the Company as well as other practices subsequently specified by the Company.

Channels for Reporting Corruption or Clues

The Board of Directors has assigned the Audit Committee to consider and acknowledge clues, complaints, and any action that is suspected to be a corruption within the Company, direct or indirect, through the anti-corruption complaint center as specified in this policy.

The details of clues or complaints shall be sent along with the name, mailing address and telephone number of the complainant to the following channels:

1. Email : AC@ait.co.th
2. Mail: Sealed letter

To Chairman of the Audit Committee
 Advanced Information Technology Public Company Limited
 37/2 Sutthisan Winitchai Road, Samsen Nok Sub-district,
 Huai Khwang District, Bangkok 10320

The persons who can report clues or complaints about corruption are all groups of stakeholders of the Company, namely shareholders, customers, business partners, competitors, creditors, government sector, community, society, executives and employees of the Company. Regardless of the method described above, the complainants will be protected by legal rights or guidelines set forth by the Company.

Complainant or Whistleblower Protection and Confidentiality

The company will protect the whistleblower, complainant, informant, witness or those involved in the complaint. The Company will protect and keep all information and documents that can identify the whistleblower, complainant, informant, witness or related person confidential.

The company will not demote, punish or take any action which negatively affects the employee who deny the corruption in any way, even though such action may result in loss of business opportunity.

Punishment

If the directors, executives and employees of the Company violate, neglect, ignore or intentionally do not comply with the anti-corruption policy, it is considered a disciplinary offense. The company will determine the penalty according to the Company's regulations. If such action is against the law, it can lead to prosecution.

Other Relevant Policies and Manuals

Directors, executives, and employees of the company are responsible for studying and understanding this policy together with other policies and manuals of the Company, including: 1. Good Corporate Governance, 2. Corporate Social Responsibility Policy, 3. Code of Conduct and 4. Company Regulations.



In Addition, The Company has policy to treat partners equally and fairly with integrity, comply with the stakeholders' contract and understand the anti-corruption internally and externally as determined in the Company's "Code of Conduct" manual on "**Anti-Corruption**" for the directors, executives, and all employees to perform as a guideline. In addition, there are procedures to prevent such matters, as follows;

- Risk management - the Company has the internal audit unit to inspect the operations of all departments according to the risk issues, including the risks of corruption. If found that any departments has insufficient internal control or corruption, the inspection results will be reported to the Audit Committee and senior executives with the guidelines for prevention and internal control improvement
- Commitment to create consciousness and not being a cause of corruption.

Anti-Corruption	2020	Unit
The number of fraud offenses or ethics violations	0	case
The number of resigned directors due to the Company's corporate governance	0	case

⊕ Whistleblowing

The Company has established the "**Whistleblowing Policy**" to provide the opportunities to the directors, executives, employees and all stakeholders of the Company to report the clues, complaints or suggestions regarding violation of laws, regulations or Code of Conduct, corruption, financial reporting irregularities or deficiencies in the company's internal control system through the following channels:

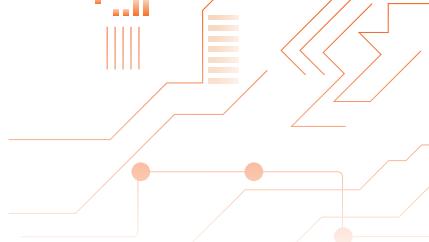
1. Email : AC@ait.co.th
2. Website : www.ait.co.th/th/sustainability/corporate_governance/whistleblower
3. Mail : Sealed letter

To Chairman of the Audit Committee
Advanced Information Technology Public Company Limited
37/2 Sutthisan Winitchai Road, Samsen Nok Sub-district,
Huai Khwang District, Bangkok 10320

Whistleblower Protection and Confidentiality

The Company also attaches great importance to the privacy and security of whistleblower or complainant, with the option to keep them anonymous if they believe that such disclosure will cause insecurity or damage. However, the disclosure of identity allows the Company to report progress and explain the facts after the investigation.

The company will keep the information of the whistleblower or the complainant and the relevant information as confidential without disclosing any information to the unrelated person unless it is required to be disclosed by the Company's rules or regulations of the law and relevant regulations.



Procedures

1. In case there is sufficient evidence to support a claim or complaint, a full investigation shall be conducted with the aim of making sure whether or not an action in question has been committed. The investigation varies according to the situation which will be conducted under the confidentiality of information. Whistleblower or complainant may be contacted for additional information.
2. The investigation team will inform the progress to the whistleblower or the complainant (in case they disclosed their identity) and report the facts after the conclusion of the investigation through appropriate communication channels and keep all relevant files confidential. If there is an important matter, it will report to the Board of Directors.

Penalties

Anyone who acts intentionally or negligently, does not comply with this policy, including bully, intimidate, discipline or discriminate with an offensive method against the whistleblower/complainant or those involved, it is considered a disciplinary offense. The company will determine the penalty according to the Company's regulations. If such action is against the law, it can lead to prosecution.

Disclosure and Reporting

The Company recognizes the importance of disclosing and reporting of useful information for both investment decisions and the selection of its products and services to allows all stakeholders to access information of AIT equally. The Company has assigned the Board of Directors to be responsible for financial reporting, including adequate disclosure of connected transactions, and also established an investor relations department to provide financial and company information on business direction. In addition, Presale has been established to provide product information and to understand customer needs. Call Center has also been established to provide advice or useful information regarding after sales service. In addition, the Company has also disclosed information on the Company's website for easier and faster data access.

Project Risk Management

The Company is mainly engaged in the sales and installation services. The project management for the implementation of the operation plan is therefore essential. The Company is aware of the effects of potential risks and therefore has regularly reviewed the risk factors and obstacles as well as established the Project Risk Committee to be responsible for assessing project risks and reducing negative factors affecting the success of the project.

1 person	Senior Executive Vice President – Customer Relations and Satisfaction Division
1 person	Executive Vice President – Advanced Technology and Application Services Department
2 persons	Executive Vice President – Services Division
1 person	Executive Vice President – Corporate Finance and Strategy Division
1 person	Executive Vice President – Sales and Marketing Division

Value Chain Management

The responsibility on products and services

The Company attaches great importance to the quality of products and services delivered to customers. Good relationships with business partners can lead better understanding of the characteristics of products and services. The company has been successful in building and maintaining its reputation in the information and communication technology industry in Thailand for a long time and is widely accepted in the public and private sectors. The company has been involved in various projects in various roles, such as the Prime Contractor, Subcontractor, Consortium, depending on the nature of the project proposed by the Company. In addition, the company has many business partners which are technology leaders known in many fields in order to maximize



efficiency and effectiveness and increase competitiveness. Main business partners in information technology business still include Cisco, HP, VMware, Oracle and Veritas, the main partner in the infrastructure and cloud business is F5 and the main partners in the security business are Palo Alto, Fortinet, Symantec, Trend Micro and Splunk.



The Company has been trusted by the trading and business partners in offering various products to satisfy the customers. For the guarantees of the capability of the Company in offering excellent technologies, the Company has received many awards. In 2020, the Company received five awards by Cisco Systems (Thailand) Company Limited: FY19

Commercial Select Segment Partner of the Year, FY19 Public Sector Partner of the Year, FY19 Customer Experience (CX) Partner of the Year, FY19 Architectural Excellence Data Center and FY19 Architectural Excellence Enterprise Networks, and also received the HPE Hybrid IT Silver Partner FY2020 award by Hewlett Packard Enterprise Ltd.



Besides our headquarters in Bangkok, we have a further seven (7) service centers strategically located in across Thailand in Chonburi, Khonkaen, Chiang Mai, Suratthani, Phitsanulok, Songkhla and Nakhon Ratchasima. This ensures that we provide proper project support throughout the country. In addition, in the year 2019, the Company has developed the service of AIT Call Center for accessing the service and requesting the suggestions faster.

Customer Needs and Satisfaction

The Company has conducted customer satisfaction surveys to collect information and issues to be used in to analysis and development of services to meet the needs of customers and maximize the benefits. In 2020, the Company received the satisfaction scores on service speed at 96.13% and service efficiency and problem solving at 96.5% and the overall satisfaction score at 96.32%.



Overall satisfaction 96.32%



The Company strongly believes in building confidence and bringing satisfaction in order to offer services and respond to customer needs. Thus, the Company has set a policy for customer treatment in the Code of Conduct as follows:

1. Provide products and services with quality including maintain its quality standard.
2. Disclose complete and accurate information relevant to products and services.
3. Provide guarantees under appropriate time and conditions.
4. Do not deliver damaged or defective products and services to customers.
5. Establish a system to allow the customers to inform any problem on the products or improper services as any complaints in order to provide immediately remedies and for further improvements of products and services.
6. Keep customer information confidential and do not exploit such confidentiality with dishonest purposes for personal benefit or the benefit of outside persons.
7. Strictly adhere to the customers' requirements and conditions. In case where the Company is unable to comply with the conditions, the customers shall be notified in advance in order to reach a solution together.

Involve and equitable treatment of the stakeholders

The Company attaches great importance to all stakeholders and encourages participation by giving the stakeholders the opportunities to participate in activities which provide knowledge and new technology updates such as training, conference, exhibition booth, etc. In the past year, the COVID-19 pandemic situation caused the Company to adjust their activities into online activities such as Webinar on secure Access with Duo, in which Mr. Atirek Boonyaka, Technology Lead – Security from the Company and Mr. Pichai Wut Praphuttanitisan, Sales Specialist-Cybersecurity from Cisco Systems (Thailand) Co., Ltd., acting as the main speakers at this seminar. This is in order to build a good relationship and create an understanding of the Company's service.



WEBINAR



Employee Development

Respect to Human Rights

The Company realizes the importance of human rights as the foundation of human resource development which is strongly related to creating value in our business. This includes fair and equitable treatment of labor without discrimination based on race, religion, sex, color, ethnicity and actions against child labor and sexual harassment. The Company recognizes that human resources are more important than business operations in creating value and increasing productivity. Therefore, the Company will improve its working environment and conditions for better quality of life of employees and to provide employees the opportunity to show their potential as well as to further improve their skills. To achieve this, our Company focuses on the following practices;

1. To encourage and support employees to respect in human rights. And also regularly monitor our business to ensure no violation of any human rights.
2. To encourage employees to a monitor the operations comply with the Company human rights regulations.
3. To provide working environment with safety and suitable remuneration to all employees.
4. To develop employees by provide appropriated training programs and promotions in order to increase their skills and abilities.
5. To provide the appropriated benefit to all employees according to their potentials.
6. To provide correct petition procedures to any employee who considers that they were treated unfairly.
7. To provide the proper welfare of all employees, such as annual leave, overtime payment and basic nursing care, for example, as needed
8. To encourage employees to balance their working and personal life as well as apply sufficiency economic philosophies to enhance employees to 'give back' to society and to do good things in accordance with the dharma principles of Buddhism.
9. To disclose necessary information to our employees in order to provide a clear understanding of our business operation and situation.
10. To respect our employee's expression of opinions without any interference. The company also provides the communication channels for employees and stakeholders to receive opinion or suggest.

Legal Compliance	2020	Unit
The number of disputes from labor law violations	0	case
The amount of compensation or penalty from labor law violation	0	million THB
The number of complaints in human rights violations within the organization	0	case

Human Resource Management and Development



⊕ Human Resource management

Human Resources management is emphasis on various dimensions of procedure as follow;



- Recruitment and Selection

The Company attaches great importance to and continuously applies proactive approaches in recruiting high-caliber human resources to keep pace with many incoming projects. The Company uses several channels for recruitment and selection, both online and offline, including the annual internship program. In addition, the Company has also participated in the job fairs with educational institutions and organizations, and also participated in the roadshow events at leading universities.



AIT Internship Program 2020 The internship program is opened for students during the school break in order to create opportunities for students to involve in working as well as enhance skills, knowledges, and experiences in real operation with the Company, which will help the students to increase their potentials before entering the labor market in the future.

Cooperative Education Program 2020 This program provides opportunities for students who are interesting in 1-semester internship, to learn in-depth work and be part of the team like the Company's employees in real places and enable to practice thinking, planning, and solving problems on real situation under the recommendations and advices from the Company's employees.



- Performance Management

accordance with the policies and strategies of all business lines by applying the key performance indicator (KPIs) approach based on business plan throughout the Company. The performance appraisals are performed twice a year to allow the Company to closely monitor and review employee performance in order to develop its business operation. In addition, the Company has implemented the Program 360 Degree as the measures of employee performance and development in all directions from supervisors, colleagues and subordinates.



- **Welfares and Benefits**

The Company has set the remuneration, benefit, and welfare scheme by evaluate all positions, responsibilities and performances at all levels of the Company. In addition, the Company essentially determines corporate remuneration, benefit and welfare policy as compatible with the business operation and economics situation including comparative analysis with business in the same industry. The Company ensures that our employees will receive an appropriated remuneration, benefit and welfare package which is competitive among other leading companies in the same industry. In addintion, The company provides various benefits to the employees, both welfares required by law such as social security, provident fund, and benefits other than those required by law such as health insurance, life and accident insurance, as well as various types of subsidy such as emergency loans, medical expenses for parents etc.



Providenta Fund

The Company provides provident fund to all employees after probation period. Employees who have worked more than 3 years will receive partial benefits from the Company while employees who have worked more than 7 years will receive the whole benefits.



Life insurance

The Company provides life insurance, accident insurance and disability insurance due to illness to all employees by separate levels of employees and managements.



Health insurance

Due to employee sickness, all employees can use health insurance from the Company which covered the treatment at the hospitals for 24 hours.



Annual medical check-up

The Company provides the annual medical check-up for all employees to acknowledge their health and encourage good health. The Company will also provide doctors for consult after the result come out.



Medical expenses

Due to the employee's father, mother, spouses and children sickness, the Company also covered the medical expenses.



COVID-19 insurance

The company provides coronavirus insurance (COVID-19) as a security for employees' health.

- **Human Resources Management and Development Information Systems**

The Company has applied technology to human resource management and development in order to support both HRM & HRD functions for faster, accurate and effective operation with lower cost. The development of Work Flow application for mobile phones facilitates employees with Check In function to support the employees working off-site. This application is used in employee management, manpower and operation analysis, training and development, welfare and service management, recruitment and human resource development, competency assessment and individual development planning. In addition, the Company has utilized this information to support decision making, policy making, human resource management and development of the organization to achieve sustainable success. In 2020, the Company has developed operational systems to support human resource management functions such as



AIT Channel: Another communication channel that allows employees to access or participate in the Company's activities in real time via AIT's Intranet or AIT's Application. The Company has developed the system and provides service that allows employees to access and receive information/news faster.

Face Scan: A face scan system for attendance management. The Company has developed this modern system to be used as a replacement for the fingerprint scanner and as a tool for human resource management.



- **Employee Relation & Engagement Policy**

The Company has established a policy to build relationships and engagement between executives and employees at all levels and also promotes teamwork and focuses on creating values and organizational culture to contribute to effective coordination and collaboration. As a result of the COVID-19 pandemic in 2020, the Company has reduced the activities and fully complied with the government's advice by using Work from Home approach and organizing online meeting/discussion. However, when the situation has improved, the Company has organized activities to strengthen the relationship between management and employees and among the employees. In this regard, the Company has been concerned with the safety of employees' health and has followed the advice of the government.



Visit Site 2020

Visiting employees at job sites for improving work motivation, hearing of problems the employees experienced at each site and finding an approach or solution for improving the quality and performance of the employees.



Loy Krathong

on Halloween, Krathong-Making contest was held in order to strengthen the relationships between the employees of different departments to bring them closer to each other.



Chrismas Party 2020

An activity for strengthening relationship held at the year-end with “AIT Voice” singing contest to bring happiness and entertainment for the employees. Although there was a limitation on the number of participants at the activity room due to the second wave of COVID-19 pandemic situation, but employees could still watch and enjoy the activities through “AIT Channel” at the same time. This event has contributed to a New Normal activity experience



Career Path

Employee Training

The Company continuously encourage and develop the HRD policy of employees at all levels in order to achieve the business's needs as the Company always realized the important of human resources as valuable and key factors leading the Company to achieve the business' goal. Therefore, the Company aspires to develop employees in all careers at all levels by harmonizing all aspects of development tools for improving their skill, knowledge, and capability through corporate culture and value and also code of conduct in accordance with AIT strategy and business direction.

- **Career Path**

The Company establishes a career path policy for all professions at all levels in order to continuously develop their skill, knowledge and competence by taking into account their talents, attitudes and potentials for further development, maximum efficiency and effectiveness.

- **Employee Training**

The Company plans diversify its resource developments. The most important part that the Company relying on is Staff, The Company believes that the directions of sustainable "Human Assets" management are the foundation to the utmost importance in achieving long term success in the same objectives. Therefore, the main objectives of the training are as follows:

1. Added skills, which able to work with higher skills on both solve the problem and creativity including business expertise.
2. Create positive attitudes at work, this training is able to enhance the employees the knowledge and expertise and fulfill employees needs and expectations including provides career path for the future in order to encourage employees for efficiency work for the Company.

At the present, the Company has plan to train the employees at all levels, including internal and external trainings as well as TraiNex training center, where employees enable to train to develop their skills and expertise in order to fully promote knowledge and understanding to work efficiently and effectively, with more professional.

Internal Training : To support and develop the potential of executives and employees to be able to work in response of the Company's goals and strategies with maximum efficiency and effectiveness. The Company has designed and developed courses for the internal training, which can be divided in 3 levels, as follow;



For management executives

The Company emphasizes on Training and Development programs for management level in order to strengthen the leadership and management skills together with enhance personnel expertise for efficiency to increase its management's efficiency as well as preparation for promotion in the future in accordance with career path progression. In addition, the Company also encourages all business departments to highly competitive and be the leader of the current business both at the present and in the future, such as leadership skills building, etc.



For operational staffs

The Company provides Training and Development programs for operation staffs by arrange functional competency program according to each position, knowledge, and responsibility. The training programs have been designed for developing and enhancing functional knowledge related to operational responsibilities and increasing performance of employees, such as Project Management, Financial and Accounting Standard, Computer and Technology usage, Marketing and Sales skill, Presentation, etc.



For all Staffs

The Company provides Training and Development programs for all employees as the Generic Competency Program to ensure that the employees are able to perform their work in accordance with the corporate culture in the most efficiency, such as Orientation for new employees, Effective communication, corporate culture, English for business, etc.

External Training : In addition to in-house training, the Company also encourages executives and employees to attend the training courses organized by well-known institutions or organizations as well as experts at local and international levels in order acquire knowledge and ability as well as building relationships in the same business and profession.

In 2020, the Company's training expenses in both domestic and international totaling Baht 4.69 million. And the training of all employee totaling 1,075 hours per year, the average is 3 hours/person/year.



1,075

Hours/year



4.69

Milion Baht



3

Hours/person year



43

Persons

Total Hours

Training Expenditure

Average hour/year

Total CCIE
Employees

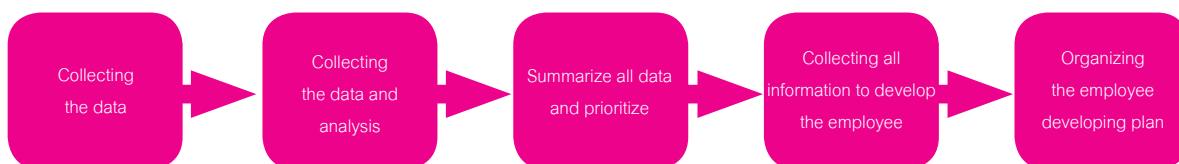
Summary of Training of the Company's management and employees in 2020

Training	Frequency (times)	Number of Participants (person)
In-House Training		
Managements	-	-
Supervisor	11	165
Employees	10	120
Training	Training	Number of Participants (person/training)
Public Training		
Managements	8	1
Supervisor	20	2
Employees	62	2

3. Talent Management Procurement

Developing and maintaining a high-caliber human resources planning of the Company are as follows;

1. Collecting the data regarding to Function Competency in order to select and prioritize the competency of each employee. Besides, the data collection is a One-by-One interview, which divided its categories as follows;
 - Job Competency
 - Job Skills
 - Technical Competency
 - Role Specific Competency
2. Collecting the data and analysis Competency of each employee
3. Summarize all data and prioritize each employee's Competency to categorize their expertise or adequate skills as well as how to improve their expertise, skills, and training.
4. Collecting all information to develop the employee's performance under the Company's core competencies and core values.
5. Organizing the employee developing plan under the Company's core competencies and core values framework.



Employees Information Table

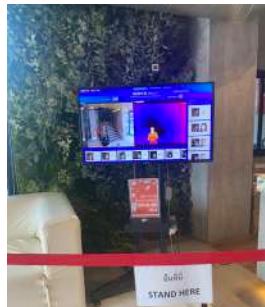
	Unit	2018	2019	2020
Employees Information				
Total Employees	person	469	509	570
Classified by gender				
• Male	person	335	356	401
• Female	person	134	153	169
Classified by age				
• Over 50 years	person	25	25	31
• 30 – 50 years	person	313	328	348
• Under 30 years	person	131	156	191
The proportion of permanent employees to total employees	percentage	73	70	63
Newly recruited employees	person	76	198	103
The proportion of new employees to total employees	ร้อยละ	16.2	38.8	18.1
Number of voluntarily resigned employees	person	56	52	45
The proportion of voluntarily resigned employees to total employees	percentage	11.9	10.2	7.9
Personnel Development				
Number of training hours	hours	11,418	11,000	1,075
Training expenditure	million Baht	11.3	9.9	4.7

Occupational Safety and Health

The Company attaches great importance to safety of the life and property of employees by providing a safe and hygienic working environment such as ozone treatment within the building, cutting trees and improving the landscape around the building, etc. along with providing protection devices, controlling and reducing the potential risk of accidents in workplace. In addition, the Company has also provided virtual training and practice for potential emergencies or accidents.



The COVID-19 pandemic situation in 2020 has an impact on everyone's daily life. The Company is concerned about the safety and health of employees and has reduced the activities and fully complied with the government's advice by using Work from Home approach and providing personal protective equipment for COVID-19 to all employees. This includes promoting the campaign for regular handwashing with soap or alcohol gel, wearing masks and keeping social distances. In addition, the Company has adopted additional measures to maintain cleanliness both inside and outside the office building, as well as installing equipment for screening the employees entering the building without removing the mask.



In addition, the Company has provided annual firefighting training and fire drill and appointed the main person responsible for each floor and first aid team to provide immediate assistance. The Company also conducted regular inspection of fire extinguishers to be available at all times. In this year, there was no statistic record of an accident or fire in the workplace.



Safety and Occupational Health	2020	Unit
Number of death employees	0	person
Number of employees with accident during operation	0	person
Number of employees with work-related illness	0	person



Social and Environmental Management

Efficient Resource Utilization

The Company is aware of its duties and responsibilities towards the environment, and therefore the Company has set the policies and practices towards society, communities, and environment in the Code of Conduct guide to be used as the guidelines by directors, executives, and employees. The details are as follows:

1. Support any activity that is beneficial to society, communities, and environment as a whole
2. Return part of the Company's profits to society-related activities on a regular basis
3. Not taking any actions that are harmful to natural resources and the environment
4. Continuously instill consciousness of our responsibilities to the public, community and society amongst employees at all levels
5. Strictly perform or control in accordance with the spirit of the law and regulations established by regulatory agencies

The Company has a policy to promote education and training of employees in the organization on the environment in order to raise awareness of all employees in take into account the responsibility to the environment in their operations as follows:

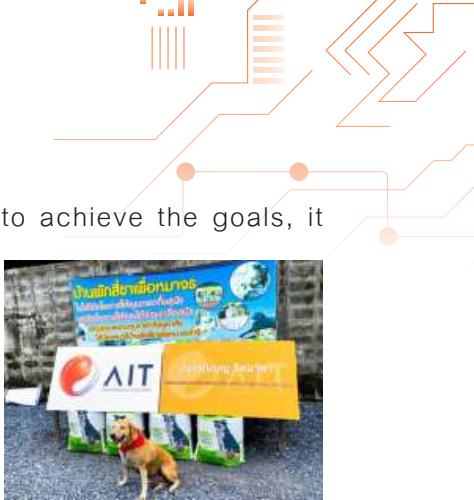
- Cultivate the concept of environmental responsibility for employees to achieve better understanding and appreciation of the importance of environmental stewardship by providing employees the environmental training in accordance with international standards ISO4001: 2004 and other management standards.
- Organize the campaign to raise awareness of importance of nature and environment and through various activities such as turning off lights while not in use and using double-sided paper, etc. In addition, in the year 2020, the Company has installed an automatic lighting system that will help control the power on and off throughout the organization, which in addition to saving electricity for the Company, its also reduce electricity consumption.

Participation in helping and developing a better community and society

The Company recognizes the importance of improvement of quality of life and prosperity for Thai communities and society. In addition, the Company has continuously raised awareness among employees regarding social, community and environmental responsibility through media and internal activities. Over the past years, the Company has organized activities under the following framework and guidelines:

1. Create good relationships with both public and private organizations, as well as community leaders at various levels, in order to build and maintain good relationships and cooperation in sustainable and concrete community development, such as providing the company's space as a polling station, etc.
2. Donate materials and funds to improve the quality of life of the community such as computer equipment, sports equipment, clothing and food to poor children or needy communities.

The Company believes that to be successful in business and to achieve the goals, it not only depends on the Company but also the stakeholders. In 2020, the Company organized AIT Volunteer Fund 2020, an activity to contribute to the society and communities through the fund provided by the employees in the Company. This year, donations from employees were used to organize a volunteer activity by purchasing 20 sacks of dog food and donated to Four-Legged Shelter in Lam Luk Ka District (Khlong 10), Pathum Thani Province on 1st August 2020.



As a result of COVID-19 pandemic, the Company has an opportunity to contribute to the society through various activities and to help Thais go through this crisis together, from providing funds and equipment for the development of a set of robotic systems on a control platform to assist the physicians on the case of COVID-19 infected patients in the Mod Borirak Project (FACO) of the Institute of Field Robotics, King Mongkut's University of Technology Thonburi. The project was delivered robotic kits on 2nd July 2020 to assist medical personnel in 9 hospitals.



The Company has adopted an innovative technology from MEGVII, a leading global AI technology manufacturer, to serve interested customers, under the name "MEGVII AI Fever Screening System by AIT" or "intelligent temperature system" that can quickly screen people before entering buildings or places to reduce the risk and inhibit the introduction of epidemic disease into the building area. However, the Company has provided support for devices and equipment and installed intelligent temperature detection systems at 3 organizations: Chulalongkorn Hospital; the Thai Red Cross Society, Royal Thai Air Force and Queen Sirikit National Institute of Child Health. In addition, AIT activities were held to help those experiencing hardship in 2020 and affected by the COVID-19 pandemic situation by providing and donating survival kits to the affected community at Wat Tanod Community, Wat Chalo Sub-district, Bang Kruai District, Nonthaburi Province.



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