

Annual Registration Statement / Annual Report
(Form 56–1 One Report)



For Year 2021

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The Board of Directors' Report

Union Textile Industries Public Company Limited has been operating its main business in the textile sector (yarn spinning and fabric weaving) since 1977. Throughout the years of the business operation, the Company has primarily adhered to its core values, "Integrity, Quality, Services", as the principle for achieving economic benefits and concurrently given precedence to appropriate social and environmental management. In addition, the Company has fulfilled its obligations to treat all parties of stakeholders fairly and to carry out the resource management, environmental protection, and pollution control accurately in comply with international standards and related laws. Due to the factors, including dramatic changes in the economic conditions and environment of the textile business over the past 10 years, more fierce foreign competition, the cost disadvantage to Thailand when faring against foreign competitors, the global economy recession and a decrease in customers' purchase orders, the operational results of textile business has continually been running at a loss. Moreover, the Company has been affected by the COVID-19 epidemic and such situation is predictably continued in 2021.

According to the resolution of the Board of Directors' Meeting on 22 December 2021, the Company disclosed its information through the Stock Exchange of Thailand (SET) regarding the cessation of its textile business by 2021 to reduce the risk that may cause damage to the shareholders. Since then, the progress in the implementation of such action had been periodically updated. Until 9 September 2021, the Company notified the Stock Exchange of Thailand of the business operation status that the textile production had entirely been ceased since 1 July 2021 and the delivery of products to customer was supposed to be completed by September 2021. After that, the core business operation would be no longer the source of Company income. Instead, the income derives from only other remaining sources, such as rentals, dividends, and interests. Under the said circumstance, the Company's listed securities may consequently be delisted from the SET. Therefore, the Company applied the disclosure process to the problem-solving on 21 October 2021 and convened the Extraordinary General Meeting of Shareholders No. 1/2021, on 25 November 2021 with the topic on the request for voluntary delisting of the Company's Securities from being Securities listed on the Stock Exchange of Thailand. In this regard, Saha-Union Public Company Limited (SUC), as the major shareholder, made the tender offer for buying the entire securities of the Company from other shareholders in general, apart from the proportion of securities held by SUC.

The Company complied with the procedures and the requirements of the SET and the Office of the Securities and Exchange Commission (SEC). The offer acceptance period was specified for permitting the Company's shareholders to declare their intention to sell securities based on the fair value of common shares and preferred shares, at the price of 38.35 Baht per share and 48.15 Baht per share respectively, which was from 28 December 2021 to 3 March 2022. The securities settlement was made on 7 March 2022. On this occasion, the Company had already submitted the Tender Offer for Securities (Form 247-4) enclosed with the Opinion of Independent Financial Advisor and the Opinion of the Company on the Tender Offer (Form 250-2) to every shareholder prior to the date of offer submission.

Regarding the results of operation in 2021, the Company reported its total revenue at 229.80 million Baht categorized into the revenue recorded from the textile business at 209.11 million Baht and other revenue at 20.69 million Baht. Its total expenses were shown in the amount of 209.66 million Baht. The Company gained profits from the textile business at 0.46 million Baht and from the continuing operations at 8.93 million Baht (mainly from the property lease transaction). As a result, the Company could make its total net profit at 9.39 million Baht. The total amount of assets owned by the company is at 1,145.95 million Baht and its liabilities were reported at 106.75 million Baht. The shareholders' equity was in the amount of 1,093.20 million Baht, representing a debt-to-equity ratio of 0.01: 1 time, a liquidity ratio of 68.17 times and a return on equity ratio which is equivalent to 0.91%. This indicates that the financial position of the company is in a state of high liquidity reflecting to its preparedness for new businesses in the future which are now under the consideration and seeking process.

The Board of Directors would like to express its gratitude to all shareholders, business partners, customers, employees, and stakeholders who have always rendered their trusts and supports to the Company's business operation throughout the years. The Company continues to uphold the principles of good governance, good corporate governance, corporate social responsibility, and anti-corruption according to the Code of Business Conduct policy as fundamental practices towards the business in the future.

(Mr. Preecha Shunhavanich)

Chairman

**PART 1****Business Operation and Performance****1) Structure and Operation of the Group of Companies**

The Company was established on 21 March 1977 to operate its integrated business in the textile production and distribution, including yarn spinning, fabric weaving, dyeing, and finishing. Later, on 30 March 1994, the Company re-registered as a limited public company and Saha-Union Public Company Limited, which was incorporated and registered in Thailand, is a major shareholder.

1.1) Policy and Business Operation Overview

On 16 August 2008, the Company reduced its production lines of manufacturing process by ceasing its dyeing and finishing operation. In cooperation with Ten Cate Advanced Textiles BV, the Company then invested the assets of the ceased dyeing plant in establishing Ten Cate-Union Protective Fabric Asia Company Limited (TCUA), the manufacturer of protective fabrics for work wear and safety wear. Unfortunately, TCUA filed for deregistration with the Ministry of Commerce on 22 March 2013 and it is under the liquidation process.

1.1.1) Vision, objectives, goals and strategies

The Company's Board of Directors has considered, reviewed, and agreed on the defined vision, mission, goals, objectives, and strategies as follows:

Vision

To manage the assets of the Company for economic, social, community and environmental value added under the principles of good corporate governance

Mission

- To adhere to the core values of the Company, "Integrity Quality Services"
- To manage existing assets in the way that can generate economic benefits
- To seek for a new business that provides suitable return on investment
- To adhere to the principles of corporate good governance

Goals

- To achieve proper financial performance

Objectives

- To manage assets for achieving worthwhile return

Strategies

- To conduct a feasibility study for a new business investment
- To formulate a plan for ceasing the textile business

1.1.2) Significant changes and development

There has not been any significant change in the controlling power of shareholding structure, management, or nature of business operation for over the past 3 years.

1.1.3) Spending money raised from fundraising

- The Company has not organized any fundraising activity for over the past 3 years. In the past, the Company's invested capital spending always met its purposes.

1.1.4) The company's commitment declared in the registration statement for the sale of securities, approval conditions of the SEC and conditions of the SEC for the acceptance of listed securities

- The Company's securities were registered as the listed securities on 20 November 1980 without the application for an approval from the SEC as it was not required at that time. Therefore, there is no condition for the acceptance of listed securities to be fulfilled.

1.1.5) The company's name, address of the head office, type of business, PCL registration number, telephone number, facsimile number, website, total number and types of sold shares

Union Textile Industries Public Company Limited operates the business in textile industry. The Company's PCL Registration Number: 0107537000980. The registered addresses are as follows:

Head Office: 1828 Sukhumvit Road, Khwang Phrakhanong Tai, Phrakhanong, Bangkok 10260

Branch 1: 205 Moo 4, Sukhumvit Road, (k.m. 39.5), Bangpoomai, Muang Samut Prakarn, Samut Prakarn 10280

Tel. 0-2311-5111-9 Fax : 0-2323-3123 Home Page : <http://www.ut.co.th>

The Company has registered capital stocks in the amount of 600 million Baht and paid-up capital at 600 million Baht which is equivalent to 60 million shares, divided into 45 million common shares of 10 Baht each and 15 million preferred shares of 10 Baht each.

(1) The juristic persons of which at least 10 percent of issued shares are held by the Company as of 31 December 2021

Company Name	Type of Business	Type of Shares	No. of Shares Issued	No. of Shares Held	Percentage of Shareholding
1. Uni-Fiber Co., Ltd. 1828 Sukhumvit Road, Phrakhanong Tai, Phra Khanong, Bangkok 10260 Tel. 0-2311-5111-9 Fax. 0-2311-5668, 0-2332-5615	Investment / agency and service business in trading textile product and other raw materials	Common	1,200,000	235,601	19.63 %
2. Union Business Management Co., Ltd. 1828 Sukhumvit Road, Phrakhanong Tai, Phra Khanong, Bangkok 10260 Tel. 0-2311-5111-9, 0-2322-5600 Fax. 0-2311-5616	Investment	Common	5,000,000	949,993	19.00%
3. Union-Micronclean Co., Ltd. 1828 Sukhumvit Road, Phrakhanong Tai, Phra Khanong, Bangkok 10260 Tel. 0-2311-5111-9, 0-2322-5600 Fax. 0-2741-6145	production and distribution of anti-static and dust-proof coveralls	Common	500,000	65,000	13.00%
4. Ten Cate-Union Protective Fabrics Asia Co., Ltd. 205/1 Moo 4, Sukhumvit Road (k.m. 39.5) Bangpoo Mai, Muang Samut Prakarn District, Samut Prakarn 10280 Tel. 0-2323-1088 Fax. 0-2323-1089	Production and distribution of colored fabric	Common	3,850,000	1,900,000	49.35%

Note: Ten Cate-Union Protective Fabric Asia Co., Ltd. filed for deregistration with the Ministry of Commerce on 22 March 2013 and it is now under the liquidation process

1.2) Nature of Business Operation

The Company has been operating the textile business in production and distribution of greige fabrics according to customer orders through the manufacturing process of yarn spinning and fabric weaving. The Company may be able to generate its revenues from yarn spinning and/or fabric weaving services by using materials supplied by customers themselves. The income structure is shown in the table below.

Regarding the investment in associates, the Company received the share of profit (loss) from investment under the equity method.

1.2.1) Income structure classified by product line/ business group (as shown in the table)

Product Line/Business Group	Operated by	% of Shareholding in the Company	Income in 2021 (Million Baht)	%	Income in 2020 (Million Baht)	%	Income in 2019 (Million Baht)	%
Company: Production and distribution of woven fabric, yarn, and services	Union Textile Industries PLC	-	190.11	82.73	432.52	91.84	511.06	68.08
Associates: Investment / agency and service business in trading textile products and other raw materials	Uni-Fiber Co., Ltd.	19.63 ⁽¹⁾	-	-	-	-	0.44	0.06
Production and distribution of colored fabric	Ten Cate-Union Protective Fabrics Asia Co., Ltd.	49.35	-	-	-	-	-	-
Other incomes	Union Textile Industries PLC	-	39.69	17.27	38.41	8.16	239.21	31.86
Total			229.80	100.00	470.93	100.00	750.71	100.00

Note

⁽¹⁾ The Company had acknowledged the share of profit (loss) from the investment in Uni-Fiber Co., Ltd up to the second quarter of 2019 that showed the shareholding proportion at 20.83% and the status was changed from the investment in associate to other long-term investment

For the operating results of 2021, the Company had revenue from the sales and services of textile products of 190.11 million Baht, decreased by 242.41 million Baht or 56.05 percent from the same period of 2020 due to the cessation of the business operation in textile manufacturing and sales on 1 July 2021 and on 30 September 2021 respectively.

The Company had other incomes amounted to 39.69 million Baht from the sale of scrap raw materials, some rental assets, dividends, sales of machines and equipment of the ceased textile business operation and other sources.

1.2.2) Product data

(1) Nature of products and services and development of innovation

The Company's main product are woven fabrics consisting of 100% cotton fabrics, poly-cotton fabrics, and other synthetic fibers with unique characteristics that are used as raw materials for production of workwear and fabrics supplied for other industries. The Company also provides manufacturing services of yarns and/or fabric weaving by using raw materials supplied by customer themselves.

The Company has not depended on any supplier, customer or distributor who plays the outstanding role in its business operation.

(2) Marketing and Competition

(a) Marketing of products and services

- The Company's marketing policy focuses on both the local and overseas customers whose products have well-known trademarks at international level.
- In 2021, the Company made the direct sales to both the local and overseas customers with the proportion of market share at 44 percent and 56 percent respectively.
- The Company had 8 major customers in total, both local and overseas. Foreign customers were in Asia and Europe.

- Over the past 3 years, the Company could earn more than 30 percent of the total sales from 2 customers. However, the company did not depend on any specific customer as it might affect the Company survival.

(b) State of competition

- The textile industry situation remained in downtrend due to various obstacles, such as trade barriers measures, economic situations, both the domestic economy and that in trading partner countries, as well as the COVID-19 epidemic situation that caused the change in lifestyles and decrease in consumer demands.
- The Company had 12 competitors, 6 domestic competitors and 6 foreign competitors.
- The fierce competition in textile business with the sale prices as the matter of first consideration meant a disadvantage to the Company when faring against foreign competitors who enjoyed cheaper labor costs, such as China, India, Indonesia, Pakistan, Vietnam, etc.

(3) Providing Products or Services

The Company's factories are located at 205/1 Moo 4, Sukhumvit Road (k.m. 39.5), Bangpoo Mai, Muang Samut Prakarn District, Samut Prakarn 10280. Because of the downturn in the textile marketing which had continuously occurred over the past years with declining trends, the Company reduced its production capacity to be in conformity with the customer demands. The production of 2021 compared to those of 2020 is as follows:

Productions		2021	2020
1. Spinning Factory			
— Production Capacity	(1,000 pounds)	7,200	7,200
— Actual production output	(1,000 pounds)	1,546	7,046
2. Weaving Factory			
— Production Capacity	(1,000 meters)	7,776	10,200
— Actual production output	(1,000 meters)	3,204	9,843

The production policy of the Company focused on the technical workwear manufacturing which was made to orders of customers according to the capacity of production process.

The raw materials mainly used in the production were cotton, 100% imported and synthetic fibers mostly purchased from domestic manufacturers.

- The Company did not depend on any specific distributor whose outstanding roles might affect the Company survival
- Restrictions on raw materials procurement
 - Procurement of the main raw materials, such as cotton which were agricultural product, depended on weather condition, importation, yearly seasonal fluctuations, pricing in international market environment and exchange rate.
 - For the procurement of synthetic fibers, there were a few suppliers and each of them offered products of unique characteristics to correspond demands of the Company. Product prices varied with types of products and market mechanism.
- In 2021, the raw materials for weaving fabric production were purchased from 2 suppliers of which the proportion of the raw material purchasing values between those from the domestic suppliers and the overseas suppliers was equivalent to 84:16 percentage.

(4) Properties for Business Operation

Main properties of the company as of 31 December 2021

Property Type/ Characteristics	Type of Ownership	Net Book Value (Million Baht)	Obligation
Land 3 parcels located at 205 Moo 4, Sukhumvit Rd. k.m. 39, Bangpoo Mai, Muang Samut Prakarn District, Samut Prakarn with the total area of 218 Rai – Ngan 33 Sq. Wah	Possession	70.937	N/A
Land 4 parcels located at 65 Bangna-Trad k.m. 38, Bang Samak, Bang Pakong District, Chachoengsao with the total area of 84 Rai 2 Ngan 95 Sq. Wah	Possession	5.787	N/A
Buildings and structures	Possession	3.548	N/A
Machines, equipment, and others	Possession	26.12	N/A

Notes:

- The property value in No. 1 included the value of investment property of 41.065 million Baht.
- The property value in No. 2 was regarded as the investment property having its net book value at 5.787 million Baht.

(5) Undelivered Works

- N/A

1.3) Shareholding Structure of the Group of Companies

1.3.1) Shareholding structure of the group of companies

The following table shows the shares held by the Company in its associates and supporting companies, as of 31 December 2021.

Company Name	Type of Business	Shares held by UT (%)	Shares held on UT (%)	Associates
Ten Cate-Union Protective Fabrics Asia Co., Ltd ⁽¹⁾	Production and distribution of colored fabric	49.35	-	/
Saha-Union, PCL	Investment/ distribution of raw materials and some types of products manufactured by companies in the group	0.33	49.88	-
Uni-Fiber Co., Ltd.	Investment / agency and service business in trading textile product and other raw materials	19.63	-	-
Union Business Management Co., Ltd.	Investment	19.00	17.10	-
Union-Micronclean Co., Ltd.	production and distribution of anti-static and dust-proof coveralls	13.00	-	-

Note ⁽¹⁾ Ten Cate-Union Protective Fabric Asia Co., Ltd. (TCUA) filed for deregistration with the Ministry of Commerce on 22 March 2013 and it is now under the liquidation process. In this regard, the Company has allocated the allowance for impairment of the capital invested in TCUA at its full amount.

1.3.2) Any person who may have conflicts resulting from holding shares with voting rights in subsidiaries or associates over 10 percent of its total

- Currently, the Company does not have any subsidiary or associate company.

1.3.3) Relationship between major shareholders and the group of companies

The Company is an affiliate company of the Saha-Union Group. During the year, the two parties had the related party transactions performed in the normal course of doing trading business without conflict of interests. More details of the related party transactions of 2021 are explained under the topic No. 9 Internal Control and Related Party Transactions.

1.3.4) Shareholders

(1) Name list of major shareholders

(a) Top 10 major shareholders, numbers of shares and shareholding proportion including the shareholding of relevant parties and those who were under the same supervisor in the same group.

As of the lasted closing date of the shareholder register dated 4 November 2021

No.	Major Shareholders	No. of Common Shares	No. of Preferred Shares	Total	% of the Total Shares
1.	Saha-Union Group of Companies				
	1.1 Saha-Union Public Company Limited	15,580,540	14,348,660	29,929,200	49.88
	1.2 Union Business Management Company Limited	10,260,200		10,260,200	17.10
	1.3 Union Thread Industries Company Limited	3,668,280		3,668,280	6.11
	1.4 Union Industries Company Limited	30,000		30,000	0.05
	1.5 Peacowell Company Limited	50,000		50,000	0.08
2.	Bangkok Bank Public Company Limited	3,497,400	400,000	3,897,400	6.50
3.	Mr. Surachai Ratithong	1,643,000		1,643,000	2.74
4.	Mr. Pisith Preukpaiboon	1,014,900		1,014,900	1.69
5.	Bangkok Insurance Public Company Limited	672,900	233,000	905,900	1.51
6.	Mr. Bunyong Apiruklaoskul	806,300		806,300	1.34
7.	Mr. Charn Sophonpanich	802,600		802,600	1.34
8.	Mr. Sukhumol Sirimongkolkasem	502,000		502,000	0.84
9.	BNP PARIBAS SINGAPORE BRANCH	478,000		478,000	0.80
10.	Mr. Chutindhorn Darakananda	380,500		380,500	0.63
	Total	39,386,620	14,981,660	54,386,280	90.61

Note

The true shareholder of shareholders No. 1.2 and 1.5 was the Darakananda Group who operated its main business in investment.

(b) The major shareholder who was significantly influential in policy-making, management and company operation is Saha-Union Public Company Limited

(2) The Company was not a holding company.

(3) No agreement issue among major shareholders affecting the securities issuance and offers or the Company management.

1.4) Amount of Registered Capital Stocks and Paid-up Capital

1.4.1) - Registered capital stocks/ paid-up capital/ number of share: The Company has registered capital stocks in the amount of 600 million Baht and paid-up capital at 600 million Baht, divided into 45 million common shares of 10 Baht each and 15 million preferred shares of 10 Baht each.

- Name of the Stock Exchange appointed as the registrar: the Stock Exchange of Thailand (SET)

1.4.2) Other types of shares providing rights and conditions that are different from common shares

- Conditions and preferential rights of preferred shares are as follows:

1. The preferred shareholders shall have a priority claim over the common shareholders for dividend payments.
2. The preferred shareholders shall have the right to receive dividends at the rate of 14 percent per annum. This right shall become effective from the fiscal year 1986 onward.
3. If the Company is unable to pay all dividends or able to pay less than the claimed rate of dividends to preferred shareholders in any year, those unpayable dividends shall be accumulated for a period not exceeding 7 years.



4. In case the common shareholders receive dividends at the rate that is higher than 14 percent per annum, the preferred shareholders are also entitled to receive dividends over 14 percent per annum, at the same rate of the common shareholders.
5. In case of the Company liquidation, the preferred shareholders shall have the right to receive the share capital back before making any payment to the common shareholders.
6. Apart from the rights mentioned above, other rights of common shareholders and preferred shareholders shall be equal.

1.4.3) The Company has no shares or convertible securities used as reference securities for issuing the fund units of the Thai Trust Fund or Non-Voting Depositary Receipts (NVDR)

1.5) Issuance of Other Securities

- Apart from common shares and preferred shares which are equity instruments, the Company did not issue any other type of securities, neither the convertible securities nor debt instruments.

1.6) Dividend Payment Policy

“Depending on the Company’s Performance, at the rate of not less than one-third (1/3) of the annual net profit after deducting the accumulated loss (if any) according to the separate financial statement of the Company.

Details of dividend payment during 2016-2020

Years	2020	2019	2018	2017	2016
Annual dividend payment (million Baht)	0.00	0.00	0.00	0.00	0.00
Net profit (loss) (million Baht)	(37.72)	(30.65)	19.42	32.36	32.53
Dividend payout ratio per net profit (percentage)	0.00	0.00	0.00	0.00	0.00

2) Risk Management

2.1) Risk Management Policy and Plan

- The Company managed to prepare appropriate risk management system and internal control.

2.2) Business Risk Factors of the Company

In 2021, during the time when textile business was still in operation, there were some business risk factors as follows:

2.2.1) Risks from the procurement of raw materials in advance

The Company operated the business of yarn spinning and fabric weaving that needed cotton and polyester as the main raw materials. The procurement of cotton and polyester was affected by the price and quantity fluctuation which was different from the prediction. Fluctuation of the global cotton price depended on various factors, such as the weather conditions affecting the cotton farming each year, the speculation of the Hedge Fund, world cotton inventories, and China’s cotton import policy, etc. For polyester, its price fluctuated in line with the US Dollar exchange rates, affecting the limit of purchase order quantity and delivery time. However, the Company had to procure raw materials in advance at a quantity that was predictably sufficient for the production to satisfy the customers who had short lead-time delivery. Therefore, the fluctuation in cotton and polyester prices mentioned above was unavoidable and it caused further impacts on the Company’s business operation. However, the Company had taken action to prevent the risks by monitoring the situation of changes in raw material price closely and continuously, as well as regularly contacting customer to follow up the trends of their demands of products for proper management of raw material procurement to ensure sufficient and appropriate quantity.

2.2.2) Risks from exchange rates

For the exports of the Company, US Dollar and Euro were used as invoicing currencies. As a result, the fluctuation of exchange rates could affect the Company operating performance. However, the Company had closely followed up the movement of exchange rates and provided its measures to mitigate such risks, including signing the forward exchange contract to cover the value of products as per the purchase order of customers at a specific time, managing income and expenses based on the same currency.



2.2.3) Risks from the Company’s major shareholders holding more than 25 percent of paid-up capital

The Company’s majority shareholder is Saha-Union Public Company Limited. The related party transactions between the two parties are performed in the normal course of doing business under general trading terms and conditions. Moreover, the Audit Committee comprises 3 Independent Directors who have knowledge and experience in financial statement review with the authority to consider related party transactions or other transactions that may cause the conflict of interests for making them in compliance with laws and regulations of the Stock Exchange of Thailand, so as to ensure that those transactions are logical and extremely beneficial to the Company. Moreover, in the consideration of the agenda on the approval of related party transactions at the Board of Directors’ Meeting, the Company’s policy provided that any Director who is a stakeholder or involves in the conflict of interests shall not have the voting rights in the meeting and shall not attend the meeting.

3) Business Mobilization towards Sustainability

In business operation, the Company was aware of the corporate social responsibility by implementing the core values, namely “Integrity Quality Services”. To get the practical results, the Company gave employees an opportunity to involve in expressing their ideas on the definitions of the Company’s values, as follows:

Values:

Integrity	Love and respect ourselves, family and society Do the right things Be open minded to accept the opinions of others
Quality	Pay attention to details of customers’ expectations Participate in brainstorming and doing to achieve the goal Keep continuous learning and self-development
Services	Always think of value for money Change is an opportunity Enhance the Company’s competitiveness continuously

Policy Overview

The Board of Directors had reviewed and approved the corporate social responsibility policy as the operational guidelines for the Executives and employees, as follows:

Fair Operating Practices

To treat all parties equitably based on fair payment of returns and avoidance of the operations that may cause conflict of interests and infringement of intellectual property rights.

Anti-corruption

Do not request, accept, or pay any benefit other than the benefits prescribed in trade agreements. If it is found that any person has requested, accepted, or paid any benefit corruptibly, the Company and its business partners shall jointly investigate and solve the problem as soon as possible.

Respect for Human Rights

Avoid any action that may cause the deprivation or violation of rights and listen to opinions and suggestions expressed by all groups of stakeholders on equal and equitable treatments.

Fair Treatment of Labors

To treat all employees equitably and fairly; to provide properly welfare, safety and health in the workplace; to give importance to the development of knowledge transfer and capacity-building of employees by providing equal opportunities to all employees; and to appropriately pay remunerations in relation to their knowledge, capabilities, responsibilities, and performances.

Commitments to Customers

To commit to produce and deliver high-quality and standardized products under the customers’ specifications and requirements; to



provides a feedback system for hearing opinions, recommendations, or complaints from customers so that the Company can take some significant issues into consideration for further actions of improvement and finding solutions rapidly in reasonable time.

Environmental Protection

To act in comply with related laws, rules and regulations and shall not support all stakeholders of the Company in damaging natural resources and environment.

Involvement in Community and Social Development

To support the arrangement of activities or involvement in supporting activities in connection with the community development.

Innovation and Diffusion

To improve manufacturing processes and other practices continuously for preventing potential negative impacts including worthy use of natural resources and reduction of unnecessary waste.

3.1) Policies and Goals of Sustainability Management

Due to the economic environment and worldwide business competition, the textile business in Thailand had been affected and its trends become depressed and got loss. In this regard, the Company held the Shareholders' Meeting and decided to cease the textile business transactions from 1 October 2021 and to seek a new business. Over the past years, the Company's Board of Directors had considered and resolved to approve the corporate social responsibility policy as the operational guidelines for the Executives and employees, as follows:

(1) Fair Operating Practices

To treat all parties equitably based on fair payment of returns and avoidance of the operations that may cause conflict of interests and infringement of intellectual property rights.

(2) Anti-corruption

Do not request, accept, or pay any benefit other than the benefits prescribed in trade agreements. If it is found that any person has requested, accepted, or paid any benefit corruptibly, the Company and its business partners shall jointly investigate and solve the problem as soon as possible.

(3) Respect for Human Rights

Avoid any action that may cause the deprivation or violation of rights and listen to opinions and suggestions expressed by all groups of stakeholders on equal and equitable treatments.

(4) Fair Treatment of Labors

To treat all employees equitably and fairly; to provide properly welfare, safety, and health in the workplace; to give importance to the development of knowledge transfer and capacity-building of employees by providing equal opportunities to all employees; and to appropriately pay remunerations in relation to their knowledge, capabilities, responsibilities, and performances.

(5) Commitments to Customers

To commit to produce and deliver high-quality and standardized products under the customers' specifications and requirements; to provides a feedback system for hearing opinions, recommendations, or complaints from customers so that the Company can take some significant issues into consideration for further actions of improvement and finding solutions rapidly in reasonable time.

(6) Environmental Protection

To act in comply with related laws, rules and regulations and shall not support all stakeholders of the Company in damaging natural resources and environment.

(7) Involvement in Community and Social Development

To support the arrangement of activities or involvement in supporting activities in connection with the community development.

(8) Innovation and Diffusion

To improve manufacturing processes and other practices continuously for preventing potential negative impacts including worthy use of natural resources and reduction of unnecessary waste.



3.2) Management of Impacts on Stakeholders in Business Value Chain

3.2.1) Business Value Chain

- Reporting process

The Company used cotton and polyester as the main raw materials to produce fabric through the yarn spinning and fabric weaving processes. Textile industry is a labor-intensive industry of which machines and supporting equipment were operated on electricity, including the compressed air system, and cooling and air-conditioning system in production process. Thus, in business operation during the past years, the Company had promoted the corporate social responsibility, which was implemented by employees as normal working guidelines, for example energy conservation, setting up measures of action to reduce waste in the operational process, enhancement of production efficiency and improvement of work environment, etc.

Economic Dimension of Sustainability

- Fair operating practices

The Company committed to treating its stakeholders equitably based on fair payment of returns and avoidance of the operations that may cause conflict of interests and infringement of intellectual property rights. Besides, it promoted the corporate social responsibility management in business value chain by providing the Code of Business Conduct for employees to use as the guidelines for consideration of appropriate behaviors or performances on the following issues:

(1) Fair competition

- To treat each other equitably and fairly based on fair returns
- To perform in compliance with international standards under the legal frameworks related to the principles of good competition

(2) Promoting the social responsibility in the value chain

- To cooperate in providing the explanation to ensure that sellers and contractors who worked for the Company were in compliance with the law on occupational safety, health and environment

(3) Respect for property rights of other businesses

- To maintain the customer confidentiality, without illegal disclosure or use of customers' secrets to benefit the Company's or any other person.

(4) Accountable for political engagement

- To allow employees to exercise their voting rights independently

In the past year, there is no complaint or penalty for violation of laws and regulations.

- Anti-corruption

The Company adheres to the transparency and accuracy in business operation. Request, acceptance, or payment of benefits other than those prescribed in trade agreements is not allowed. If it is found that any person has requested, accepted, or paid any benefit corruptly, the Company and its business partners shall jointly investigate and solve the problem as soon as possible.

The Company has declared the anti-corruption policy and its practical guidelines, which are provided in the Company's Manual of Good Corporate Governance and the Code of Business Conduct, on the website to communicate with employees. Such policy and guidelines are considered as one of the topics included in the new employee orientation program.

The Company arranges the operational risk assessment. Regarding the risks possibly leading to corruption or misconduct activities, the Company has prescribed measures for controlling such activities, as follows:

(1) Procurement and supplies

- To comply with the purchasing regulation

(2) Keeping cash and petty cash

- To decide on the maximum amount or float and custodians of cash and petty cash
- To perform a surprise check without prior notice to the cash or petty cash custodian

(3) Inventory control



- To use the inventory inbound-outbound record sheet and re-check with the computer data
- To summarize the inventory movement status at the end of each month
- To periodically conduct the physical count once every 6 months
- (4) Scrap sales
 - To arrange the auction once every 6 months
 - To check the weight of scrap together with the Security Officers
- (5) Accepting and giving gifts or other benefits
 - To avoid reception parties, accepting gifts, gratuities or rewards
 - In case of the gifts received as a result of business deals, the recipient shall deliver such gifts to the Company for maximum utilization.
- (6) The Company's Purchase and sale of securities
 - Avoid using internal data for private gain or providing internal data to irrelevant people.

For this purpose, the Company has set up the hotline number 02 -2323-1085, Ext. 1234 for accepting reports of corruption cases and clues. Last year, there was no any report or complaint about the behavior that may lead to corruption.

- Innovation and Diffusion

The Company committed to promote the improvement of manufacturing processes and other practices continuously for preventing potential negative impacts including worthy use of natural resources and reduction of unnecessary waste.

Economic data

Indicator	Unit	2019	2020	2021
Sale and service revenue	Million Baht	511.06	432.52	190.11
Net profit (loss) of the year	Million Baht	95.86	(37.72)	9.40
Return on equity	%	9.54	(3.65)	0.91
Wages and compensations of employees	Million Baht	114.67	97.07	38.13
Taxes paid to the government and local official organizations, e. g. corporate income tax, local taxation, Property tax, etc.	Million Baht	1.59	0.43	0.43
Operational cost for social and community development projects	Baht	21,939	9,000	2,000
Contribution rate paid by the Company to the provident fund for employees	% of base salary	3	3	3
Percentage of the Executives, from managerial level upwards, who were local residents.	%	42	32	20

Social Dimension of Sustainability

According to the Ministerial Regulation on Standard for Administration and Management of Occupational Safety, Health and Environment B.E. 2549 (2006), the Company set up the Committee on Occupational Safety, Health and Environment at Workplace (SHE Committee) comprising of 11 members, including the Chairman who is the representative from the executive level, four Committee Members representing the command level and another five Committee Members are the representatives elected among employees at the operational level, and a Safety Officer as the Secretary to the Committee. In 2021, the SHE Committee held the meeting every month to follow-up the implementation of the safety related activities according to the annual action plan approved by the Managing Director as follows:

- Inspection of the workplace environment to prevent the occurrence of accidents at work
- Inspection of the equipment of fire alarm system and signs of fire prevention and extinguishing systems to keep them at optimum operating performance.
- THERMOSCAN Testing to detect the heat of electrical equipment to prevent fire accidents
- Measuring luminous intensity, level of noise and the quantity of dust according to the schedule prescribed in the Ministerial Regulation, as well as wearing the personal protective equipment (PPE) in the area having a sign requesting to do so.
- Results of training drills of the firefighter and fire evacuation at night according to the schedule prescribed in the Ministerial Regulation



- Random drug test for employees
- Following up corrective activities for the cases of which flaws were found in the inspection process
- Occupational accidents which will be investigated for searching causes, defining solutions and prevention measures
- Organizing the event called the Safety Week
- Providing the annual health check-up program to employees

In addition, the Company provided the preventive measures for COVID-19 transmission and infection, including:

- (1) Communicating and publicizing the way of self-care to prevent the infection
- (2) Measuring the employees' body temperature before entering the workplace and conduct the symptom screening for visitors
- (3) Keeping physical distancing in lining up for clocking in and out of work and having seats in the cafeteria or meeting rooms
- (4) Cleaning the cafeteria by wiping the dining tables and chairs of employees with cleansing solution twice a day; at 08.30 hrs. and 13.30 hrs.
- (5) Surveillance of employees who returned from other provinces
- (6) Weekly measurement of body temperature of employees and their families living in the dorm found no one getting higher range than the normality of requirements

Employee Indicator	Unit	2019	2020	2021
Number of employees by types				
- Full time	Persons	458	397	19
- Part time	Persons	62	33	5
- Number of employees by genders				
- Male	Persons	168	135	14
- Female	Persons	352	295	10
- Numbers of employees by levels of management				
- Operational level	Persons	276	213	1
- Command level and Professional Level	Persons	222	198	18
- Managers	Persons	22	19	5
- Percentage of employees to be retired				
- Within the next 5 years (55-60 years old)	%	22.88	27.59	25.00
- Within the next 10 years (50-60 years old)	%	43.27	50.56	41.67
Turn Over Rate	%	28.29	20.20	96.50
Rate of returning to work after parental leave	%	100	100	-
Number of employees representing in the welfare committee	Persons	7	7	1
Number of employees representing in the SHE Committee				
- Representatives of employers and SHE officers	Persons	2	2	-
- Representatives of employees	Persons	9	9	-
Sickness Absenteeism Rate (AR) (per working hour)	%	0.88	1.27	0.01
Number of work fatalities	Persons	0	0	0
Average training hours per employee per year	Hours	5.35	5	4
Percentage of employees having performance assessed	%	100	100	100
Compensation ratio of female employees to male employees	ratio	63:37	63:37	48:52

**- Commitments to Customers**

The Company commits to produce and deliver high-quality and standardized products under the customers' specifications and requirements; to provides a feedback system for hearing opinions, recommendations, or complaints from customers so that the Company can take some significant issues into consideration for further actions of improvement and finding solutions rapidly in reasonable time.

The Company's products are awarded the label of the STANDARD 100 by OEKO-TEX® under the Product Class II. This means that users of its product are not exposed to any harmful effects on skin.

Last year, there was no any significant issue related to the violation of laws and regulations in connection with terms and usage of products and services.

- Involvement in Community and Social Development

The Company promotes and supports the arrangement of activities or involvement in activities in connection with impacts caused by the Company's operation. Last year, the operation had neither negative impact nor tendency to create such impact on the local community.

3.2.2) Stakeholder analysis of the business value chain

The table below shows the channels for stakeholder engagement, expectations and responding to needs of stakeholders on different issues.

Stakeholders	Engagement	Expectations	Responding to needs
Shareholders	<ul style="list-style-type: none"> - Annual General Meeting of Shareholders - The Company's website - Telephone 	<ul style="list-style-type: none"> - Action plan or guidelines to resolve accumulated loss 	<ul style="list-style-type: none"> - Various choices were considered for seeking a new business or higher utilization of existing assets, currently it is not yet a good time for investment.
Employees	<ul style="list-style-type: none"> - Suggestion box - Hotline - E-mail - Welfare Committee - Annual activities 	<ul style="list-style-type: none"> - Appropriate wages and benefits - Safety, health, and environment at workplace 	<ul style="list-style-type: none"> - Assessment of performance - Fair treatment of employees - Complying with the Ministerial regulations - Preventive measures for COVID-19 infection and transmission
Customers	<ul style="list-style-type: none"> - Satisfactory survey - Meeting and visiting - Telephone - Fax - E-mail 	<ul style="list-style-type: none"> - Adhere to conditions and agreements - Product improvement/development for cost reduction 	<ul style="list-style-type: none"> - Fairly responding to needs - Corrective actions as claimed
Business partners/ Trade account payable	<ul style="list-style-type: none"> - Visiting/meeting - Telephone - Fax - E-mail 	<ul style="list-style-type: none"> - Fair treatment - Adhere to contracts and agreements 	<ul style="list-style-type: none"> - Fair business practices
Community/ Society	<ul style="list-style-type: none"> - Meeting or discussing with community leaders - Telephone 	<ul style="list-style-type: none"> - Environment protection 	<ul style="list-style-type: none"> - Involvement in community or social development - Environment protection

3.3) Sustainability Management in Environmental Dimension

The Company's environmental performance can be described as follows:

The Company is located at 205 Moo 4, Sukhumvit Road (k.m. 39.5), Bangpoo Mai, Muang Samut Prakarn District, Samut Prakarn 10280, on the land area of 218 Rai and 33 Sq. Wah owned by the Company itself. In the area within the 5-kilometer-radius of the land, there are a local community, a school, and government offices. The southern border of the Company's land is 500 meters long next to the coastal road along the Gulf of Thailand.

3.3.1) Environmental policy and guidelines

The Company managed the wastes from raw materials used in manufacturing process; including cotton scraps, yarn scraps, fabric scraps and scraps of packaging materials, in accordance with the Notification of the Ministry of Industry on Industrial Waste Disposal B.E. 2548 (2005).

3.3.2) Environmental performance

Last year, there was no any significant issue related to the violation of laws and regulations in connection with the environment, such as wastewater discharge, wastes or spill and leak, etc.

Indicator	Unit	2019	2020	2021
Main raw materials				
- Cotton	Ton	2,153	1,761	63
- Polyester	Ton	1,975	1,842	188
Quantity of fossils used				
- Diesel	MJ	82,800	77,756	23,127
- NGV	MJ	20,597,251	16,956,373	5,655,950
Quantity of electricity used	MJ	103,584,413	83,038,792	27,145,267
Quantity of water used by sources				
- Tap water	Cu. M.	132,778	94,364	49,027
- Ground water	Cu. M.	51	4,595	0
Water passed the RO system for reuse	%	15.76	19.37	-
Quantity of wastewater discharged from factories	Cu. M.	133,076	98,951	49,027
Quantity of solid waste				
- Hazardous waste	Ton	0	0	0
- Non-hazardous waste	Ton	792	792	152
Significant leaks of chemical/ fuel/ wastewater/ solid waste	Times	0	0	0
Expenses and investment in the environmental protection	M Baht	0	0	0
Cost of waste disposal and treatment	Baht	120,000	120,000	0

3.4) Sustainability Management in Social Dimension

3.4.1) Social policy and guidelines

The company established the Welfare Committee comprising of elected employee representatives according to the Notification of the Department of Labour Protection and Welfare on the Rules and Procedure for the Election of the Welfare Committee at the Place of Business. Powers and duties of this Committee are to inspect, control, supervise and advise on the welfare arrangements provided for the employees including the transportation service to and from the place of work, dormitories, nurses, recreational sports, recreational activities, nutrition food and knowledge dissemination. Besides, the Company has the policy to promote the involvement in activities beneficial to the society, surrounding communities and environment. In 2021, the activities were organized on different occasions, as follows:

- Made a charitable donation on the occasion of the Children's Day to Aeam-Suree School on 6 January 2021
- Made a charitable donation of survival kit to the Uthai Thani Red Cross Chapter in supporting to the disaster (flood) victim relief activities proceeded, on 22 October 2021
- Organized the Company's annual merit-making ceremony on 27 December 2021



3.4.2) Social performance

- (1) The Company had never been inspected or is being inspected by any authorized organization for its performance which may significantly violate the related laws.
- (2) The Company's business operations had never been involved or accused of causing negative impacts on society and the environment or being contrary to the 8 principles, in particular the case that became the public news and significantly affected the business operations, reputation or credibility of the Company.

4) Management Discussion and Analysis (MD&A)

4.1) Analysis of Business Operation and Financial Position

The following is the analysis and discussion of the Company's operating performance and financial position for the year ended 31 December 2021 according to the financial statement in which the equity method was applied / the separate financial statement.

Overview of the business operation and significant changes

For the period from 1 January to 30 September 2021, the Company had been operating the textile manufacturing and distribution business based on customer orders and specifications through the yarn spinning and fabric weaving processes. The Company probably received revenues from providing services on yarn spinning and /or fabric weaving by using the raw materials supplied by the customers making orders.

In the period of the past 3 years, the Company had no significant changes in the shareholding structure, management, or business operation. Until on 22 December 2020, the Board of Directors resolved to cease the textile business operation and explained this matter to the General Meeting of Shareholders on 30 March 2021. After that, the Company had periodically disclosed the information through the channels provided by the Stock Exchange of Thailand. On 1 July 2021, the Company ceased the entire business transactions of textile production and remained only the textile distribution business until September 2021. The reason of the textile business cessation was to reduce the risk that may cause huge damage to the shareholders as it had been recognized that in the past 10 years, the Company has been operating in the textile business at a loss. This is mainly due to the intense competition in the textile business and mainly focusing on the sale price. As a result, the Company suffered competitive disadvantages when faring against foreign competitors who enjoyed cheaper labor costs. Moreover, the machinery used in production has a long service life as a result, there were restrictions on the development of new products. In addition, the COVID-19 epidemic situation affected to the economy and resulted in an extreme drop in customer orders and the unrecoverable situation of textile business was expectedly continued. After the cessation of the textile business, the Company remains its other sources of income from only the rental of properties, including lands and some factory buildings, as well as the dividend income from investment.

Factors affecting business operations

- The COVID-19 epidemic situation which had been continued from 2020 to 2021 affected the global economic and textile industry, causing the decline of demand and customer orders.

- The fluctuation of exchange rates affected the trend of Thai Baht value becoming uncertain, compared to the US Dollar and Euro, and such situation also affected the Company's revenue received in Thai Baht currency from the export transactions

Summary of operating results

For the year ended 31 December 2021, The Company had a net profit of 9.39 million Baht, an increase of 47.11 million Baht compared to 2020. Meanwhile, it had a net loss of 37.72 million Baht due to the significant changes as a result of the textile business cessation. The Company had periodically disclosed the information through the channels provided by the Stock Exchange of Thailand and customers were notified of this business cessation so that they could make orders in advance. The Company completed the production to order by 30 June 2021 and delivery of goods within September 2021. The production in 2021 focused only on high-profit margin products. Therefore, the Company could increase the net profit from 2020. According to the financial report audited by certified public accountant as of 31 December 2021, the profit and loss statement is presented in two categories, namely the continuing operations and the discontinuing operations.

Results of Operation and profitability

(a) Discontinuing operations

- Revenue

**(1) Sales revenue**

In 2021, the Company had sales and service revenue of 190.11 million Baht, a decrease of 242.41 million Baht which is equivalent to 56.05 percent from the same period in 2020 because the Company entirely ceased its textile business transactions by 30 June 2021. The Company limited its manufacturing to particular types of required raw materials or products that could reduce the impacts of business cessation on customers. As a result, customers had to make their purchase orders of raw materials in advance. That is why the total sales was decreased compared to the time of normal operation.

(2) Other revenue

The significant statement item was the profit from the sale of machinery and accessories which were no longer used in the amount of 10.63 million Baht increasing from last year due to the cessation of the textile business and the sales of asset related to the textile production.

In conclusion, the total income of the discontinuing operations amounted to 209.11 million Baht, a decrease of 241.59 million Baht or 53.60 percent compared to the same period last year in which the Company had the total income of 450.70 million Baht.

- Cost of goods sold and expenses

Unit: Million Baht

Items	For the year ended 31 December			
	Year		Increased (decreased)	
	2021	2020	Number	Percentage
Costs of goods sold and services	156.34	435.64	(279.30)	(64.11)
Selling expenses	3.07	10.20	(7.13)	(69.90)
Administrative expenses	38.03	59.80	(21.77)	(36.41)

- Costs of goods sold and services decreased by 279.30 million Baht, or 64.11 percent due to the reduction of raw material use and manufacturing expenses caused by the declining sales. The rate of decrease in the cost of goods sold ratio was higher than that of the decrease in sale revenue ratio because of the efficient management in accordance with the action plan.
- Selling expenses decreased by 7.13 million Baht. This was in line with the decrease in sale transactions ratio.
- Administrative expenses decreased by 21.77 million Baht, mainly resulting from the decrease in the employee cost due to the implementation of the employment termination plan.

- Net profit (loss)

In 2021, the Company could earn a profit of 0.46 million Baht, an increase of 47.24 million Baht compared to that of the same period last year in which the loss was reported in the amount of 46.78 million Baht due to the profit derived from the sale of machinery and accessories which were no longer used in the amount of 10.63 million Baht, as well as the decrease in selling and administrative expenses by 28.90 million baht as mentioned above.

(b) Continuing operations**- Revenue**

In 2021, the Company had the rental income of 17.89 million baht, similar to that of last year which was in the amount of 18.08 million Baht, and the dividend income of 2.80 million Baht, increased by 0.65 million baht. As a result, in 2021, the Company had the total revenues from continuing operations amounted to 20.69 million Baht, increased by 0.46 million Baht due to the increase in dividend income.

- Expenses

In 2021, the Company's administrative expenses were 12.22 million Baht, increased by 1.33 million Baht compared to that of last year amounted to 10.89 million Baht due to the expense of compensation paid to the Working Group on Seeking a New Business.

The Company had the financial revenue including interest income of 2.00 million Baht, increased by 0.55 million Baht compared to last year. The reason of increasing return was the investment in the short-term investment program that was the fixed deposit.

- Net profit

The Company had the net profit generated from continuing operations in 2021 in the amount of 8.93 million Baht, decreased by 0.13 million Baht compared to last year resulting from the factors of changes in revenues and expenses as mentioned above.

**Net profit (loss) of the Company**

The Company's net profits generated from the continuing and discontinuing operations in 2021, as of 31 December 2021, amounted to 9.39 million Baht in total, increased by 47.11 million Baht compared to last year in which the net loss was reported at 37.72 million Baht. The main reason of that came from the increase in gross profit of 36.89 million Baht due to the rate of decrease in the cost of goods sold which was higher than that of the decrease in sale revenue, and the decrease in operating expenses for textile business transactions.

Profitability

Description	Unit	For the year ended 31 December	
		2021	2020
Net Profit (Loss) Margin	%	4.09	(8.01)
Debt to Equity Ratio	Times	0.10 : 1	0.19 : 1
Return on Equity	%	0.91	(3.65)

- Net Profit (Loss) Margin

In 2021, the Company's net profit amounted to 9.39 million Baht and total revenue was 229.81 million Baht. Its net profit margin was at 4.09 percent, tending to be better than that in 2020 which was at (8.01). The main reason was the profit increased by the sale of machinery and accessories which were no long used in the amount of 10.63 million Baht. In 2021, the Company had net profit. Meanwhile, it run at a net loss of 37.32 million Baht in 2020.

- Debt to Equity Ratio

In 2021, the Company had a debt to equity ratio of 0.10 times, lower than that in 2020 which was at 0.19 times, due to the decrease in liabilities that resulted in a very low proportion of debt to the shareholders' equity

- Return on Equity (ROE)

In 2021, The net profit margin made the return on equity at 0.91 percent, higher than that of the same period last year in which there was no return on equity. The Company's operating results were at a loss in the year before, but it had a profit in 2021 which was went up due to the increase in dividend income and the gain from sale of some assets.

Financial Position and Asset Management**Financial position**

The following table shows the Company's structure of financial position as of 31 December 2021.

Unit: million Baht

Description	For the year ended 31 December			
	Year		Increased (decreased)	
	2021	2020	Amount	%
Total assets	1,145.95	1,205.70	(59.75)	(4.96)
Total liabilities	106.75	188.61	(81.86)	(43.40)
Total shareholders' equity	1,039.20	1,017.09	22.11	2.17



Changes in the elements of assets, liabilities and shareholders' equity are as follows:

(1) Assets

As of 31 December 2021, the Company's total assets amounted to 1,145.95 million Baht, comprising 36.03 percent of current assets and 63.97 percent of non-current assets. In comparison with the total assets as of 31 December 2020, the Company's total assets amounted to 1,205.70 million Baht, decreased by 59.75 million Baht or 4.96 percent. Main reasons of changes are as follows:

- The net current assets decreased by 45.42 million Baht as a result of the cessation of textile business operation which caused the accumulation of related elements, decreasing inventory value of 67.50 million Baht and a decrease in trade and other receivables of 79.04 million Baht. In return, the Company received cash and cash brought forward for more investment in the fixed deposit program which was considered as the current financial asset in the amount of 168.73 million Baht.

- Non-current assets decreased by 14.32 million Baht. This was mainly due to an increase in value of non-current financial assets in the amount of 15.90 million Baht; adjustment of fair value for investment to higher rate; a decrease in values of lands, buildings, and equipment of 28.10 million Baht; sale of machinery and accessories; and the categorization of lands, buildings and equipment as the assets for sale. Meanwhile, the guaranteed bonds backed by the Municipal Electricity Authority which decreased by 4.00 million Baht.

Asset quality

The Company properly managed its current assets. In particular, the assets appeared in the statement of financial position were quality assets, for example, fixed deposit provided by financial institutions in the amount of 370 million Baht with the fixed term of repayment acceptance which will be in January, April, and September 2022. Regarding the assets classified as held for sale of 7 million Baht, the Company had offered assets for auction sale and got the highest bidders during January-February 2022.

Other non-current assets included the net amount of money reserved for allowance for doubtful accounts of receivables who were in the process to complete the bill settlement. Other non-current financial assets were the investments designated at fair value. Other items were tangible assets having a finite monetary value. It may be concluded that the Company's assets as shown in the statement of financial position were quality assets.

(2) Liabilities

The Company had total liabilities of 106.75 million Baht, a decrease of 81.86 percent or 43.40 percent. The main reason of this change was that payment of trade and other payables in textile business decreased by 31.78 million Baht due to the cessation of textile manufacturing transactions which affected a decrease of 63.91 million Baht in the record of provisions for long-term employee benefits in particular those having the due payment within a year.

(3) Shareholders' equity

The Company accounted for the shareholders' equity in the amount of 1,039.20 million Baht, increased by 22.11 million Baht or 2.17 percent resulting from the net profit of 9.39 million Baht added on unappropriated retained earnings. In addition, other components of the shareholders' equity increased by 12.72 million Baht which was recorded in adjusted entries of an increase in the fair value through other comprehensive income were recorded according to accounting standards which provided that earnings from changes in value of equity investments shall be recorded in fair value method.

Analysis of Financial Position

As of 31 December 2021, the Company's capital structure consisted of total liabilities of 106.75 million Baht and total shareholders' equity of 1,039.20 million Baht, equivalent to 0.10:1 of debt to equity ratio. This result indicated that the Company had a very small value of liabilities compared with the shareholders' equity. Since the cessation of textile business till the end of 2021, the Company had not yet started a new business. Therefore, the capital structure was mostly composed of the equity investments that shareholders prepared for a new business in the future. This is an indicator of optimal structure and the Company's stable financial position.

Liquidity and Capital Adequacy

**Capital sources and uses**

According to the analysis of the change in capital sources as of 31 December 2021, the Company had cash and cash equivalent in the amount of 34.24 million Baht, decreased from the amount of 73.08 million Baht as of 31 December 2020 due to the following activities of acquisition and uses.

Unit: million Baht

Cash Flows Description	For the year			
	Ended 31 December		Changes	
	2021	2020	Amount	%
Net cash flows from operating activities	74.86	187.96	(113.10)	(60.17)
Net cash flows used in investing activities	(147.94)	(193.00)	45.06	23.35
Net cash flows from (used in) financing activities	-	-	-	-
Net Cash and cash equivalent decreased	(73.08)	(5.04)	(68.04)	(1,350.0)
Cash and cash equivalent - beginning	107.32	112.36	(5.04)	(4.49)
Cash and cash equivalent – at the end of the year	34.24	107.32	(73.08)	(68.10)

- Net cash flows from operating activities decreased as a result of accounts payable settlement and payment of long-term benefits for employees amounting to 63.91 million Baht due to the reduction in the number of personnel.
- Net cash flows were used in investing activities in the amount of 147.94 million Baht. This was mainly due to an increase of 170 million Baht in the net cash used for investing in current investments (investing in fixed deposit of 7-month account and 9-month account); cash receipt from the sale of machinery and accessories amounting to 13.35 million Baht; and dividend receipt of 2.80 million Baht.
- There was no acquisition from or uses in financing activities.

The Optimal Capital Structure

The Company's capital structure ratio was based on the debt to equity ratio at 0.10:1 times. This indicated that the proportion of debt was at low level compared with the capital from shareholders' equity.

Capital Expenditure

In 2021, the Company did not have any capital expenditure for purchasing machinery and accessories.

Liquidity Adequacy

Description	Unit	For the year	
		Ended 31 December	
		2021	2020
Current Ratio	Times	68.17	4.41
Quick Ratio	Times	68.17	3.76
Inventory Turnover Ratio	Times	4.63	3.15
Average Debt Collection	Days	75	79

- Current ratio and quick ration of 68.17 times showed that the Company enjoyed its high liquidity and was able to pay for all of current liabilities in a short time.
- Inventory turnover ratio was at 4.63 times due to the decrease in sale activities in line with the textile business ceasing policy of the company.
- Average debt collection of 2021 approximated to that of the year before and it was in the credit term

Ability to Find Additional Sources of Capital



The Company needed not to find additional sources of capital because of its excess liquidity and the cessation of textile business. If more external sources of capital are necessary in the future, the Company can contact financial institutions to get the overdraft facility.

Ability to Repay Debt and to Follow the Loan Terms and Significant Obligations

This year, the Company enjoyed its excess liquidity without debt burden and repayment of debt. Over the past years, the Company could repay debts (if any) on time and well committed to the terms.

Contractual Obligations and Off-Balance Sheet Arrangements

The Company had disclosed its data in the Notes to Financial Statements, Article 27, titled Obligations and Contingent Liabilities in accordance with the financial report audited by certified public accountant as of 31 December 2021.

4.2) Forward Looking Factors or Circumstances Significantly Affect the Financial Position or Operations

On 22 December 2020, the Company notified the resolution of the Board of Directors' Meeting No. 12/2020 to the Stock Exchange of Thailand (SET) regarding the cessation of its textile business (yarn spinning and fabric weaving) and such information have been periodically disclosed till now. In this regard, shareholders in the General Meeting of Shareholders held on 30 March 2021 and in the Extraordinary Meeting of Shareholders No. 1/2021 held on 25 November 2021 were notified of delisting of the Company's common shares from being Securities listed on the Stock Exchange of Thailand. Currently, it is in the process of seeking a new business and conducting the feasibility study for investment in a new business in the future.

4.3) Highlight Financial Data

Financial Data in Brief

(Unit: Thousand Baht)

Description	2021	2020	2019	2018
Total assets	1,145,951	1,205,697	1,163,366	1,082,749
Total liabilities	106,754	188,613	111,371	124,490
Total shareholders' equity	1,039,197	1,017,084	1,051,995	958,259
Total revenue	229,805	470,929	749,326	819,105
Total expenses	209,659	516,526	620,584	799,707
Share of profit (loss) from investments in associate companies	-	-	439	84,228
Financial revenue	1,998	1,447	947	1,300
Profit (loss) before income tax	22,144	(44,150)	130,128	104,926
Income tax revenue (expenses)	(12,749)	6,426	(34,265)	(1,278)
Profit (loss) for the year	9,395	(37,724)	95,863	103,648

Financial Ratio

		2021	2020	2019	2018
Net earnings (loss) per common share	(Baht)	(0.26)	(1.31)	1.66	1.84
Dividends per share	(Baht)	0	0	0	0
Book value share	(Baht)	17.32	16.95	17.53	15.97
Net Profit (Loss) Margin	(%)	4.09	(8.01)	12.79	12.63
Return on Equity	(%)	0.91	(3.65)	9.54	11.08
Return on assets	(%)	0.80	(3.18)	8.54	9.90
Debt to equity ratio	(times)	0.10	0.19	0.11	0.13
Liquidity ratio	(times)	68.17	4.41	13.83	5.54

5) General Information and Other important information**5.1) General Information includes name, location, telephone, and fax of reference persons**Securities registrar:

Thailand Securities Depository Co., Ltd

Address: 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400

Tel : 0-2009-9000 โทรสาร : 0-2009-9991

Auditors:

Miss Sineenart Jirachaikhuankhan Certified Public Accountant (Thailand) No. 6287 (serves as the auditor for 2 years) or

Mr. Kritsada Lertwana Certified Public Accountant (Thailand) No. 4958 or

Mr. Termpong Opanapan Certified Public Accountant (Thailand) No. 4501 or

Miss Wissuta Jariyathanakorn Certified Public Accountant (Thailand) No. 3853

Address : EY Office Co, Ltd.

33rd Floor, Lake Ratchada Building, 193/136-137 Ratchadaphisek Road, Khlong Toei, Bangkok 10110

Tel: 0-2264-9090 Fax : 0-2264-0789- 90

5.2) Other Important Information

On 22 December 2020, the Company notified the resolution of Union Textile Industries Public Company Limited's Board of Directors' Meeting No. 12/2020 to the Stock Exchange of Thailand (SET) regarding the cessation of textile business and seeking a new business.

After that the Company presented the action plan of textile business cessation and seeking new business and periodically reported the progress of the implementation to the Stock Exchange of Thailand.

On 9 September 2021, the Company notified the Stock Exchange of Thailand of the business operation situation of the Company by referring to the information that the company had previously inform the SET about the cessation of the textile manufacturing business which had been effective since 1 July 2021. The Company expected to complete its transactions of sale and goods delivery to customer by September 2021. After that, the Company's revenue was no longer from the core business, instead remaining only the revenue from rental and dividends which were not generated from the core business operation. Moreover, the sale of properties related to the textile manufacturing would be accomplished for the next step.

On 21 October 2021, the Company disclosed the information regarding the voluntary delisting of the Company's Securities from being Securities listed on the Stock Exchange of Thailand. On this occasion, Saha-Union Public Company Limited, as the major shareholder, had proceeded to make the Tender Offer for Securities (Form 247-4) enclosed with the Opinion of Independent Financial Advisor and the Opinion of the Company on the Tender Offer (Form 250-2) to every shareholder. Term for permitting the Company's shareholders to declare their intention to sell securities were from 28 December 2021 to 3 March 2022. The securities settlement was made on 7 March 2022.

5.3) Legal Disputes

- In 2021, the Company did not have any legal dispute that significantly affected its business operation.

5.4) Secondary Market

- The Stock Exchange of Thailand

5.5) Financial Institutions in Frequent Contact (only for the case of debt instruments)

- The Company did not issue debt instruments



Part 2**Corporate Governance****6) Corporate Governance Policy****6.1) Overview of Corporate Governance Policy and Practice**

The Board of Directors realizes the importance of good corporate governance with determination adheres to develop and promote the Company to be an efficient organization in management, business ethics with capability to create good benefits for shareholders and other stakeholders as well as encourage the adoption of 2017 Good Corporate Governance Principles for Listed Companies, prepared by the Securities and Exchange Commission to suit the Company's business context.

6.1.1) Policy and Practice Relating to the Board of Directors

The Board of Directors has reviewed and formulated a corporate governance policy as follows:

- Principle 1: Recognize the roles and responsibilities of the Board of Directors on capacity of an organization leader that creates sustainable value for the business;
- Principle 2: Determine the objectives and main goals of the sustainable business;
- Principle 3: Strengthen effectiveness of the Board of Directors;
- Principle 4: Recruit and develop top executives and personnel management;
- Principle 5: Promote innovation and responsible business operations;
- Principle 6: Ensure the appropriation of risk management and internal control system;
- Principle 7: Maintain financial credibility and disclosure;
- Principle 8: Encourage participation and communication with shareholders.

In this regard, the communication is providing in order to have the actual implementation of the policy including monitoring, evaluating and reviewing the guidelines when the situation of Company's business operations have changed significantly.

The Company has set guidelines for compliance with the corporate governance policy which can be viewed on the Company's website <http://www.ut.co.th>.

6.1.2) The Company has implemented the policy and practice concerning shareholders and stakeholders

In year 2021, the company has conducted as following:

Rights and Equitable Treatment of Shareholders

1. Prior to the 28th Annual General Meeting of Shareholders, scheduled to be held on March 30, 2021, the Company has allowed the shareholders an opportunity to propose matters for inclusion in the agenda of the Annual General Meeting of Shareholders or send questions concerning the Company in advance from October 1, 2020 until the December 31, 2020 to be included as agenda for the Annual General Meeting of Shareholders, including disseminated on the Company's website at <http://www.ut.co.th>, however, no matter submitted;
2. On February 26, 2021, the Company disclosed the invitation letter for attending the 28th Annual General Meeting of Shareholders together with the meeting documents, both in Thai and English, on the Company's website <http://www.ut.co.th>, and had the Thailand Securities Depository Company Limited sent the invitation letter of the 28th AGM of Shareholders to all shareholders in advance to study the information before the date of the meeting. The enclosed documents were as follows:
 - (1) Copy of the Minutes of the 27th Annual General Meeting of Shareholders dated April 21, 2020;



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- (2) The Annual Report, Balance Sheets and Profit and Loss Accounts or Annual Financial Statements for the yearend on December 31, 2020, in QR Code format;
 - (3) Profiles of the nominated candidates for directorship;
 - (4) Criteria and methods for the nomination of directors;
 - (5) Articles of Association relating to the shareholders' meeting;
 - (6) Proxy Forms (Form b and Form c);
 - (7) Map of the Meeting Venue.
3. Content of the invitation letter for the 28th Annual General Meeting of Shareholders:
- (1) In proposing the meeting to consider each agenda, references made to the criteria, rules, regulations, and/or according to the Public Limited Companies Acts;
 - (2) Clearly present opinions of the Board of Directors in each agenda;
 - (3) Prepare explanation method of appointing a proxy, registration, and presenting document/evidence of identification used for participating in the meeting, including documents granted a proxy to other people to attend the meeting.
4. The 28th Annual General Meeting of Shareholders dated Tuesday, March 30, 2021 at 9.30 Hour.
- (1) The Meeting was convened in the Meeting Room on the 9th floor, Saha-Union Public Company Limited Head Office Building located at 1828 Sukhumvit Road, Phra Khanong Tai Sub-district, Phra Khanong District, Bangkok;
 - (2) There were 9 directors from a total of 9, equivalent to 100%, attending the meeting. In addition, the auditor, Accounting and Finance Department Manager, and Company Secretary attended the Meeting in order to report the operating results and clarify the shareholders' inquiries;
 - (3) The Chairman of the Board acted as the Chairman of the Meeting informed the number of shareholders who attended the meeting, constituting a quorum in accordance with the Company's Articles of Association and informed of Meeting's measures and procedures regarding the meeting to conform to disease prevention measures determined by the Emergency Decree and various requirements of the Ministry of Public Health related to the epidemic of the COVID-19 virus;
 - (4) The Chairman of the Meeting clarified the right to vote in which, according to the Company's Regulations prescribed that all shareholders shall be entitled to cast their votes in each agenda, i.e. one share per one vote, and shareholders will have the opportunity to ask questions or make comments in each agenda;
 - (5) In the Consideration and Election of Director's agenda, the Company's Articles of Association prescribed that at each of the annual general shareholders' meeting, one-third of the total number of directors is required to leave by rotation. The Chairman of the Meeting allowed the opportunity for shareholders to determine a method either of directors' election voting individually or a whole if the Meeting deemed appropriate;
 - (6) In the Consideration and Approval of Profit Allocation agenda, the Company clarified its policy and details of dividend payment during the years 2018 to 2020 as information for shareholders to consider;
 - (7) In the Consideration and Determination of Directors' Remuneration agenda, the Chairman of the Meeting had clarified the policy and criteria in consideration of the Nomination and Remuneration Committee and the board of directors. The practical guidelines to have an annual review thereof in comparison with the listed companies of similar business sizes, as well as duties and responsibilities of the board, operating results of the Company and appropriate to the current economic condition. Details of each director's remuneration to the Board of Directors and committees are disclosed under item "Remuneration of Directors and Executives";
 - (8) In the Consideration and Appointment of the Auditor and Determination of Remuneration agenda, it specified with details relating to name-surname of the auditors, the audit office, experiences, capacities, and independence of the auditors. For the audit fees, a comparison to the previous year's audit fees was made, including had other fees or not;



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- (9) In this Meeting, the agenda had been processed according to the determined agenda sequent and no other agenda that were not specified in the invitation letter;
 - (10) The resolutions of the Annual General Meeting of Shareholders were immediately notified to the Stock Exchange of Thailand (SET) after the meeting ended.
5. Minutes of the 28th Annual General Meeting of Shareholders convened on March 30, 2021.
- (1) The notification of vote casting and counting was notified to the shareholders prior to the meeting in accordance with the agenda, and all votes shall be cast in ballots provided to all shareholders when registering. All the ballots were collected when the meeting was concluded;
 - (2) The issues raised by the shareholders' inquiries or opinions and answers were recorded so that the shareholders who failed to attend the Meeting shall be informed;
 - (3) In each agenda of the Meeting where a resolution shall be passed through vote casting and shall be recorded; whereby the Chairman of the Meeting has reported the number of "agree," "disagree," and "abstain" votes to the Meeting for acknowledgment in each session thereof;
 - (4) The Minutes of the Shareholders' Meeting was submitted to the Stock Exchange of Thailand and disclosed in the Company's website on April 9, 2021, within 14 days from the Meeting date as defined by law.

Roles of Stakeholders

1. The Company has operated its businesses and various transactions with full recognition that the rights of stakeholders, including rights as prescribed by law or by mutual agreements and good relationships and cooperation among them, were crucial factors that helped promote the sustainable growth of the Company and create the competitiveness for its long-term successes. Therefore, the Board of Directors has established the policies by taking into account of roles of groups of stakeholders as follows:
 - (1) Promote the process of strengthening good relationships and cooperation between the Company and its stakeholders;
 - (2) Adhere to concepts of the Company's transparent business operations and take account of the roles of all groups of stakeholders, including sustained policies of environmental, social, and community protection;
 - (3) Provide communication channels to all stakeholders for inquiries, notification of information, complaints, or enquire the financial reports through various channels as follows:
 - In the case of retrieval of the Company's information, please access the Company's website at <http://www.ut.co.th>, provided that the Company Secretary shall update the information regularly;
 - In case of financial reports, please contact the Finance and Accounting Manager and/or the Managing Director via telephone no. 02-3231085-87;
 - In case of whistleblowing and complaints, please notify the Secretary to the Board of Directors for inspection via telephone no.02-3231085-87 in order to report to the Chairman of the Audit Committee, the Managing Director or the person assigned to investigate/resolve the issue as appropriate, in case, the complaints are well grounded; provided that the Company has its measures to keep confidentiality of the received information and to protect the information provider;
 - (4) In case that a stakeholder wishes to contact the Board directly to report, whistleblowing or complaints regarding matters that might adversely impact Company, by postal channel to the Chairman of the Board of Directors, Union Textile Industries Public Company Limited (via Company Secretary) address 1828 Sukhumvit Road, Khwaeng Phra Khanong Tai, Phra Khanong District, Bangkok 10260.

In this regard, the Company has prepared practice for responsibility towards stakeholders on Section 3 of the Company's Manual of Good Corporate Governance and Code of Business Ethics and published on the Company's website <http://www.ut.co.th>.



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- The procedures of the Company for receiving complaints from employees, defined in the Company's working regulations Section 7: Complaints and Suggestions, whereas an employee could complain orally or written through direct supervisors, hotline 1234, or suggestion box for whistleblowing or complaints. In addition, assigned Personnel and General Affairs Section Manager is responsible for collecting and reporting to the Administrative Manager to investigate and report the result to the Managing Director for consideration and order. In this regard, the Company has a measure to protect and not disclose the whistleblower.
- In 2021, there are no such complaints.

Disclosure and Transparency

- The Board of Directors oversight of significant information disclosure with accuracy, complete and timely.
- The Managing Director assigned Ms. Prayoon Sripraram, Accounting and Finance Department Manager, telephone no. 02- 3239343 and Mrs. Chadaporn Jiamsakulthip, Company Secretary, telephone no. 02 -3115111 ext. 7811 being investor relations responsible for contact center, collect suggestions and opinions and concerned information to shareholders, analysts, and investors.
- Investors and interest may search for information besides disseminating information according to the specified criteria, and through the SET's channels Annual Registration Statement (Form 56-1) and Annual Report, in addition, they may access and/or download the Company's Annual Report through the Company's website <http://www.ut.co.th>. The information updated is available in both Thai and English versions, or contact Ms. Prayoon Sripraram, the Finance and Accounting Manager, at telephone no. 02-3231085-87 ext. 1113.

6.2) Business Ethics

- Business Ethics details disclosure shown in attachment 5

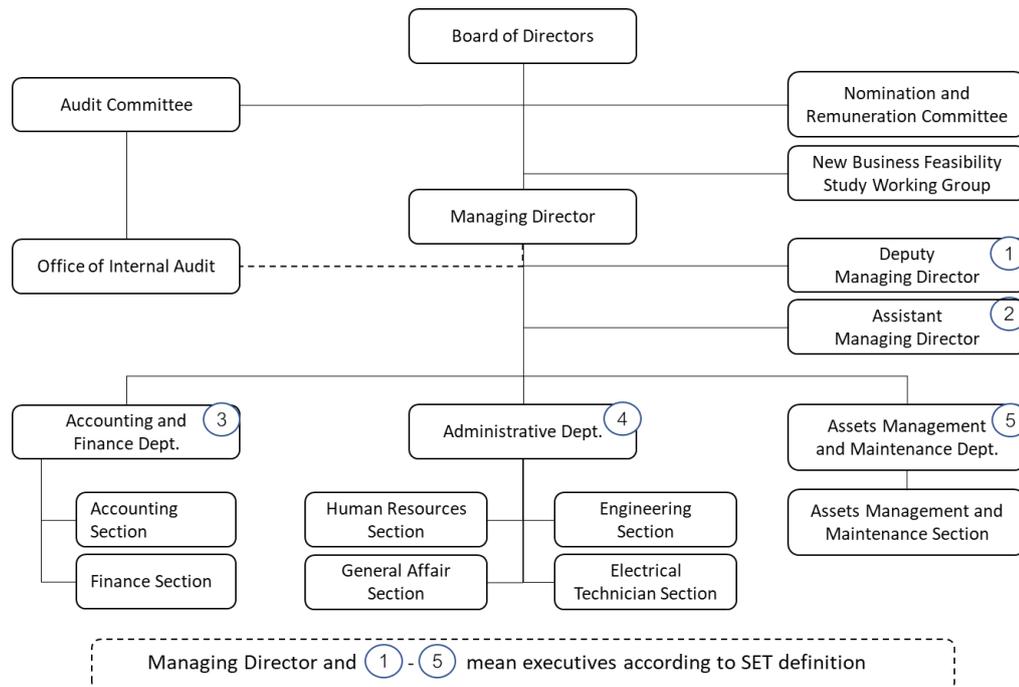
6.3) Significant Changes and Developments in Policies, Practices, and Corporate Governance Procedures in the Past Year

- No significant changes concerned the review of Policies, Practices, and Procedures of the Corporate Governance or the Board of Directors Charter or other practices in accordance with the Corporate Governance Principles in 2021.

7) Corporate Governance Structure and Important Information of the Board of Directors, Sub-committees, Executives, Employees, and Others

7.1) Corporate Governance Structure

- Company organization chart as of January 1, 2022 (when the Company discontinued the textile business)

Company Organization Chart of the Union Textile Industries Public Company Limited

7.2) Board of Directors
7.2.1) Composition of the Board of Directors

- (1) According to the Company's Articles of Association, the Board of Directors shall consist of no less than 5 members, of which not less than half of the directors of the total number of directors must have a residence in the Kingdom and not less than three-fourths of the total number of directors must be persons of Thai nationality.
- (2) At present, according to the Certificate issued by the Ministry of Commerce dated December 16, 2021, the Board of Directors consists of 9 members, as follows;
 - 5 Non-executive directors
 - 1 Executive director
 - 3 Independent directors (one-third of the total number of the Board)

7.2.2) Information of the Board of Directors and the Company's Authorized Persons by Individual

Name list and position of the board

Director Name	Position	Date of appointment/resignation
1. Mr. Preecha Shunhavanich	Chairman	May 20, 2020
2. Mr. Polchet Likittanasombat Replaced Mrs. Orantj Soongswang	Independent Director/ Chairman of the Audit Committee	May 1, 2021 Resigned May 1, 2021
3. Mr. Preecha Wattanasaranont	Independent Director/ Audit Committee/ Chairman of the Nomination and Remuneration Committee	May 20, 2015
4. Mr. Pitya Mahanond Replaced Mr. Pilaspong Subsermsri	Independent Director/ Audit Committee/ Nomination and Remuneration Committee	April 1, 2021 Resigned April 1, 2021



Director Name	Position	Date of appointment/resignation
5. Mrs. Srinual Sombatpraiwan Replaced Mrs. Pimporn Chotirattanakul	Managing Director	April 1, 2021 Resigned April 1, 2021
6. Mr. Chutindhon Darakananda	Director	February 19, 2013
7. Mrs. Chantornree Darakananda	Director/ Nomination and Remuneration Committee	January 1, 2015
8. Mrs. Saranya Darakananda	Director	January 1, 2016
9. Mr. Supakit Puangbua	Director	January 1, 2021

Note:

- Mrs. Oranuj Soongswang resigned from Independent Director and Chairman of Audit Committee positions effective from May 1, 2021.
- Mr. Pitya Mahanond took the position of Independent Director Audit Committee replaced Mr. Pilspong Subsermsri effective from April 1, 2021.
- Mrs. Srinual Sombatpraiwan took the position of Managing Director and replaced Mrs. Pimporn Chotirattanakul, effective from April 1, 2021.

- Details of the education and work experience of the Board of Directors are shown in Attachment 1

7.2.3) Roles and Duties of the Board of Directors

According to the Company's Article of Association, the Board of Directors shall elect one director to be the Chairman of the Board. In this regard, the Board of Directors appoints a director who is not being an executive and is not the same person as the Managing Director, the Chairman of the Board takes action as leader of the Board, having duties at least cover the following matters:

- (1) Oversee, monitor, and ensure that the Board of Directors efficiently carries out its responsibility to achieve the Company's objectives and goals;
- (2) Ensure that all directors contribute to the Company's ethical culture and good corporate governance;
- (3) Call for the Board meeting by sending the invitation and related documents to all directors at least 5 working days before the Meeting;
- (4) Set the Board meeting agenda for Board by discussing with the Managing Director which essential matters should be included. In addition, directors/independent directors are free to propose matters as meeting agenda;
- (5) Preside over the Board meeting and allocate sufficient time for management to propose topics and for directors to debate essential issues thoroughly. Encourage directors to exercise independent judgment in the best interest of the Company, conclude the Board meeting's resolution;
- (6) Strengthen good and constructive relationships between the executive and non-executive directors and between the board and the management as well as support the performance of the management's duties in accordance with the Company's policy;
- (7) Preside over the shareholders' meeting to ensure that it is conducted according to the Company and relevant laws and regulations. Allocate sufficient time for shareholders to make the inquiry or provide feedback fairly. Ensure that the shareholder's inquiry is an appropriate and transparent response.

Scope of Authorities and Responsibilities of the Board of Directors

- (1) Set the direction, goals, and business policy of the Company.
- (2) Consider and approve key matters regarding the Company's business operations such as vision and mission, strategies, financial targets, risks, operation year plan, and its budgets as proposed by the Managing Director, including supervising, direct managing, and overseeing the management's operations under the policy and defined plan, efficiently and effectively.
- (3) Provide documented corporate governance policy; regularly review the policy and practices at least once per year.



- (4) Promote documented code of business ethics; for directors, management, and employees to understand the Company's ethical philosophy used in doing its business, follow up to ensure the practices have been in place actually.
- (5) Oversee the practices according to rules and regulations regarding the matter that may have conflicts of interest by carefully considering the matter; having guidelines entering connected transactions for the benefit of the Company and shareholders as a whole. In this regard, the related directors will not involve in such making decisions; and disclose concerned information completely and accurately.
- (6) Set up an internal control system, arrange person or agency having independence responsible for internal auditing and audit review the significant system at least every year, and disclose in the annual report.
- (7) Define enterprise risk policy; oversight the management take actions appropriate risk measures and regularly reported; review or evaluate the effectiveness of the risk management at least every year or found that having changes in risks level; also disclose in the annual report.
- (8) Oversee the Company's accounting and financial reports disclosure, accuracy, and completeness.
- (9) Taking actions according to duties in accordance with the law, objectives, Articles of Association, and resolutions of the shareholders' meeting. In the performance of duties, the Board of Directors may appoint one or more directors or others to act on behalf of the Board.

7.3) Information about the Sub-committees

7.3.1) Board of Directors Structure

Scope of authorities and duties/names of each committee

The Company, by the Board of Directors determined two committees comprise Audit Committee and Nomination and Remuneration Committee.

Scope of authorities, duties, and responsibilities by regulations of the Company's Audit Committee

- (1) Review the Company's financial report for accuracy, adequacy, and under the generally accepted standard of accountability;
- (2) Review a proper and effective internal control and audit systems for the Company and consider the autonomy of the internal control unit and approve the appointment, transfer, and dismissal of the manager of the internal audit office;
- (3) Review the Company's compliance with the law governing securities and exchanges and the requirements of the Stock Exchange of Thailand, and the laws related to the Company's business;
- (4) Select and nominate an independent person to act as the Company's auditor and propose the remuneration of such person, including attending the meeting with the auditor without the management's participation at least once a year;
- (5) Consider the related transactions or transactions which may have conflicts of interest under the law and the requirements of the Stock Exchange of Thailand, thus, ensuring that such transactions are reasonable and for the best benefits of the Company;
- (6) Review the validity of the documentation referred to in the self-evaluation on Business Principles for Countering Bribery, Private Sector Collective Action Coalition Against Corruption (CAC);
- (7) Prepare an Audit Committee's report, which must be disclosed in the Company's annual report and signed by the Chairman of the Audit Committee and shall contain at least the data as follows:
 - (a) Comments on the accuracy, completeness, and reliability of the Company's financial reports;
 - (b) Comments on the adequacy of the internal control system and the risk management system of the Company;
 - (c) Comments on the compliance with the law governing securities and exchanges and the requirements of the Stock Exchange of Thailand, and the laws related to the Company's business;
 - (d) Comments on the appropriateness of the auditor;
 - (e) Comments on the transactions that may have conflicts of interest;



- (f) The number of Audit Committee Meetings and the attendances of each member of the Audit Committee;
- (g) Comments or overall remarks that the Audit Committee have received from the performance of duties under the Charter or Regulations of the the Audit Committee;
- (h) Other transactions as shareholders and general investors should be informed under the scope of duties and responsibilities assigned by the Board of Directors;
- (8) Make sure that the management has corrected the errors found and accelerated the correction of the said errors;
- (9) Follow up and evaluate the performance of work as the Audit Committee deems significant;
- (10) Carry out any other missions as assigned by the Board of Directors.
- In 2021, the Independent director/auditor had no related business transaction or provided any professional services to the Company.

Scope of Authorities and Duties of the Nomination and Remuneration Committee

- (1) Set regulatory guidelines and methods for selecting directors of the Company.
- (2) Recruit and select qualified persons to be nominated to the Board of Directors to appoint as a director in the place of a director who resigns and to propose a name for the shareholders to consider electing that director to replace the director who retires by rotation (as the case may be).
- (3) Consider the guidelines for determining the directors' remuneration.
- (4) Consider setting the directors' remuneration to be presented to the Board of Directors' consideration meeting and further propose to the shareholders' meeting for approval.

7.3.2) Name list of each committee

- Name list of Audit Committee members with knowledge and experience in reviewing financial statements of the mentioned director.

Name list of Audit Committee

<u>Name - Surname</u>	<u>Position</u>
1. Mr. Polchet Likittanasombat	Chairman of the Audit Committee
2. Mr. Preecha Wattanasaranont	Audit Committee
3. Mr. Pitya Mahanond	Audit Committee

- Details of educational qualifications and experience shown in attachment 1

Name List of the Nomination and Remuneration Committee

<u>Name-Surname</u>	<u>Position</u>
1. Mr. Preecha Wattanasaranont	Independent Director/Chairman of the Nomination and Remuneration Committee
2. Mr. Pitya Mahanond	Independent Director/Nomination and Remuneration Committee
3. Mrs. Chantornree Darakananda	Director/Nomination and Remuneration Committee

- Details of educational qualifications and experience shown in attachment 1

7.4) Management

7.4.1) Management Name List and Position

As of April 1, 2021, the executives according to the definition announced by the SEC Office are as follows:

<u>Name-Surname</u>	<u>Position</u>
1. Mrs. Srinual Sombatpraiwan	Managing Director
2. Miss Ruangdao Supachorncharan	Deputy Managing Director
3. Mr. Danai Chaitaneeyachat	Assistant Managing Director
4. Mrs. Pimporn Chotirattanakul	Spinning Mill Department Senior Manager



5. Miss Prayoon Sripraram Accounting and Finance Department Manager
 6. Mr. Weeratham Poochinya Marketing Department Manager
 7. Mr. Warong Vilaihong Administrative Department Manager

Details of educational qualifications and executive work experience shown in attachment 1

7.4.2) Remuneration Policy for Directors and Management

(a) Directors Remuneration

The Company sets criteria and policy on the remunerations of the Board at an appropriate level, compared to other listed companies of about the same business size, duties and responsibilities of the board, company's operating results, and appropriated to the existing economic conditions. The Nomination and Remuneration Committee is responsible for reviewing the remuneration every year and proposing the Board for consideration and agreeing prior further propose to the shareholders' meeting for approval.

Remuneration Criteria for the Board and Committees

Monetary Remunerations	Baht
Board of Directors: Monthly meeting allowance	
Chairman of the Board of Directors	8,000
Executive directors	8,000
Non-executive directors	8,000
Independent directors	8,000
Audit Committee: Monthly remuneration	
Chairman of the Audit Committee	11,000
The Audit Committee member	10,000
Nomination and Remuneration Committee: allowance per meeting	
Chairman of the Nomination and Remuneration Committee	6,000
The Nomination and Remuneration Committee member	6,000

(b) Executives' remuneration

The Board defined the principle and policy on remuneration of the executive directors and managers under the frame of salary structure of each work level, considering based on the Company's operating results and the performance results of each executive and manager.

7.4.3) Total Monetary Remunerations of Executive Directors and Executives

- Monetary Remunerations:

(a) Remuneration of the directors;

In 2021, the Company paid 864,000 Baht in terms of salaries and bonuses for 12 members of the directors.

(b) Remuneration of executives;

In 2021, the Company paid 6.7 million Baht in terms of salaries and bonuses for 7 members of the executive directors and executives.

- Other Remunerations

(a) Other remunerations of the directors

None

(b) Other remunerations of executives

Provident fund



In 2021, the Company provided a provident fund for executives and employees with the contribution rate of 3% of salary, the Company paid for 2 executives the fund in a total amount of 82,800 Baht.

7.5) Personnel

- Total of Employees

As of December 31, 2021, the Company had 406 employees, which decreased by 24 persons from the year 2020.

- Number of Employees in Each Department

Accounting and Finance	6 persons
General Affairs	18 persons

- Reason/Policy in the event of changing number of employees significantly or having a labor dispute (3 years ago)

Over the past 3 years, no labor dispute regarding changes number of employees significantly, in 2021, the Company had a significantly reduced number of employees due to the textile business being discontinued.

- Type of Total Employee Remunerations:

	(Unit : million Baht)		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Salary and labor cost	35.64	83.65	98.67
Bonuses	1.03	9.24	10.68
Social Securities	0.67	2.24	3.18
Provident fund contribution	<u>0.79</u>	<u>1.94</u>	<u>2.14</u>
Total	<u>38.13</u>	<u>97.07</u>	<u>114.67</u>

7.6) Others Important Information

7.6.1) Name list of persons assigned to responsibilities as follows:

- Company Secretary

The Board of Directors had a resolution to appoint Mrs. Chadaporn Jiemsakultrip being the Company Secretary to perform her duties as stipulated by the law in Section 89/15, and 89/16 of the Securities and Exchange Act (No.40) B.E. 2551, which came into effect on August 31, 2008, with responsibility, caution, and honesty, as well as to comply with the laws, objectives, Articles of Association, resolution of the board, including the resolution of the shareholders' meeting.

Duties and responsibilities, by law and regulations, of the Company Secretary, are the followings:

1. Prepare and keep documents as follows;
 - (a) Director registration;
 - (b) Meeting invitation letter of the board, minutes of the board meeting, and Company annual report;
 - (c) Invitation letter to Shareholders and minutes of Shareholders' meeting.
2. Maintain stakeholders reported by Directors or Executives and submit copies of these reports to the Chairman of Board of Directors and Chairman of the Audit Committee according to regulation 89/14 within seven days from the date of reports received;
3. Other arrangements according to rules and regulations issued by the Capital Market Supervisory Board.

In addition, the Company Secretary performs other duties assigned by the Company or the Board as follows:



- Provide legal advice and related rules as well as practices on corporate governance to the Board of Directors to ensure compliance with laws;
- Arrange meetings of the Board of Directors and the Shareholders;
- Coordinate with involved intra-offices to have them conform to the resolutions of the Board of Directors and the Shareholders meetings;
- Deal with agencies that oversee the Company such as the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC) and also be responsible for corporate disclosure of complete and precise information as well as reports for the mentioned agencies and the public as required by laws;
- Provide an orientation, prepare documents or information that is useful for performing their duties and provide guidance to newly-appointed directors, including coordination of directors to attend courses related to performing duties of director and committee;
- Other duties assigned by the Company.

Details of the Company Secretary's qualifications are disclosed in attachment 1.

- Person assigned to be directly responsible for overseeing accounting

The Company has assigned Ms. Prayoon Sripraram, Accounting, and Finance Manager, to hold the highest responsibility in the Accounting and Finance Department and is directly responsible for the supervision of bookkeeping. In this regard, Ms. Prayoon Sripraram has all the qualifications as required by the SEC, and experience in accounting and finance operations as well as received continuous knowledge development training for accountants annually. Therefore, suitable to perform such duties.

Details of the qualifications of the Accounting oversee are shown in Attachment 1.

7.6.2) Name List of Head of Investor Relations

The Managing Director assigned these persons responsible for investor relations with duties to communicate, receive opinions and suggestions and provide relevant information to shareholders, analysts, and investors.

1. Ms. Prayoon Sripraram, Accounting, and Finance Manager, telephone number 02- 3239343, and
2. Mrs. Chadaporn Jeamsakulthip Company Secretary telephone number 02 -3115111 ext. 7811.

7.6.3) Auditor's Remuneration

- Audit Fee

The Company paid audit fees to the external auditors of EY Company Limited in the fiscal year 2021 in a total amount of 1,170,000 Baht, with the auditors, namely, Miss Sineenart Jirachaikhuankhan or Mr. Khitsada Lerdwana or Mr. Termpong Opanaphan or Miss Vissuta Jariyathanakorn.

- Non-Audit Fee

The Company has no payment of other non-audit fees and no other unfinished services that must be paid in the following year to the auditor or such office.

7.6.4) In the case of being a foreign company or a Thai holding company, specify a list of representatives and contact information for coordination in Thailand

- The Company is not a foreign company or a Thai holding company.



8 Report on Key Performance Related Corporate Governance

8.1) Summary of the performance of the Board of Directors in the past year

8.1.1) Recruiting, developing, and evaluating the performance of the Board of Directors

(1) Criteria for the nomination of independent directors (qualifications/ nomination process)

- The definitions of independent directors of the Company according to the SEC's minimum criteria are as follows:

(a) Holding no more than one percent of the total number of shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder, or authorized personnel of the Company, including the shareholding of related persons of that independent director;

(b) Not being or used to be a director who participates in management, employee, officer, consultant who receives a regular salary or authorized person of the Company, parent company, subsidiary company, associated company, subsidiary of the same level, major shareholder or of the Company's authorized personnel; unless the aforementioned characteristics have been terminated for not less than two years prior to the date of submission of an application, or excluding of being a government officer or consultant of the government sector, who is a major shareholder or the authorized person of the Company;

(c) Not being a person who has a blood relationship or by legal registration as parents, spouses, siblings, and children, including spouses of children of executives, major shareholders, authorized personnel or person who will be nominated to be an executive or authorized person of the Company or its subsidiaries;

(d) Not having or having a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder, or the authorized person over the Company in a manner that may impede the exercise of one's independent judgment; including not being or having been a significant shareholder or an authorized person of a person who has a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or the authorized person over the Company unless the foregoing natures have been vacated for not less than two years prior to the date of submission of an application for permission;

- Business relationship under the first paragraph, including the normal trading transactions for the purpose of doing business, leasing or renting out real estate, items concerning assets or services or giving or receiving financial assistance by accepting or lending guarantees, the provision of assets as collateral for liabilities, including other similar behaviors resulting from the Company or the counterparty owing debt obligations to be paid to the other party from three percent of the Company's net tangible assets or from twenty million Baht or more whichever is lower. However, the calculation of such indebtedness shall be in accordance with the method for calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions, mutatis mutandis shall include debt obligations incurred one year prior to the date of business relationship with the same person;

(e) Not being or have been an auditor of the Company, parent company, subsidiary company, associated company, major shareholder, or authorized person of the Company and is not a significant authorized shareholder or a partner of the audit firm which has auditors of the Company, parent company, subsidiary companies, associated companies, major shareholders or the authorized person of the Company is affiliated with, unless the aforementioned characteristics have been terminated for not less than two years before the date of being a director of the Company;

(f) Not being or have been a professional service provider of any kind, including legal or financial advisory services, which receives service fees of more than two million Baht per year from the Company, parent company, subsidiary company, associated company, major shareholder, or the authorized person of the Company and is not a significant authorized shareholder or a partner of that professional service provider, unless the aforementioned characteristics have been terminated for not less than two years before the date of being a director of the Company;

(g) Not being a director who has been appointed as a representative of the Company's directors, major shareholders, or shareholders who are related to major shareholders;



(h) Not operate businesses that are in the same condition and are in significant competition with the Company's business or a subsidiary; or not being a significant partner in the partnership or being a director who takes part in the management, an employee, an officer, a consultant who receives a regular salary or holding more than one percent of the total number of shares with voting rights of other companies, which operates businesses with the same condition and is significant competition with the Company's business or a subsidiary;

(i) No other characteristics that prevent from expressing independent opinions on the Company's operations;

After being appointed as an independent director with the characteristics under paragraphs one (1) to (9), an independent director may be assigned by the Board of Directors to decide on the operation of the Company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or the authorized person of the Company by making decisions in the form of collective decision.

- The Audit Committee consists of 3 independent directors who are fully qualified according to the criteria of the Stock Exchange of Thailand, namely, Mr. Polchet Likittanasombat, Mr. Preecha Wattanasaranont, and Mr. Pitya Mahanond, who have knowledge and experience in the review of the financial statements, whereas the Audit Committee's term of office is 3 years.

(2) Nomination of Directors and Top Executives

- Directors Nomination

The nomination and Remuneration Committee is responsible for considering and screening all qualified persons under the Public Company Limited Act B.E. 2535, which prescribes the prohibited characteristics as follows:

(1) Qualified with no prohibited characteristics according to the Public Limited Companies Law and the Securities and Stock Exchange Laws, including Good Corporate Governance of Listed Companies;

(2) Knowledgeable, competent, and independent: a person capable of performing duties as a director with caution, honesty (Duty of Care and Duty of Loyalty), able to fully devote time to the Company, qualified and appropriate age with a healthy body and perfect mind, creative in meetings, being straightforward, having the courage to express opinions at meetings and/or be a well-known businessman of good work history and ethics as well as being accepted by society;

(3) Competent knowledge in at least one important aspect such as the Company's business, Accounting and Finance, strategic management, good corporate governance, laws and regulations.

- Rights of Retail Investors in Appointing Directors

Nomination and Remuneration Committee will consider the person who has the qualifications and does not have any prohibited characteristics as mentioned above and then propose to the Board of Directors for approval before presenting to the shareholders at the annual general meeting of shareholders in the agenda: Consider the Nomination of Directors which proceed in accordance with the Company's Articles of Association as follows:

- One shareholder has one vote per share;
- In the voting for directors, a method used can be either of directors' election voting individually or as a whole to form a single committee for the full number of directors to be nominated at that time. However, as the shareholders' meeting deems appropriate since in each resolution, shareholders must vote with all the votes they have and cannot split the vote more or less to any individual or the whole.

The directors' voting shall be processed by a majority of votes; if the votes are equal, the Chairman of the Meeting shall have the casting vote.

- Executives recruiting

The Chairman of the Board of Directors considers the nomination of the Managing Director position, a person of complete qualifications, appropriateness, knowledge, abilities, skills, and experiences that are beneficial to the Company's operations as well as the sound perception of the Company's business and capable of managing the work to achieve the objectives and targets set by the Board of Directors. Then propose the appropriate nominated person to the Board of Directors for consideration and approval.



The Company has criteria and methods for recruiting executives by preparing a job succession plan. The Managing Director considers qualified persons with knowledge, skills, abilities, and past performance that are suitable for the vacant position. Then propose to the Board of Directors for consideration and approval.

8.1.2) Meeting attendance and remuneration of the Board of Directors individually

- Number of meetings and the number of times each director attended the meeting in the past year

The meeting attendances of the Board for the year 2021;

(Number of Attending/Number of Meetings)

Director Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	AGM 2021	EGM of Shareholders 2021	Interim Directorship
	(9 members)	(3 members)	(3 members)	(9 members)	(9 members)	
1. Mr. Preecha Shunhavanich	12/12			1/1	1/1	
2. Mr. Polchet likittanasombat	8/8	3/3			1/1	May 1, 2021
3. Miss Oranuj Soongswang	4/4	1/1		1/1		Resigned effective May 1, 2021
4. Mr. Preecha Wattanasaranont	12/12	4/4	2/2	1/1	1/1	
5. Mr. Pitya Mahanond	9/9	3/3	1/1		1/1	April 1, 2021
6. Mr. Pilaspong Subsermsri	3/3	1/1	1/1	1/1		Resigned effective April 1 2021
7. Mrs. Srinual Sombatpraiwan	8/9				1/1	April 1, 2021
8. Mrs. Pimporn Chotirattanakul	3/3			1/1		Resigned effective April 1, 2021
9. Mr. Chutindhon Darakananda	11/12			1/1	1/1	
10. Mr. Supakit Puangbua	12/12			1/1	1/1	
11. Mrs. Chantornree Darakananda	12/12		2/2	1/1	1/1	
12. Mrs. Saranya Darakananda	12/12			1/1	1/1	
Total number of the meeting held	12	4	2	1	1	
% attended of the committee	98.15	100	100	100	100	

- Remuneration of the Board and committee for the year 2021

Director Name	Board of Directors Meeting allowance	Audit Committee Remuneration	Nomination and Remuneration Committee Meeting allowance	Total Baht
1. Mr. Preecha Shunhavanich	96,000			96,000
2. Mr. Polchet Likittanasombat	64,000	88,000		152,000
3. Miss Oranuj Soongswang	32,000	44,000		76,000
4. Mr. Preecha Wattanasaranont	96,000	120,000	12,000	228,000
5. Mr. Pitya Mahanond	72,000	90,000	6,000	168,000
6. Mr. Pilaspong Subsermsri	24,000	30,000	6,000	60,000
7. Mrs. Srinual Sombatpraiwan	72,000			72,000



Director Name	Board of Directors Meeting allowance	Audit Committee Remuneration	Nomination and Remuneration Committee Meeting allowance	Total Baht
8. Mrs. Pimporn Chotirattanakul	24,000			24,000
9. Mr. Chutindhon Darakananda	96,000			96,000
10. Mr. Supakit Puangbua	96,000			96,000
11. Mrs. Chantornree Darakananda	96,000		12,000	108,000
12. Mrs. Saranya Darakananda	96,000			96,000
Total	864,000	372,000	36,000	1,272,000

Note

- Mrs. Oranuj Soongswang resigned from the position of Independent Director and Chairman of the Audit Committee, effective May 1, 2021
- Mr. Polchet Likhithanasombat was appointed as Independent Director and Chairman of the Audit Committee effective May 1, 2021
- Mr. Pitya Mahanond took the position of Independent Director, Audit Committee, replacing Mr. Pilsapong Subsermsri, effective April 1, 2021
- Mrs. Srinual Sombatpraiwan took the position of Managing Director, replacing Mrs. Pimporn Chotirattanakul, effective April 1, 2021.

8.1.3) Oversee Subsidiaries and Associated Companies

The Company has an associated company, Tencate-Union Protective Fabric Asia Company Limited, which currently registered for dissolution with the Ministry of Commerce on March 22, 2013, and is in the process of liquidation.

8.1.4) Monitoring to ensure compliance with policies and corporate governance guidelines**(1) Prevention of Conflicts of Interest:**

The Company has prevented conflicts of interest by following the principles of good corporate governance to have an appropriate internal control system as well as complying with the rules of relevant regulatory agencies such as the SEC or the Stock Exchange of Thailand. Examples of actions taken in the past period include compliance with rules and disclosure of connected transactions: directors with conflicts of interest are not present at the Board of Directors' meeting where the agenda for considering such connected transactions, including determining the period of prohibition of trading in the Company's securities of directors and executives according to the details mentioned in the next paragraph, etc.

(2) Use of Inside Information:

The Company has a policy to prevent the use of inside information and has issued its rules and regulations of the Company. Employees, management, and directors have been informed do not to use one's authority and duties or to make use of authorities and duties of others for one's benefits, or to help others illegally, and all personnel of the Company must perform their work with honesty. Moreover, the Company has determined the degrees of punishment in case the above-mentioned disciplines are violated.

The Company set that the directors and management avoid securities trading of the Company during the period 14 days before the disclosure of the quarterly and annual financial report until 24 hours after disclosing to SEC.

The Company set that the directors and management to report any changes to its stakeholders and securities holdings on basis every year. The Company Secretary is responsible for keeping these reports, including forwarding copies to the Chairman of the Board and Chairman of the Audit Committee within 7 days after receiving these reports.

In 2021, not found such violation and no cases of the Company's directors/executives have trading securities by using inside information.

(3) Anti-corruption

The Board of Directors has declared its intention to cooperate and support government and private measures in anti-corruption with the establishment of measures to control and follow up such activities as follows:



-Promote and instill the Company's values that are a function and responsibilities of the directors, executives and employees must acknowledge the understanding through communication and training and implement strictly;

-Provide a sufficient and appropriate system of internal controls to prevent the Company's business operations related to fraud or corruption;

-Provide internal auditing to monitor regularly and report to the Audit Committee and/or the Managing Director. This fraud auditing will be integrated into the internal audit plan.

Self-evaluation, appropriate implement of using anti-corruption measures of Thailand's Private Sector Collective Action Coalition Against Corruption: CAC.

Prevention of Corruption Involvements Policy:

- The Company holds a policy and resolution of the Board of doing business without involvement in any corruption and scope of actions.

- If the Board has not yet resolved and the policy on such matters has disclosed the Board of Directors' resolutions of the acknowledgment, the duty of oversight the Company shall comply with the scope of the law.

- The Board shall review the adequacy of the policy at least once per year;

- Announcement of the Company's intention to join related organizations i.e. Thai Private Sector Collective Action Against Corruption: "CAC" or the Board of Directors has the intention to take action against corruption in society.

Operations

- Specify the operations in accordance with the preventive corruption policy in the following matters:

1) Business risk assessment;

2) Practices guidelines;

3) Communication and training for employees;

4) Follow-up evaluation

5) Approval of reviews for the completeness of the process from the Audit Committee or the auditing office.

(4) Whistleblowing

The Company has a procedure for receiving complaints from employees, defined in the Company's working regulations section 7: Complaint and Suggestion, in which an employee could complain oral or written to the supervisor, hotline 1234, or suggestion box for whistleblowing or complaints. In addition, assigned Personnel and General Affairs section Manager to be responsible for collecting, reporting to the Administrative Manager for investigating and reporting the result to the Managing Director for consideration and order. In such an incident, the Company has a measure to protect and not disclose the whistleblower.

8.2) Performance of the Audit Committee

8.2.1) Number of Meeting and Attending

The meeting attendances of the Audit Committee for the year 2021;

(Number of Attending/Number of meetings)

Director Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	AGM 2021	EGM of Shareholders 2021	Interim Directorship
	(9 members)	(3 members)	(3 members)	(9 members)	(9 members)	
1. Miss Oranuj Soongswang	4/4	1/1		1/1		Resigned effective May 1, 2021



Director Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	AGM 2021	EGM of Shareholders 2021	Interim Directorship
2. Mr. Polchet Likittanasombat	8/8	3/3			1/1	May 1, 2021
3. Mr. Preecha Wattanasaranont	12/12	4/4	2/2	1/1	1/1	
4. Mr. Pitya Mahanond	9/9	3/3	1/1		1/1	April 1, 2021
5. Mr. Pilaspong Subsermsri	3/3	1/1	1/1	1/1		Resigned effective April 1, 2021
Total Number of meeting held	12	4	2	1	1	
% attended of the committee	100	100	100	100	100	

8.2.2) Performance of the Audit Committee

In 2021, the Board of Directors and subcommittees have made self-assessments, as follows,

- Self-assessment of the Board of Directors, as a whole on 6 criteria:

- (1) Board structure and qualifications;
- (2) Roles, duties, and responsibilities of the Board;
- (3) The Board meeting;
- (4) Duties of Directors;
- (5) Relationship with management; and
- (6) Director's self-development and management training.

The assessment results of each criteria's overall average score are 99.40%.

- Self-assessment of the Board of Directors on an individual basis on 3 criteria:

- (1) Board structure and qualifications;
- (2) The Board meeting; and
- (3) Roles, duties, and responsibilities of the Board.

The assessment results of each criteria's overall average score is 98.99%.

- Self-assessment of the Audit Committee on 3 criteria:

- (1) Board structure and qualifications;
- (2) The Board meeting; and
- (3) Roles, duties, and responsibilities of the Board.

The Audit Committee's assessment results of each criterion's overall average score are 99.71%.

- Self-assessment of the Nomination and Remuneration Committee on 3 criteria:

- (1) Board structure and qualifications;
- (2) The Board meeting; and
- (3) Roles, duties, and responsibilities of the Board.

The assessment results of each criteria's overall average score are 100%.

8.3) Summary of the Performance of Other Sub-committees

8.3.1) Number of meetings and attendance

The meeting attendances of the Nomination and Remuneration Committee for the year 2021;



(Number of Attending/Number of Meetings)

Director Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	AGM 2021	EGM of Shareholders 2021	Interim Directorship
	(9 persons)	(3 persons)	(3 persons)	(9 persons)	(9 persons)	
1. Mr. Preecha Wattanasaranont	12/12	4/4	2/2	1/1	1/1	
2. Mr. Pitya Mahanond	9/9	3/3	1/1		1/1	April 1, 2021
3. Mr. Pitaspong Subsermsri	3/3	1/1	1/1	1/1		Resigned effective April 1, 2021
4. Mrs. Chantornree Darakananda	12/12		2/2	1/1	1/1	
Total Number of meeting held	12	4	2	1	1	
% attended of the committee	100	100	100	100	100	

8.3.2) The Performance of the Sub-committee

In 2021, the Board of Directors and subcommittees had made a self-assessment, as follows,

- Self-assessment of the board of directors, as a whole, on 6 criteria:

- (1) Board structure and qualifications;
- (2) Roles, duties, and responsibilities of the board;
- (3) The board meeting;
- (4) Duties of Directors;
- (5) Relationship with management; and
- (6) Director's self-development and management training.

The assessment results of each criteria's overall average score are 99.40%.

- Self-assessment of the Board of Directors on an individual basis on 3 criteria:

- (1) Board structure and qualifications;
- (2) The board meeting; and
- (3) Roles, duties, and responsibilities of the board.

The assessment results of each criteria's overall average score are 98.99 %.

- Self-assessment of the Audit Committee on 3 criteria:

- (1) Board structure and qualifications;
- (2) The board meeting; and
- (3) Roles, duties, and responsibilities of the board

The assessment results of each criterion of the Audit Committee's overall average score is 99.71%.

- Self-assessment of the Nomination and Remuneration Committee on 3 criteria:

- (1) Board structure and qualifications;
- (2) The board meeting; and
- (3) Roles, duties, and responsibilities of the board

The assessment results of each criteria's overall average score are 100 %.



9) Internal Control and Related Transactions

9.1) Internal Control

Summary of Opinions of the Board of Directors on the Adequacy and Appropriateness of Internal Control, including Risks Management

In the Board of Directors Meeting 11/2021, dated November 23, 2021, the Board of Directors, including the Audit Committee, considered the explanation of the management regarding the adequacy evaluation of the internal control system and risk management. The Board had the opinion that the Company has personnel practice by the framework structure of 5 key components as appropriate to business operations environment, as follows;

Part 1: Control Environment

The Company commits to honesty and ethics in business operations, setting the corporate governance policy and preparing the Corporate Governance and Business Code of Conducts Manual for executives and employees to use as practice guidelines. Regarding entering the related party transactions, the Board and Management will consider related conflicts of interests with care and reasonable for the most benefit of the Company. The Company also informed and disseminated the Company work regulation, compliance with the business code of conduct and has assigned an internal auditor to monitor and evaluate the performance.

The Company has defined roles and duties of the Board having independence from management. Oversight of business operation target setting with clear and measurable. Involved the consideration, review, and approval the Annual Operating Plan proposed by the management under various situations of business operations. In addition, not provide excessive motivation, making employees work toward a target too high, which might lead to corruption.

The organizational structure of the Company has defined a clear chain of command; prepared documents regarding procedures, work instructions, and job descriptions of employees. The Personnel and General Affairs Section is responsible for the people management and development; recruiting, training, retaining competent employees, including communication, performance appraisal, determining benefits and incentives or rewards to the employee who has good competency; and capable development and succession plan.

The Company provided communication channels for collection: inquiry, notification, complaint or in doubt; and having measures to keep information-received confidentiality and protect the notified person. There was no whistleblowing in 2021.

Part 2: Risk Management

The Company prepared financial statements under the Generally Accepted Accounting Principles, audited by a certified public accountant certified by the Securities and Exchange Commission (SEC). The report of the certified public accountant is a part of the annual report.

The Company prepared a risk management manual used as guidelines to identify and analyze risk from activities or internal processes, including measures to prevent or mitigate risks. The office of internal audit uses the result of risk assessment for preparing the annual internal audit plan; and in the audit committee meeting, setting the management participate the meeting to clarify matters that the committee has enquired. In 2021, there was no significant issue indicating.

Part 3: Control Activities

The Company has documented internal control measures, covering all activities and processes, and documented a clear separation of duties and responsibilities regarding approving, recording, and keeping of assets, including the scope of authority, duties, and budget limit of the management at each level clearly documented.

The Company uses AS/400 computer system to support operation functions: accounting, purchasing, inventory control, and personnel management by assigning the Information Development Center to oversee the system and define rights to access data in accordance with the AS/400 information security policy.



In 2021, the Company did not enter transactions with major shareholders, directors or connected persons except for normal business transactions under fair trade conditions and will not cause any conflict of interests, being treated the same as doing business with other outsiders. Proposed the audit committee consider an give opinion before submitting for approval at the Board of Directors meeting; director involved in the transaction will not attend such agenda.

Part 4: Information and Communication

In the Board of Directors' meeting, the Company Secretary will send invitation letter, including attachments related to meeting agenda to directors in advance at least 7 days before the meeting. The management is responsible for preparing information, and details, including a responsible person to clarify and present additional data if the Board requires, for the consideration of the Board. They have recorded opinions, suggestions, or observations of the Board in the minutes of the Board meeting. The Company Secretary is responsible for keeping minutes of the Board's meeting, and Accounting and Finance Manager is responsible for keeping the financial document for the period defined by law.

The Company has an internal communication process, using an announcement board, computer network, and meeting clarify at each working unit. The Personnel and General Affairs Section is responsible for collecting comments or other information from a suggestion box, including hotlines, and forward to the concerned unit for consideration and action. For a matter that might be fraud or corrupt behaviors in the workplace, the internal auditor will collect and report to the audit committee. For external communication, the Company assigned the general affairs unit contact and coordinated if there were complaint issues from the community around the Company. In 2021, there was no complaint or report of fraud or corruption.

Part 5: Monitoring Activities

In the Board meeting, assigned the management report the monthly operating results, including clarifying of causes and corrective actions in case the operation result did not meet the target as planned and considered being agenda to follow-up.

The Company prescribes the internal audit office having the duty of reviewing the practice, preparing a yearly internal audit plan, reporting the audit result to the audit committee directly for consideration, giving useful advice to management, and having a report to the Board on a quarterly basis.

The Company has a policy and practice guidelines for the management to report immediately if there is an incident that might significantly affect the reputation and financial position of the Company. Including actions taken and progress/result of the correction. For the year 2021, there was no such incident.

9.1.1) The Sufficiency and Adequacy of the Internal Control System

In the Audit Committee's meeting No. 3/2021 dated Thursday, August 5, 2021, the Audit Committee discussed with a certified public accountant without the management participating. For acknowledgment of the audit observation and opinion to ensure that the financial report preparation and disclosure in the financial report is correct, complete, and reliable. The external auditor has given the opinion that the Company has a sound internal control system.

The Audit Committee has considered and agreed upon the internal audit plan; acknowledged the audit results and gave useful recommendations to the management regarding correction of defects and followed-up the results of corrective or improvements; and reported to the Board of Directors on a quarterly basis.

According the adequacy assessment result of the internal control system and risk management, the committee obtained opinion on the adequacy from the authorized auditor that from the review of such matter, the Company has sound internal control.

9.1.2) The Company has no deficiencies in the internal control system that should be corrected

9.1.3) The Different Opinions of the Audit Committee and the Board of Directors

There was no different opinion of the Audit Committee and the Board of Directors in any case.

Details of the Audit Committee's report shown in attachment 6

9.1.4) Internal Audit Supervisor and the Compliance Supervisor

The Audit Committee approved, as proposed by the management, to appoint Ms. Wanida Chokmoh, Head of Internal Audit Department, acting as the head of the internal audit department. Ms. Wanida Chokmoh has qualifications in education, training and experience in internal audit work, and has an understanding of the activities and operations of the Company; appropriate to perform such duties.

The Company has assigned Ms. Prayoon Sripraram, the Accounting and Finance Department Manager, to oversee the operations and compliance with the rules and regulations of the government agencies supervising the business operations of the Company. Ms. Prayoon Sripraram has qualification experience in finance and accounting operations, and used to attend bookkeeping training course; and at present, has been assigned as user and coordinator with the Stock Exchange of Thailand, with the roles as Creator, Contact Person, SHLD Report Creator, Issuer Member, and Chief Financial Officer, therefore, appropriate to perform such duties.

Details of the Head of Internal Audit and the Company's compliance shown in attachment 3

9.1.5) Guidelines on Appointment, Removal and Transfer of Head of Internal Audit with the approval of the Audit Committee

9.2) Related Party Transactions

In 2021, the Company had transactions with connected persons or business, as follows;

Connected business or person/relationship	Transaction	Value (million Baht)		Reason and needs
		2021	2020	
Saha-Union Plc. (SUC) - Company's major shareholder holding 49.88 % and has Common directors*	Purchases of cotton and synthetic fibers	6	35	Common procurement for the group company to ease of negotiation with suppliers regarding price and quantity
	Trade account payable			
	- Beginning	4	5	
	- Ending	-	4	
Union Garment (UG) - SUC holds 99.99% of UG's shares and has Common directors*	Rental some area of the building . provide utilities	-	1	Economic benefits of a property that has not been used
	Trade receivables			
	- Beginning	-	1	
	- Ending	-	-	
Union Micron Clean Co.Ltd. (MRC) - SUC holds 25.00% of Mrc's shares and has Common directors*	Sales of fabrics	1	2	Support normal business in a supply chain manner
	Rental some area of Building	4	3	
	Trade receivables			Economic benefits of a property that is not in use
	- Beginning	-	-	
	- Ending	-	-	
Union Spinning Mills Co. LTD. (USM) - SUC holds 25.00% of USM's shares - Union Thread Industries Co. Ltd. (Darakananda group) holds 6.11 % of UT's shares and 74.99 % of USM's shares - UT and USM have Common directors*	Rental spinning machinery	1	1	Economic benefits of a property that is not in use or not suitable for the Company's current production
	Trade receivables			
	- Beginning	-	-	
	- Ending	-	-	



Connected business or person/relationship	Transaction	Value (million Baht)		Reason and needs
		2021	2020	
Union Zojirushi Co.Ltd. (UZ) - SUC holds 51 % of UZ's shares and Common directors	Rental some land Trade receivables - Beginning - Ending	12 - -	12 - -	Economic benefits of a property that is not in use

Note

Details of directorship positions in related companies shown in attachment 2

9.2.1) Transactions with Conflicts of Interest Party

- In addition to the transactions disclosed, the Company has no related transaction with party of conflicts of interest.

9.2.2) The need and rationale of the transactions

For maximum benefits to the Company

(1) Policy or trend on related party transactions in the future. The transaction which is normal doing business or under the term of the on-going agreement should be based on fairness and agree with both parties and does not cease to transfer benefits.

(2) There was no other type of related party transactions, including acquisition or disposal of assets in such a manner that breach of/ did not comply with the regulations of the Stock Exchange of Thailand.

9.2.3) Policy or Trend on Related Party Transactions in the Future and Compliance with the Company's Obligations Provided in the Prospectus

Pricing policy and transaction conditions:

- Rental parts of buildings and unoperated machinery; these assets are exceptionally or hard to demonstrate that it is within normal commercial terms. The rental calculation, thus, is based on concerned cost, fairness, and mutual acceptability;
- Providing utilities: calculated from various cost basis depended on proportion used and acceptable;
- Trend on related party transactions in the future depends upon whether the new business type needs any transaction in relevant to the company in the group or not.

9.2.4) Reasons that persons who may have conflicts holding shares in subsidiaries and associated companies more than 10% instead of directly holding shares in the Company

- The Company has no subsidiary or associated company, including no direct shareholding in lieu of the Company's shareholding.

Part 3**Financial Statements****Report of the Board of Directors' Responsibilities to the Financial Statements**

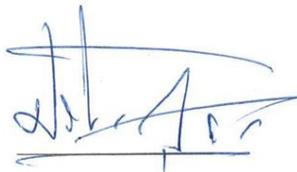
The Board of Directors shall assume the full responsibilities for all financial statements of the Company and disclose financial information appeared in the annual report. The financial statements were prepared in accordance with Thai Financial Reporting Standards for Publicly Accountable Entities, while the Company applied appropriate accounting policies, with careful consideration and best estimation and also revealed important information in adequately in Notes to Financial Statements. In this regard, the Company's financial statements was unqualifiedly certified by the auditor.

The Board of Directors has maintained the effective internal control system to reasonably ensure that the recording of accounting information was correct, complete, and enough to maintain the assets and to realize the weakness to prevent from any corruption or abnormal operations significantly.

For this purpose, the Board of Directors has appointed the Audit Committee comprising independent directors and non-executive directors responsible for quality of financial reports and the internal control system. The opinion from the Audit Committee on this subject were already shown in the attachment 6.

The Board of Directors expressed that the Company's overall internal control system was satisfactory and adequate to give credibility to the financial statements of the Company as of December 31, 2021.

On behalf of the Board of Directors



Mr. Preecha Shunhavanich
Chairman



Mrs. Srinual Sombatpraiwan
Managing Director



Independent Auditor's Report

To the Shareholders of Union Textile Industries Public Company Limited

Opinion

I have audited the accompanying financial statements, in which the equity method is applied, of Union Textile Industries Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Union Textile Industries 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 Union Textile Industries Public Company Limited as at 31 December 2021, 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 Company 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.

**Emphasis of Matter**

I draw attention to Note to the financial statements as below.

- a. Note 1.2 to the financial statements related to discontinued operation that on 22 December 2020, the Company submitted the notification on the Resolutions of the Board of Directors' Meeting No. 12/2020 to The Stock Exchange of Thailand related to the cessation of textile operations (spinning and weaving) and the seeking of a new business. These resolutions have been acknowledged by the Annual General Meeting of the Company's shareholders on 30 March 2021. The Company ceased the textile operations (spinning and weaving) in September 2021, and it is currently considering and studying the feasibility of investing in new businesses in the future.
- b. Note 1.3 to the financial statements related to the delisting of the Company' securities from The Stock Exchange of Thailand that on 21 October 2021, the Company submitted the notification on the Resolutions of the Board of Directors' Meeting No. 10/2021 to The Stock Exchange of Thailand related to delisting of the Company's securities from The Stock Exchange of Thailand. At present, the tender offer is being undertaken by the Company's major shareholder as an option in decision making for all of the Company's shareholders.

Therefore, my opinion is not modified in respect of these matters.

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 for each matter are described below.

Allowance for impairment loss on machinery and equipment

The Company had a net book value of machinery and equipment amounting to Baht 25 million which is material to the statement of financial position as at 31 December 2021. Since the Company ceased textile operations (spinning and weaving) in September 2021 and is under consideration and studying the possibility of investing in new businesses in the future as described in Note 1.2 and 23 to the financial statements, so, there is a risk associated with the recoverable amount of such machinery and equipment. In determining allowance for impairment loss on machinery and equipment, 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, including using the market price valuation performed by an accredited independent valuer.

I assessed the management's identification of cash generating units and referral available data selection by the management, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, comparison of such referral available data and a valuation by the independence valuer with external sources of information. In addition, I considered the scope and probability of potential changes in the referral available data using by management and I performed a sensitivity analysis on the returns expected to be realised on the assets.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

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.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company 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.

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.

Sineenart Jirachaikhuankhan

Certified Public Accountant (Thailand) No. 6287

EY Office Limited

Bangkok: 22 February 2022

Union Textile Industries Public Company Limited
 Statements of financial position
 As at 31 December 2021

		(Unit: Baht)	
		Financial statements in which the equity method is applied/ Separate financial statements	
Assets	Note	2021	2020
Current assets			
Cash and cash equivalents	7	34,239,886	107,322,720
Trade and other receivables	8	947,509	79,985,671
Inventories	9	-	67,503,604
Other current financial assets	10, 29.1	370,000,000	201,271,243
Other current assets		395,249	2,247,842
		<u>405,582,644</u>	<u>458,330,980</u>
Assets held for sale	14	7,327,241	-
Total current assets		<u>412,909,885</u>	<u>458,330,980</u>
Non-current assets			
Restricted bond	27.2	7,000,000	11,000,000
Other non-current financial assets	11	616,421,413	600,523,987
Investments in associated company	12	-	-
Investment properties	13	47,351,741	48,484,742
Property, plant and equipment	14	59,039,503	87,138,381
Other non-current assets	15	3,228,760	219,125
Total non-current assets		<u>733,041,417</u>	<u>747,366,235</u>
Total assets		<u>1,145,951,302</u>	<u>1,205,697,215</u>

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



Union Textile Industries Public Company Limited
 Statements of financial position (continued)
 As at 31 December 2021

	Note	(Unit: Baht)	
		Financial statements in which the equity method is applied/ Separate financial statements	
		2021	2020
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	16	2,867,868	34,649,824
Derivative liabilities	29.1	-	1,856,365
Provision for long-term employee benefits - due within one year portion	17	2,879,023	66,786,307
Other current liabilities		310,320	713,057
Total current liabilities		<u>6,057,211</u>	<u>104,005,553</u>
Non-current liabilities			
Provision for long-term employee benefits - net from due within one year portion	17	6,335,213	6,174,707
Deferred tax liabilities	22	94,361,455	78,432,615
Total non-current liabilities		<u>100,696,668</u>	<u>84,607,322</u>
Total liabilities		<u>106,753,879</u>	<u>188,612,875</u>
Shareholders' equity			
Share capital			
Registered			
15,000,000 preference shares of Baht 10 each	18	150,000,000	150,000,000
45,000,000 ordinary shares of Baht 10 each		450,000,000	450,000,000
		<u>600,000,000</u>	<u>600,000,000</u>
Issued and fully paid-up			
15,000,000 preference shares of Baht 10 each	18	150,000,000	150,000,000
45,000,000 ordinary shares of Baht 10 each		450,000,000	450,000,000
Retained earnings			
Appropriated - statutory reserve	19	150,000,000	150,000,000
Unappropriated		215,863,583	206,468,441
Other components of shareholders' equity		73,333,840	60,615,899
Total shareholders' equity		<u>1,039,197,423</u>	<u>1,017,084,340</u>
Total liabilities and shareholders' equity		<u>1,145,951,302</u>	<u>1,205,697,215</u>

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

Directors



Union Textile Industries Public Company Limited
Income statements
For the year ended 31 December 2021

		(Unit: Baht)	
		Financial statements in which the equity method is applied/ Separate financial statements	
	Note	<u>2021</u>	<u>2020</u>
Continuing operations			
Revenues			
Rental income		17,890,967	18,077,812
Dividend income	11	2,800,000	2,150,000
Total revenues		<u>20,690,967</u>	<u>20,227,812</u>
Expenses			
Administrative expenses		12,221,962	10,888,526
Total expenses		<u>12,221,962</u>	<u>10,888,526</u>
Profit from continuing operating activities		<u>8,469,005</u>	<u>9,339,286</u>
Finance income		1,998,021	1,447,125
Profit from continuing operating activities before income tax expenses		<u>10,467,026</u>	<u>10,786,411</u>
Income tax expenses	22	(1,533,405)	(1,727,282)
Profit for the year from continuing operations		<u>8,933,621</u>	<u>9,059,129</u>

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



Union Textile Industries Public Company Limited

Income statements (continued)

For the year ended 31 December 2021

		(Unit: Baht)	
		Financial statements in which the equity method is applied/ Separate financial statements	
		2021	2020
Discontinued operations			
Revenues			
Sales and service income	20	190,112,958	432,522,742
Other income			
Sales of scrap		3,381,114	12,365,493
Gain on sales of machinery and equipment		10,625,829	-
Others		4,994,605	5,813,458
Total revenues		209,114,506	450,701,693
Expenses			
Cost of sales and service		156,807,890	439,403,481
Reversal of allowance for diminution in value of inventories	9	(470,004)	(3,762,701)
Total cost of sales and service		156,337,886	435,640,780
Selling and distribution expenses		3,069,576	10,197,354
Administrative expenses		38,029,573	59,799,977
Total expenses		197,437,035	505,638,091
Profit (loss) from discontinued operating activities			
before income tax income (expenses)		11,677,471	(54,936,398)
Income tax income (expenses)	22	(11,215,950)	8,153,673
Profit (loss) for the year from discontinued operations		461,521	(46,782,725)
Profit (loss) for the year		9,395,142	(37,723,598)
Basic earnings per share (Baht)			
Loss from continuing operations	24	(0.27)	(0.27)
Profit (loss) from discontinued operations		0.01	(1.04)
Loss for the year		(0.26)	(1.31)

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

Union Textile Industries Public Company Limited
Statement of comprehensive income
For the year ended 31 December 2021

	(Unit: Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Profit from continuing operations	8,933,621	9,059,129
Profit (loss) from discontinued operations	461,521	(46,782,725)
Profit (loss) for the year	<u>9,395,142</u>	<u>(37,723,596)</u>
Other comprehensive income:		
Other comprehensive income from continuing operations		
<i>Other comprehensive income not to be reclassified</i>		
<i>to profit or loss in subsequent periods:</i>		
Actuarial gain - net of income tax	-	214,133
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	<u>12,717,941</u>	<u>(95,754,722)</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>12,717,941</u>	<u>(95,540,589)</u>
Total other comprehensive income from continuing operations	<u>12,717,941</u>	<u>(95,540,589)</u>
Other comprehensive income from discontinued operations		
<i>Other comprehensive income not to be reclassified</i>		
<i>to profit or loss in subsequent periods:</i>		
Actuarial gain - net of income tax	-	6,119,635
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>-</u>	<u>6,119,635</u>
Total other comprehensive income from discontinued operations	<u>-</u>	<u>6,119,635</u>
Other comprehensive income for the year	<u>12,717,941</u>	<u>(89,420,954)</u>
Total comprehensive income for the year	<u>22,113,083</u>	<u>(127,144,550)</u>
Total comprehensive income for the year		
From continuing operations	21,651,562	(88,481,460)
From discontinued operations	<u>461,521</u>	<u>(40,663,090)</u>
	<u>22,113,083</u>	<u>(127,144,550)</u>

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



Union Textile Industries Public Company Limited
Statements of changes in shareholders' equity
For the year ended 31 December 2021

(Unit: Baht)

Financial statements in which the equity method is applied/Separate financial statements

	Issued and paid-up share capital		Retained earnings		Other components of shareholders' equity		Total shareholders' equity
	Preference shares	Ordinary shares	Appropriated -		Fair value reserve	comprehensive income	
			statutory reserve	Unappropriated			
Balance as at 1 January 2020	150,000,000	450,000,000	150,000,000	237,858,269	156,370,621	-	1,144,228,890
Loss for the year	-	-	-	(37,723,596)	-	-	(37,723,596)
Other comprehensive income for the year	-	-	-	6,333,768	(95,754,722)	-	(89,420,954)
Total comprehensive income for year	-	-	-	(31,389,828)	(95,754,722)	-	(127,144,550)
Balance as at 31 December 2020	150,000,000	450,000,000	150,000,000	206,468,441	60,615,899	-	1,017,084,340
Balance as at 1 January 2021	150,000,000	450,000,000	150,000,000	206,468,441	60,615,899	-	1,017,084,340
Profit for the year	-	-	-	8,395,142	-	-	8,395,142
Other comprehensive income for the year	-	-	-	-	12,717,941	-	12,717,941
Total comprehensive income for year	-	-	-	8,395,142	12,717,941	-	21,113,083
Balance as at 31 December 2021	150,000,000	450,000,000	150,000,000	215,863,583	73,333,840	-	1,039,197,423

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

Union Textile Industries Public Company Limited

Cash flow statement

For the year ended 31 December 2021

	(Unit: Baht)	
	Financial statements in which the equity method is applied/ Separate financial statements	
	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Profit before tax from continuing operations	10,467,026	10,786,411
Profit (loss) before tax from discontinued operations	11,677,471	(54,936,398)
Profit (loss) before tax	22,144,497	(44,149,987)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:		
Depreciation	19,267,963	23,320,243
(Gain) loss on disposal / write-off of machinery and equipment	(10,625,829)	610,237
Reversal of reduction of cost to net realisable value of inventories	(470,004)	(3,762,701)
(Gain) loss on fair value adjustments of derivatives	(585,122)	585,122
Unrealised loss on exchange	-	3,291,964
Provision for long-term employee benefits	160,506	39,058,551
Dividende income	(2,800,000)	(2,150,000)
Finance income	(1,998,021)	(1,447,125)
Profit from operating activities before changes in operating assets and liabilities	25,093,990	15,356,304
Operating assets (increase) decrease		
Trade and other receivables	79,038,062	29,931,664
Inventories	67,973,608	145,047,129
Other current assets	2,765,251	1,845,708
Other non-current assets	(3,009,635)	(21,625)
Operating liabilities increase (decrease)		
Trade and other payables	(31,781,956)	3,798,140
Other current liabilities	(402,737)	(76,069)
Paid for long-term employee benefits	(63,907,284)	(6,926,658)
Cash flows from operating activities	75,769,299	188,954,593
Cash paid for income tax	(912,658)	(996,301)
Net cash flows from operating activities	74,856,641	187,958,292

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



Union Textile Industries Public Company Limited

Cash flow statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

Financial statements in which the equity method is applied/
Separate financial statements

	2021	2020
Cash flows from investing activities		
Restricted bond redemption	4,000,000	-
Increase in current investments	(170,000,000)	(200,000,000)
Acquisition of equipment	(86,430)	(49,601)
Proceeds from disposal of machinery and equipment	13,348,934	3,450,971
Dividend received	2,800,000	2,150,000
Interest received	1,998,021	1,447,125
Net cash flows used in investing activities	(147,939,475)	(193,001,505)
Cash flows from financing activities	-	-
Net decrease in cash and cash equivalents	(73,082,834)	(5,043,213)
Cash and cash equivalents at beginning of year	107,322,720	112,365,933
Cash and cash equivalents at end of year	34,239,886	107,322,720

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

**Union Textile Industries Public Company Limited****Notes to financial statements****For the year ended 31 December 2021****1. General information****1.1 General information of the Company**

Union Textile Industries Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company is Saha-Union Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of textiles. The Company's registered addresses are as follows:

Head office: 1828 Sukhumvit Road, South Phraakanong Sub District, Phraakanong District, Bangkok

Branch: 205 Moo 4, Sukhumvit Road (Km. 39.5), Tambol Bangpoo Mai, Amphur Muang Samutprakarn, Samutprakarn

1.2 Discontinued operation

On 22 December 2020, the Company submitted the notification on the Resolutions of the Board of Directors' Meeting No. 12/2020 to The Stock Exchange of Thailand related to the cessation of textile operations (spinning and weaving) and the seeking of a new business. The Company's core business is textile business (spinning and weaving) which has incurred loss due to the intense competition in the textile business, the economic downturns in Europe which is the Company main customer and the COVID-19 pandemic that has affected Thailand and other countries worldwide and it is expected that the situation will not improve in the near future. The Company's management has considered that if the Company continues to operate in the textile business (spinning and weaving) in the future, this will pose a major risk to the shareholders. In this regard, the Company has a plan to cease the textile operations (spinning and weaving) within year 2021. These resolutions have been acknowledged by the Annual General Meeting of the Company's shareholders on 30 March 2021. The Company ceased the textile operations (spinning and weaving) in September 2021. However, the Company still has other income from the lease of land and partial of factory buildings. The Company is currently considering and studying the feasibility of investing in new businesses in the future.



1.3 The delisting of the Company's securities from The Stock Exchange of Thailand

On 21 October 2021, the Company submitted the notification on the Resolution of the Board of Directors' Meeting No.10/2021 to The Stock Exchange of Thailand related to delisting of the Company's securities from The Stock Exchange of Thailand, whereby the Board of Directors had approved proposing this matter to an extraordinary general meeting of the shareholders. This is in accordance with the expressed intention of an offeror (Saha-Union Public Company Limited ("the parent company"), the major shareholder of the Company) to give the opportunity for the Company's other shareholders to consider a tender offer for the Company's securities, mitigating the risk of share illiquidity if the securities be delisted from The Stock Exchange of Thailand. The Company has notified The Stock Exchange of Thailand of the delisting of the Company's securities with details provided in Delisting of Shares Report (F10-6) date 21 October 2021. An Extraordinary General Meeting of Shareholders No.1/2021 on 25 November 2021 approved the resolution for the delisting of the Company's securities from The Stock Exchange of Thailand and acknowledged the offer of the tender offeror, as well as other related information. The parent company will make a general tender offer for all of the Company's securities in which not holding by the parent company to other shareholders, at offer prices of Baht 38.35 per share for ordinary shares and Baht 48.15 per share for preferred shares. The tender offer prices were determined by a financial advisor approved by the Office of the Securities and Exchange Commission.

The Company has notified the Stock Exchange of Thailand of the notification receipt from Saha-Union Public Company Limited with respect to the tender offer on 27 December 2021. The tender offer period is 45 days (28 December 2021 to 3 March 2022). The Company received the notification of receipt of the preliminary result of tender offer from an offeror and notified the Stock Exchange of Thailand on 27 January 2022. Currently, the tender offer is being carried out by the Company's offeror. After the tender offer is completed, the tender offer report will be submitted to the Stock Exchange of Thailand, and the Stock Exchange of Thailand will then order and determine an effective date for the delisting.



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 The separate financial statements present investments in associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the 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 adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.



4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax.

Rendering of service

Service revenue is recognised at a point in time upon completion of the service.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Expense

Expense recognised on an accrual basis.

4.2 Cash and cash equivalents

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

4.3 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials and chemicals are valued at the lower of cost (first-in, first-out method) and net realisable value, while spare parts and factory supplies are valued at the lower of average cost and net realisable value. They are charged to production costs whenever consumed.

4.4 Investments in associate

Investments in associate is accounted for in the financial statements in which the equity method is applied using the equity method net of allowance for impairment loss (if any).

Investments in associate is accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).



4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties which is a plant for use in investment is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the properties is recognised in profit or loss in the year when the asset is derecognised.

4.6 Property, plant and equipment/Depreciation

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

Depreciation of buildings and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings and building improvement	20 years
Machinery and equipment	5, 10, 20 years
Furniture, fixtures and office equipment	3, 5, 10 years
Motor vehicles	5, 10 years

Depreciation is included in determining income.

No depreciation is provided on land.

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

4.7 Non-current assets held for sale and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.



The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment are not depreciated once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are separately presented in the income statements and the statement of comprehensive income.

4.8 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

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.

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.

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 assets 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.



4.9 Related party transactions

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

They also include associates and individuals 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.

4.10 Foreign currencies

The financial statements, in which the equity method is applied, and the separate financial statement of the Company 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.

4.11 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 and the investment properties 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.



4.12 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 has obligations in respect of the severance payments it must make to employees upon retirement under labor law and resignation fund plans. 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 post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

Defined benefits liability (asset) is the present value of the defined benefit obligation less the fair value of plan assets.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Company's creditors and cannot be returned to the Company. The Company measures the fair value of plan assets by using market price and, in case that plan assets are debt instruments in active market the Company measures them by using quoted price.

4.13 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.



4.14 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 they recognise 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.

4.15 Financial instruments

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 designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

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 and financial assets with cash flows that are not solely payments of principal and interest.

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 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 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).

For trade receivables, 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.

ECLS are calculated 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.



4.16 Derivatives

The Company uses derivatives, such as 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.

4.17 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 its 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.



5. 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:

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount, as mentioned in the allowance for impairment of non-financial assets section.

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. In addition, the management using the fair value of the machinery and equipment has been determined based on market prices valuation performed by an accredited independent valuer. These estimates are most relevant to property, plant and equipment recognised by the Company. The key assumptions and referral price used to determine the recoverable amount are disclosed and further explained in Note 14 to the financial statements.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Related party transactions

During the years, the Company had significant business transactions with 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)
	<u>2021</u>	<u>2020</u>	<u>Pricing policy</u>
<u>Transactions with parent company</u>			
Purchases of raw materials	6	35	Cost plus margin
<u>Transactions with related companies</u>			
Sales of goods	1	2	Cost plus margin
Purchases of goods and raw materials	-	1	Cost plus margin
Rental income	17	17	Contract price
Other income	1	1	Contract price

As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
<u>Trade and other receivables - related parties (Note 8)</u>		
Related company (Has common shareholders)	32	19
Related company (Held by the Company)	130	125
Others	3	4
Total trade and other receivables - related parties	<u>165</u>	<u>148</u>
<u>Trade and other payables - related parties (Note 16)</u>		
Parent company	-	4,298
Associate	629	629
Related companies (Has common shareholders)	36	158
Total trade and other payables - related parties	<u>665</u>	<u>5,085</u>

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Company had employee benefit expenses of management and directors' remuneration as below.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Short-term	7,970	11,819
Post-employment	27	472
Total	<u>7,997</u>	<u>12,291</u>

**7. Cash and cash equivalents**

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Cash	32	48
Bank deposits	34,208	107,275
Total	<u>34,240</u>	<u>107,323</u>

As at 31 December 2021, bank deposits in saving accounts carried interests at 0.125 percent per annum (2020: bank deposits in saving accounts carried interests between 0.125 and 0.625 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
<u>Trade receivables</u>		
Age on the basis of due dates		
Not yet due	-	73,328
Past due up to 3 months	-	5,158
Total trade receivables - net	<u>-</u>	<u>78,486</u>
<u>Other receivables</u>		
Other receivables - related parties	165	148
Other receivables - unrelated parties	783	1,352
Total	<u>948</u>	<u>1,500</u>
Total trade and other receivables	<u>948</u>	<u>79,986</u>

9. Inventories

	(Unit: Thousand Baht)					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	-	30,594	-	(470)	-	30,124
Work in process	-	11,467	-	-	-	11,467
Raw materials and chemicals	-	25,908	-	-	-	25,908
Spare parts and factory supplies	263	268	(263)	(263)	-	5
Total	<u>263</u>	<u>68,237</u>	<u>(263)</u>	<u>(733)</u>	<u>-</u>	<u>67,504</u>

Movements in the reduction of cost of inventories to net realisable value during the year are summarised below.

	(Unit: Thousand Baht)	
	2021	2020
Balance as at 1 January	733	4,496
Reversal of reduce cost to net realisable value	(470)	(3,763)
Balance as at 31 December	263	733

10. Other current financial assets

As at 31 December 2021, other current financial assets were consist of:

- 7-month fixed deposit at bank totaling Baht 50 million, carrying the interest at rates of 0.50% per annum which due in January 2022.
- 9-month fixed deposit at bank totaling Baht 320 million, carrying the interest at rates of 0.50% and 0.45% per annum and due in April and September 2022.

As at 31 December 2020, other current financial assets were 7-month fixed deposit at bank totaling Baht 200 million, carrying the interest at rates of 0.625% per annum which due in July 2021 and derivative assets of Baht 1 million.

11. Other non-current financial assets

The Company had other non-current financial assets which are summarised below.

Company	Shareholding percentage %	(Unit: Thousand Baht)	
		Fair value of investment	
		2021	2020
Equity investments designated at FVOCI			
Listed equity investment			
Saha-Union Plc.	0.33	32,250	33,000
Total		32,250	33,000
Non-listed equity investments			
Unifibre Co., Ltd	19.63	324,448	342,072
Union Business Management Co., Ltd.	19.00	251,495	218,732
Union Micronclean Co., Ltd.	13.00	8,228	6,720
Total		584,171	567,524
Total equity investments designated at FVOCI		616,421	600,524
Total other non-current financial assets		616,421	600,524

The Company received dividends from their investments in listed equity investment and non-listed equity investments for the year ended 31 December 2021 amounting to Baht 2.8 million (2020: Baht 2.2 million).

**12. Investment in associate**

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Financial statements in which the equity method is applied		Separate financial statements	
			2021	2020	2021	2020	2021	2020
			%	%				
Ten Cate-Union Protective Fabrics Asia Ltd. ("TCUA")	Production of work wear and safety wear fabric	Thailand	49.35	49.35	16,950	16,950	190,000	190,000
Total investment in associate					16,950	16,950	190,000	190,000
Less: Allowance for impairment loss on investment in TCUA					(16,950)	(16,950)	(190,000)	(190,000)
Total investment in associate - net					-	-	-	-

Ten Cate-Union Protective Fabrics Asia Ltd. ("TCUA") filed for deregistration with the Ministry of Commerce on 22 March 2013. At the present, TCUA is in the process of liquidation.

13. Investment properties

The net book value of investment properties as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Land awaiting sales / Leased land	Plants for use in investment	Total
31 December 2021			
Cost	46,852	11,892	58,744
<u>Less</u> Accumulated depreciation	-	(11,392)	(11,392)
Net book value	46,852	500	47,352
31 December 2020			
Cost	46,852	11,892	58,744
<u>Less</u> Accumulated depreciation	-	(10,259)	(10,259)
Net book value	46,852	1,633	48,485



A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	48,485	50,763
Depreciation charged	(1,133)	(2,278)
Net book value at end of year	<u>47,352</u>	<u>48,485</u>

As at 31 December 2021, the fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land has been determined based on market prices Baht 732 million (2020: Baht 732 million), while that of the plant for rent has been determined using the income approach Baht 14 million (2020: Baht 14 million). Key assumptions used in the valuation include yield rate, long-term vacancy rate and rental rates.

14. Property, plant and equipment

	(Unit: Thousand Baht)					
	Land	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Total
Cost						
As at 1 January 2020	29,873	197,861	1,461,583	18,672	14,469	1,722,458
Additions	-	-	10	40	-	50
Disposals / write-off	-	(1,087)	(225,696)	(1,059)	(725)	(228,567)
As at 31 December 2020	29,873	196,774	1,235,897	17,653	13,744	1,493,941
Additions	-	-	-	86	-	86
Disposals / write-off	-	-	(164,127)	(6,742)	(2,996)	(173,865)
Classified as held for sale	-	-	(228,712)	-	-	(228,712)
As at 31 December 2021	29,873	196,774	843,058	10,997	10,748	1,091,450
Accumulated depreciation						
As at 1 January 2020	-	190,251	1,388,746	17,715	13,554	1,610,266
Depreciation for the year	-	2,512	18,114	343	72	21,041
Depreciation on disposals / write-off	-	(931)	(221,795)	(1,054)	(724)	(224,504)
As at 31 December 2020	-	191,832	1,185,065	17,004	12,902	1,406,803
Depreciation for the year	-	1,894	15,905	263	72	18,134
Depreciation on disposals / write-off	-	-	(161,504)	(6,642)	(2,996)	(171,142)
Classified as held for sale	-	-	(221,385)	-	-	(221,385)
As at 31 December 2021	-	193,726	818,081	10,625	9,978	1,032,410
Net book value						
31 December 2020	29,873	4,942	50,832	649	842	87,138
31 December 2021	29,873	3,048	24,977	372	770	59,040
Depreciation for the year						
2020 (Baht 19 million included in manufacturing cost, and the balance in administrative expenses)						21,041
2021 (Baht 8 million included in manufacturing cost, and the balance in administrative expenses)						18,134



As at 31 December 2021, the Company has net book value of machinery and equipment for rental Baht 1 million (2020: Baht 2 million).

As at 31 December 2021, certain plant, machinery and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 255 million (2020: Baht 1,185 million).

As at 31 December 2021, the Company classified parts of machinery and equipment as assets held for sale because such assets meet the asset classification conditions under Thai Financial Reporting Standards No. 5 regarding Non-current Assets Held for Sale and Discontinued Operations. Up to the present, the initial price of such assets has been determined and price quotations are being requested. The Company expects that the reclassified assets will be sold within one year.

As at 31 December 2021, the net book value of machinery and equipment that are no longer in use and not classified as assets held for sale under such Thai Financial Reporting Standards amounts to baht 25 million.

The Company has determined the recoverable amounts of its asset unit 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, including using the market price valuation performed by an accredited independent valuer.

15. Other non-current assets

The balances of other non-current assets above include account receivables of Ten Cate-Union Protective Fabrics Asia Ltd. ("TCUA") amounting to Baht 39 million. There is uncertainty about the recoverable amount of this receivable because TCUA has filed for deregistration with the Ministry of Commerce and is in the process of liquidation. At the present, it still not finalised the net asset value. For prudent reasons, the Company has therefore set aside full allowance for expected credit losses for this receivable.

16. Trade and other payables

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Trade accounts payable - related parties	320	4,740
Trade accounts payable - unrelated parties	340	9,394
Other payable - related parties	345	345
Accrued expenses	1,863	20,171
Total trade and other payables	<u>2,868</u>	<u>34,650</u>

**17. Provision for long-term employee benefits**

Provision for long-term employee benefits as at 31 December 2021 and 2020, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Present value of defined benefit obligation	13,268	98,744
Fair value of plan assets	<u>(4,054)</u>	<u>(25,783)</u>
Net defined benefit liability	9,214	72,961
Due within one year portion	<u>(2,879)</u>	<u>(66,786)</u>
Net defined benefits liability net of due within one year portion	<u>6,335</u>	<u>6,175</u>

Changes in present value of defined benefit obligation and fair value of plan assets are as follows:

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Defined benefit obligation at beginning of year	98,744	78,554
Included in profit or loss:		
Past service cost	-	32,294
Current service cost	349	3,226
Interest cost	61	1,557
Included in other comprehensive income:		
Actuarial gain (loss) arising from		
Demographic assumptions changes	-	(8,284)
Financial assumptions changes	-	2,296
Experience adjustments	-	(1,929)
Benefits paid during the year	<u>(85,886)</u>	<u>(8,970)</u>
Defined benefit obligation at end of year	<u>13,268</u>	<u>98,744</u>
Fair value of plan assets at beginning of year	25,783	29,808
Included in profit or loss:		
Changes in fair value	250	(1,982)
Contribution by the Company	679	1,598
Paid during the year	<u>(22,658)</u>	<u>(3,641)</u>
Fair value of plan assets at end of year	<u>4,054</u>	<u>25,783</u>

Plan assets comprise bank deposits, government bonds, and equity and debt instruments in active market.



The Company classified portion of employee benefit as short-term liabilities under "Provision for long-term employee benefit - due within one year portion" in statements of financial position due to the Company ceased the textile operations (spinning and weaving) in September 2021.

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 10 years (2020: 10 years).

Principal actuarial assumptions at the valuation date were as follows:

	2021	2020
	(% per annum)	(% per annum)
Discount rate	1.4	1.4
Future salary increase rate	3.0	3.0
Turnover rate (depending on age of employee)	0.0 - 30.0	0.0 - 30.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

		(Unit: Thousand Baht)			
		2021		2020	
	%	Increase	Decrease	Increase	Decrease
Discount rate	1.00	(3,034)	2,943	(3,452)	3,201
Future salary increase rate	1.00	3,874	(3,567)	3,706	(3,422)
Turnover rate	20.00	(1,101)	1,202	(870)	960

18. Preference shares

According to the Company's Articles of Association, the preference shareholders are entitled to receive a dividend equal to 14 percent of the paid up value of the preference shares each year, before the ordinary shareholders. In years in which the Company is unable to pay any dividend due, the unpaid dividend may be accumulated for up to 7 years. In addition, if ordinary shareholders receive a dividend in excess of 14 percent of the par value of the shares in any year, the preference shareholders are entitled to receive a dividend at the same rate. Upon dissolution of the Company, the preference shareholders are entitled to return of capital before the common shareholders. Other than the aforementioned rights, ordinary and preference shareholders have the same rights.

The cumulative unpaid dividend to the preference shares as of 31 December 2021 totalled Baht 147 million (2020: Baht 147 million).

**19. Statutory reserve**

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

However, the Company's regulations require the Company to set aside to a statutory reserve at least 10 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 25 percent of the registered capital.

As at 31 December 2021, the statutory reserve was Baht 150 million (equivalent to 25 percent of its registered share capital) had reached the minimum amount as stipulated in the Company's regulations.

20. Sales and service income

Revenue from sales and service income mainly comprises revenue from textile distribution. Moreover, there is revenue from shipping service as the Company has an obligation to ship goods sold to customers in accordance with conditions of contracts and other service income. The revenue from shipping service and other service income is immaterial to the Company's financial statements.

21. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Salary and wages and other employee benefits	42,317	151,613
Depreciation	19,268	23,320
Utilities expenses	24,019	72,248
Raw materials and consumables used	63,467	217,704
Changes in inventories of finished goods and work in process	41,591	17,701

22. Income tax

Income tax expenses (income) for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)	
	For the years end 31 December	
	<u>2021</u>	<u>2020</u>
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	12,749	(6,426)
Income tax expenses (income) reported in the profit or loss	<u>12,749</u>	<u>(6,426)</u>



	(Unit: Thousand Baht)	
	For the years end 31 December	
	<u>2021</u>	<u>2020</u>
Income tax expense (income)		
from continuing operations	1,533	1,727
from discontinued operations	11,216	(8,153)
Total	<u>12,749</u>	<u>(6,426)</u>

The amounts of income tax relating to each component of other comprehensive income for the year ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	For the years end 31 December	
	<u>2021</u>	<u>2020</u>
Deferred tax on:		
Gain (loss) on changes in value of equity investment designated at fair value through other comprehensive income	3,179	(23,939)
Actuarial gains	-	1,583
Total	<u>3,179</u>	<u>(22,356)</u>

Reconciliation between accounting profit (loss) and income tax expense (income) is shown below.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
	Accounting profit (loss) before tax	
- from continuing operations	10,467	10,786
- from discontinued operations	11,677	(54,936)
Total of accounting profit (loss) before tax	<u>22,144</u>	<u>(44,150)</u>
Applicable tax rate	20%	20%
Accounting profit (loss) before tax multiplied by applicable tax rate	4,429	(8,830)
Previously deductible temporary differences and unrecognised tax losses that is used to reduct current tax expenses	8,800	2,425
Effects of:		
Non-deductible expenses	80	409
Tax-exempt dividend income	(560)	(430)
Total	<u>(480)</u>	<u>(21)</u>
Income tax expenses (income) reported in the profit or loss	<u>12,749</u>	<u>(6,426)</u>



The components of deferred tax assets and liabilities in statement of financial position as at 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Deferred tax asset		
Provision for long-term employee benefits	1,843	14,592
Deferred tax liabilities		
Unrealised gain from changes in fair value of investments	(96,204)	(93,025)
Total deferred tax liabilities	<u>(94,361)</u>	<u>(78,433)</u>

As at 31 December 2021, the Company has deductible temporary differences and unused tax losses totaling Baht 314 million (2020: Baht 254 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 84 million will expire by 2026.

23. Presentation of discontinued operation

As mentioned in Note 1.2 to the financial statements, on 22 December 2020, the Company submitted the notification on the Resolutions of the Board of Directors' Meeting No. 12/2020 to The Stock Exchange of Thailand related to the cessation of textile operations (spinning and weaving) and the seeking of a new business. Such resolution was acknowledged by the Annual General Meeting of the Company's shareholders on 30 March 2021. The Company has a plan to cease the textile operations (spinning and weaving) within year 2021. This is mainly because if the Company continues to operate in the textile business in the future, this will pose a major risk to the shareholders. In this regard, the Company ceased the textile operations (spinning and weaving) in September 2021. Therefore, the textile operations are classified as a discontinued operation in income statements and statement of comprehensive income.

As at 31 December 2021, the Company classified part of machinery and equipment as assets held for sale because such assets meet the asset classification conditions under Thai Financial Reporting Standards No. 5 regarding Non-current Assets Held for Sale and Discontinued Operations, which were separately presented in statements of financial position and disclosed in Note 14 to the financial statements.

Net cash flow for the year ended 31 December 2021 and 2020 of textile operations are as follows:

	(Unit: Thousand Baht)	
	For the year ended 31 December	
	<u>2021</u>	<u>2020</u>
Net cash flows from operating activities	67,053	177,548
Net cash flows from investing activities	13,262	3,441
Net increase in cash and cash equivalents	<u>80,315</u>	<u>180,989</u>

24. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year (excluding other comprehensive income), after deducting the dividend payable to the preference shareholders, by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings (loss) per share:

	Profit (loss)		Weighted average number of ordinary shares		Basic earnings (loss) per share	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Profit from continuing operations	8,934	9,059				
Less: Dividend of preference shares	<u>(21,000)</u>	<u>(21,000)</u>				
Loss from continuing operations attributable to ordinary shares	(12,066)	(11,941)	45,000	45,000	(0.27)	(0.27)
Profit (loss) from discontinued operations	<u>462</u>	<u>(46,783)</u>	45,000	45,000	0.01	(1.04)
Total loss attributable to ordinary shares	<u>(11,604)</u>	<u>(58,724)</u>			<u>(0.26)</u>	<u>(1.31)</u>

25. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports 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 Company is principally engaged in the manufacture and distribution of textiles. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits or losses and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	<u>2021</u>	<u>2020</u>
Revenue from external customers		
United Kingdom	17	129
Italy	38	132
Thailand	83	64
Others	52	108
Total	<u>190</u>	<u>433</u>

Major customers

For the year 2021, the Company has revenue from three major customers in totaling amount of Baht 149 million (2020: two major customers in totaling amount of Baht 261 million).

The Company ceased such segment in September 2021 and is considering and studying the feasibility of investing in new businesses. However, the Company still has other income from the lease of land and partial factory buildings.

26. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 1 million (2020: Baht 2 million) were recognised as expenses.

27. Commitment and contingent liabilities**27.1 Purchase of raw material commitment**

As at 31 December 2021, the Company had no purchase of raw material commitment.

As at 31 December 2020, the Company had commitment of USD 0.07 million, relating to purchase of raw materials.

27.2 Guarantees

As at 31 December 2021, the Company pledge BOT bond of Baht 7 million with Metropolitan Electricity Authority to guarantee the usage of electricity (2020: 11 million).

As at 31 December 2021, the Company had bank guarantees issued by a bank on behalf of the Company as a security for the purchases and sales of natural gas of Baht 0.07 million (2020: Baht 1.6 million).

**28. Fair value hierarchy**

As at 31 December 2021 and 2020, 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 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity investments	32	584	-	616
Assets for which fair value are disclosed				
Investment properties	-	732	14	746

(Unit: Million Baht)

	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Derivatives				
Foreign currency forward contracts	1	-	-	1
Financial assets measured at FVOCI				
Equity investments	33	568	-	601
Liability measured at fair value				
Derivatives				
Foreign currency forward contracts	2	-	-	2
Assets for which fair value are disclosed				
Investment properties	-	732	14	746

29 Financial instruments**29.1 Derivatives**

As at 31 December 2021, the Company had no derivatives. However, as at 31 December 2020 the Company had derivative assets and liabilities not designated as hedging instruments which were foreign exchange forward contracts amounting to Baht 1.3 million and Baht 1.9 million, respectively.

**Derivatives not designated as hedging instruments**

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 from 6 to 12 months.

29.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, trade and other accounts receivable and investments. 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 and other 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

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. 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. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on 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 foreign 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.

Foreign currency risk

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

As at 31 December 2021 the Company had no foreign currency financial assets. However, as at 31 December 2020, the balances of financial assets denominated in foreign currencies are summarised below.

Foreign currency	Financial assets (Million)	Average exchange rate (Baht per 1 foreign currency unit)
US dollar	0.78	29.7749
Euro	1.18	36.3751

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Company's loss before tax to a reasonably possible change in US dollar and Euro exchange rates, with all other variables held constant. The impact on the Company's loss before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. As at 31 December 2021, the Company had no foreign currency financial assets, so, the Company had not received any impact from foreign currency sensitivity. However, as at 31 December 2020, the impact from foreign currency sensitivity are as below;

Currency	Change in FX rate (%)	Effect on loss before tax increase (decrease) (Thousand Baht)
US dollar	+10	(2,329)
	-10	2,329
Euro	+10	(4,303)
	-10	4,303

This information is not a forecast or prediction of future market conditions and should be used with care.

**Interest rate risk**

The Company's exposure to the low level of interest rate risk. Most of the Company's financial assets bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, 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)

As at 31 December 2021					
	Fixed interest rate within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	-	34	-	34	0.125
Trade and other receivables	-	-	1	1	-
Restricted bond	7	-	-	7	3.625
Other current financial assets	370	-	-	370	0.450 - 0.500
	<u>377</u>	<u>34</u>	<u>1</u>	<u>412</u>	
Financial liabilities					
Trade and other payables	-	-	3	3	-
	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>	

(Unit: Million Baht)

As at 31 December 2020					
	Fixed interest rate within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	-	107	-	107	0.125 - 0.625
Trade and other receivables	-	-	80	80	-
Restricted bond	11	-	-	11	1.620
Other current financial assets	200	-	1	201	0.625
	<u>211</u>	<u>107</u>	<u>81</u>	<u>399</u>	
Financial liabilities					
Trade and other payables	-	-	34	34	-
Derivative liabilities	-	-	2	2	-
	<u>-</u>	<u>-</u>	<u>36</u>	<u>36</u>	

The change in interest rate did not have any significant impacts on the Company's profit (loss) before tax.



29.3 Fair value 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.

30. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, the Company's debt to equity ratio was 0.10:1 (2020: 0.19:1).

31. Approval of financial statements

These financial statements were authorised for issue by the Company's board of directors on 22 February 2022.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
1. Mr. Preecha Shunhavanich - Chairman - Directors who are authorized to sign on behalf of the Company as specified in the certificate - Number of years as a director: 1 year and 7 months. (from 20 May 2020)	64 yr.	<ul style="list-style-type: none"> Master's Degree in Business Administration, National Institute of Development Administration (NIDA) Director Accreditation Program (DAP) Class 62/2007 	-	-	1977 - 1989	Assistant Marketing Manager	Sahapathanapibul Plc.
					1989 - 1995	Deputy Managing Director	PG Intertrade Co., Ltd.
					1995 - 2003	Sales Manager	Osotsapha Co., Ltd.
					2003 - 2004	General Manager	Unilever Bestfoods (Thailand) Co., Ltd.
					2004 - 2007	Director	Union Pioneer Plc.
					2004 - 2007	Director	Union Plastics Plc.
					2004 - 2007	Director	Union Shojirushi Co., Ltd.
					2004 - 2007	Director	Union Thai-Nichiban Co., Ltd.
					2007 - 2008	General manager	Union Energy (Hong Kong) Co., Ltd.
					Feb 2014–12 Jun 2020	Managing Director of Sales and Services Business	Computer Union Co., Ltd.
					2017 - Oct 2019	Director	Union Nakhorn Co., Ltd.
					2017 - 2020	Committee of Trade, Investment Promotion and Business Council	The Federation of Thailand Industries (F.T.I.)
					Jan 2015 – Present	Assistant Director	The Federation of Thai Industries (FTI) Saha Union Plc.
					May 2020 – Present	Chairman	Union Textile Industries Plc.
					2008 – Present	Director	Computer Union Co., Ltd.
					2008 – Present	Director	Computer Union Systems Co., Ltd.
					2013 - present	Director	Soldev Co., Ltd.
					Apr 2014 – Present	Director	Union Stainless Steel Products Co., Ltd.
					2018 - present	Managing Director	Computer Union Systems Co., Ltd.



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					Period	Position	Name of Organization/Company /Business type
					2018 - present	Director, Promotion Division Trade, Investment and Business Council	The Federation of Thai Industries (FTI)
					2018 - present	Director, Promotion and support the industry	The Federation of Thai Industries (FTI)
					2019 - present	Director, Institute of Cooperation Thai-Chinese Industry	The Federation of Thai Industries (FTI)
					2020 - present	Director	The Federation of Thai Industries (FTI)
					2020 - present	Director, Overseas Division	The Federation of Thai Industries (FTI)
					2020 - present	Director, Economic & academic Division	The Federation of Thai Industries (FTI)
					2020 - present	Director, ASEAN Division and logistics	The Federation of Thai Industries (FTI)
					2020 - present	Cooperation committee Thai Economy - Taiwan	The Federation of Thai Industries (FTI) Computer Union Co., Ltd.
					2020 - present	Director, Thai-Chinese Business Council	The Joint Standing Committee on Commerce, Industry and Banking
2. Mr. Polchet Likittanasombat - Independent Director - Chairman of the Audit Committee	54 yr.	● Bachelor of Electrical Engineering King Mongkut's Institute of Technology Ladkrabang	-	-	2003 – 2008 2003 – 2008 2003 – 2008	Director Director Director of Government Policy	Thai Dessert Industry Co., Ltd. Aviation Industry Co., Ltd. Office of Small and Medium Enterprise



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
<p>- Number of years as a director: 8 months (from 1 May 2021) Number of years as an independent director: 8 months (from 1 May 2021)</p> <p>Remark: Replaced Mrs. Oranuj Soongswang, who resigned on 1 May 2021</p>		<ul style="list-style-type: none"> ● Master's degree in Business Administration, Chulalongkorn University ● Director Certification Program (DCP) Class 70/2006 ● Advanced Audit Committee Program (ACP) Class 12/2013 ● Corporate Governance for Capital Market Intermediaries (CGI) Class 2/2015 			<p>2008 – 2009</p> <p>2010</p> <p>2013 – 2015</p> <p>2013 – 2016</p> <p>2014 - 2017</p> <p>2017 – 2018</p> <p>2013 - present</p> <p>2021 – Present</p>	<p>Promotion Division</p> <p>Executive Director / Member of subcommittee for Organizational Development and Assessment</p> <p>Deputy Director / Advisor to Chairman</p> <p>Director</p> <p>Director / Executive Director</p> <p>Director / Executive Director</p> <p>Director / Executive Director</p> <p>Independent Director / Chairman of the Audit Committee / Member of the Corporate Governance Committee / Chairman of the Nomination and Remuneration Committee</p> <p>Independent Director / Chairman of the Audit Committee</p>	<p>Promotion, OSMEP</p> <p>Forest Industry Organization</p> <p>Public Warehouse Organization</p> <p>AAMC Asset Management Co., Ltd.</p> <p>International Research Corporation Plc.</p> <p>AEC Securities Plc.</p> <p>Preecha Group Plc.</p> <p>Siam Wellness Group Plc.</p> <p>Union Textile Industry Plc.</p>
<p>3. Mr. Pitya Mahanond</p> <p>- Independent Director</p> <p>- Audit Committee</p>	65 yr.	<ul style="list-style-type: none"> ● Bachelor's degree (Bachelor of Accounting) Dhurakij Pundit University 	-	-	<p>2012 – 2016</p> <p>2014 - 2016</p>	<p>Domestic industrial thread sales manager</p> <p>Chairman</p>	<p>Venus Thread Co., Ltd.</p> <p>Saha-Union Savings Cooperative Limited</p>



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
<ul style="list-style-type: none"> - Member of the Nomination and Remuneration Committee - Number of years as a director 9 months (from 1 April 2021) - Number of years as an independent director: 9 months (From 1 April 2021) Remark: Replaced Mr. Pilsaspong Subsermsri, who resigned on 1 April 2021		<ul style="list-style-type: none"> ● Director Accreditation Program (DAP) Class 182/2021 			Apr 2021 – Present 2017 - present 2017 - present 2017 - present 2017 - Present	Independent director / Audit Committee / Nomination and Remuneration Committee Advisor & Accounting Service Advisor Advisor Consultant	Union Textile Industry Plc. Bee Journey Life Co., Ltd. Flora Design Co., Ltd. Sanseveria Grower Co., Ltd. Tropical Botanical Co., Ltd.
4. Mr. Preecha Wattanasaranont <ul style="list-style-type: none"> - Independent Director - Audit Committee - Chairman of the Nomination and Remuneration Committee - Number of years as a director: 6 years 7 months (from 20 May 2015) - Number of years as an independent director: 6 years 7 months (from 20 May 2015) 	69 yr.	<ul style="list-style-type: none"> ● Bachelor's Degree, Science in Industrial Education (Mechanical Technology), King Mongkut's Institute of Technology, North Bangkok Campus. ● Director Accreditation Program (DAP) Class 7/2004 ● Advanced Audit Committee Program (AACCP) Class 23/2016 	-	-	1994 – 2012 2000 – Apr 2013 2013 – Apr 2015 May 2015 – Present Jan 2016 – Present Apr 2021 - Present	Managing Director Director Director Independent director Audit Committee Nomination and Remuneration Committee Chairman of the Nomination and Remuneration Committee	Union Pioneer Plc. Union Rubber Product Corporation Co., Ltd. Union Pioneer Plc. Union Textile Industry Plc. Union Textile Industry Plc. Union Textile Industry Plc.
5. Mrs. Srinual Sombatpraiwan <ul style="list-style-type: none"> - Managing Director 	68 yr.	A.D. 1975, Bachelor's Degree in Accounting Thammasat University	800 (0.001%)	-	1977 – Feb 1999	Director Deputy Managing Director	Union Securities Co., Ltd. Business Type Financial Institution



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					Period	Position	Name of Organization/Company /Business type
- Directors who are authorized to sign on behalf of the company specified in the certificate. - Number of years as a director: 9 months (from 1 April 2021) Remark: Replaced Mrs. Pimporn Chotirattanakul, who resigned on 1 April 2021		(Major in Accounting / Minor Economics) ● Oct 1978, Operations in the Stock Exchange, Class 11 ● 25 Jan 1994 – 29 Apr 1994, Executive Development Program (MINI MBA) 123 hours Faculty of Commerce and Accountancy, Thammasat University ● 19 May 1996 – 4 June 1996, Basics of Financial Derivatives by Philippe Carrel, organized by the Association of Securities Companies Training Center in conjunction with the International Finance Institute (Attending the training and passing the test) ● 7 Oct 2003 – 15 Nov 2003, Finance of Executive, Faculty of Commerce and Accountancy, Chulalongkorn University					(Approved by the SEC)
					1995 – 1998	Subcommittee	The Stock Exchange of Thailand (SET)
					1996 – 1999	Director / Honorary Treasurer	Foundation for the Welfare of the Crippled Under the Royal Patronage of HRH the Princess Mother (Type: Charity Organization)
					Feb 1999 - Dec 2000	Internal Audit Office Manager	Saha-Union Plc.
					Jan 2001 - Jan 2004	Assistant Manager of Accounting and Finance	Saha-Union Plc.
					Feb 2004 - Jun 2020	Accounting and Finance Manager	Saha-Union Plc.
					2008-Present	Director	Union Shoes Co., Ltd.
					2008-Present	Director	Venus Shoes Co., Ltd.
					20 Feb 2012 – Present	Director	Computer Union Co., Ltd.
					26 Apr 2018- Present	Director	Union Universe Co., Ltd.
					Oct 2018-Present	Managing Director	Saha-Union Holding Co., Ltd.
					Apr 2021 – Present	Managing Director	Union Textile Industry Plc.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
		<ul style="list-style-type: none"> Mar. 2008 CFO Certification Program Class 8/2008 by Federation of Accounting Professions Other accounting standards courses, training 12 hours per year to develop continual knowledge in accounting (CPD) according to the rules of the Department of Business Development, Ministry of Commerce, and Federation of Accounting Professions 					
<p>6. Mr. Chutindhon Darakananda</p> <p>- Director</p> <p>- Directors who are authorized to sign on behalf of the company as specified in the certificate</p> <p>- Number of years as a director: 8 years 11 months (from 19 February 2013)</p>	62 yr.	<ul style="list-style-type: none"> Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University Bachelor's Degree in Engineering, Industrial, Stanford University, USA Director Accreditation Program (DAP) Class 17/2004 	380,500 (0.634%)	-	<p>Dec 1990 – 2006</p> <p>1992 – Feb. 2017</p> <p>1993 – 2007</p> <p>1993 – 2007</p> <p>2001 - Mar 2009</p> <p>2002 – Jan. 2018</p> <p>2002 – Jan. 2018</p> <p>2007 - 2012</p>	<p>Director</p> <p>Vice-Chairman</p> <p>Director</p> <p>Director</p> <p>Director</p> <p>Vice-Chairman / Managing Director</p> <p>Vice-Chairman / Managing Director</p> <p>Director</p> <p>Vice-Chairman of the Board</p> <p>business in China</p>	<p>Saha-Union Plc.</p> <p>Venus Thread Co., Ltd.</p> <p>Union Textile Industry Plc.</p> <p>Union Pioneer Plc.</p> <p>Union Energy (China) Co., Ltd.</p> <p>Union Tread Industries Co., Ltd.</p> <p>Union Industries Co., Ltd.</p> <p>Saha-Union Plc.</p>



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
					May 2014 – Feb. 2017	Director	The Royal Hotel Co., Ltd.
					Mar 2017 – Feb 2018	Vice-Chairman	The Royal Hotel Co., Ltd.
					24 Jan 2019 – 23 Jan 2020	Managing Director	The Royal Hotel Co., Ltd.
					2013 - present	Vice-Chairman	Saha-Union Plc.
					Feb 2013 – present	Director	Union Textile Industry Plc.
					May 2017 – Present	Director	Union Pioneer Plc.
					2013 - present	Director	Union Garment Co., Ltd.
					2013 - present	Director	Union Micronclean Co., Ltd.
					Nov 2015 - Present	Director	Union Zojirushi Co., Ltd.
					Mar. 2017 - Present	Director	Venus Thread Co., Ltd.
					May 2017 - Present	Director	Union Nifco Co., Ltd.
					Feb. 2018 - Present	Chairman	Union Spinning Mill Co., Ltd.
					Feb. 2018 - Present	Chairman / Managing Director	Union Business Management Co., Ltd.
					Feb. 2018 - Present	Chairman / Managing Director	Union Thread Industries Co., Ltd.
					Feb. 2018 - Present	Chairman / Managing Director	Union Industrial Corp., Ltd.
					Mar. 2018 - Present	Chairman	The Royal Hotel Co., Ltd.
					Nov 2018 – Present	Chairman	Saha-Union Holding Co., Ltd.
					Present	Chairman, Vice President	Other Companies in Saha-Union group



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
					Apr 2017 - Present Dec. 2017 - Present	Director, Managing Director and Director Director Director	Sukhumvit 62 Medical Limited Navavej International Hospital Plc.
7. Mrs. Chantorntree Darakananda - Director - Member of the Nomination and Remuneration Committee - Directors who are authorized to sign on behalf of the company, specified in the certificate -Number of years as a director: 7 years (from 1 January 2015)	58 yr.	<ul style="list-style-type: none"> ● Doctor of Medicine, Chulalongkorn University ● Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University ● Director Accreditation Program (DAP) Class 5/2003 	215,200 (0.359%)	-	1990 – Feb. 2017 1994 – 2008 2002 – 2008 2002 – 2008 2002 – 2009 2002 – 2014 2009 – Mar 2017 2009 – Mar 2017 2013 – Sep 2014 Sep 2014 – 2016 Jun 2014 – Present Jan 2015 – Present May 2015 – Present Apr 2015 – Present 2017 - present Apr 2015 – Present Apr 2015 – Present Apr 2015 – Present	Director Deputy Managing Director Deputy Managing Director Director Director Director Deputy Managing Director Deputy Managing Director Director Deputy Director Director Director Nomination and Remuneration Director Director President Director Director Director	Ladprao Hospital Plc. Union Industrial Corp., Ltd. \ Union Thread Industrial Co., Ltd. \ Saha-Union Plc. Union Textile Industry Plc. Pro-Lab Co., Ltd. Venus Thread Co., Ltd. Union Zip Co., Ltd. Saha-Union Plc. Saha-Union Plc. Union Plastics Plc. Union Textile Industry Plc. Union Textile Industry Plc. Union Pioneer Plc. Saha-Union Plc. Computer Union Co., Ltd. Union Zojirushi Co., Ltd. Union Nifco Co., Ltd.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
					Apr 2015 – Present Apr 2015 – Present Apr 2015 – Present Mar 2016 – Present Mar. 2017 – Present Present Aug 2015-Present Dec 2017-Present	Director Director Director Director Director Director Director Director	Union Rubber Product Corp., Ltd. Thai Rubber Enterprise Co., Ltd. Union Stainless Steel Products Co., Ltd. Union Thai-Nichiban Co., Ltd. Union Zip Co., Ltd. Other Companies in Saha-Union Group Sukhumvit 62 Medical Limited Navavej International Hospital Plc.
8. Mrs. Saranya Darakananda - Director - Directors who are authorized to sign on behalf of the company as specified in the certificate - Number of years as a director: 6 years (from 1 January 2016)	46 yr.	<ul style="list-style-type: none"> ● Master's Degree in, M.Sc. International Relations, LSE, University of London ● Bachelor's Degree in Political Science, Major International Relations Thammasat University ● Director Accreditation Program (DAP) Class 126/2016 	-	-	Sep 2001 – Jun 2004 Jul 2004 – Jun 2006 Jul 2006 – Dec 2016 Feb 2017 – Present Jan 2016 – Present Apr 2017 – Present Apr 2018 – Present Apr 2018 – Present Jan 2019 – Present Mar 2020 – Present Mar 2020 - Present	Second Secretary Consul Export Director Project manager Director Director Director Director Director Director Director	Ministry of Foreign Affairs, Thailand Royal Thai Consulate-General, Ho Chi Minh City, Vietnam Bangkok Cycle Industrial Co., Ltd. Union Zojirushi Company Limited Union Textile Industry Plc. Union Construction Corp., Ltd. Venus Products Co., Ltd. Union Resources Holdings Co., Ltd. Water and Mountain Co., Ltd. Union Union Zojirushi Co., Ltd. Union Stainless Steel Products Co., Ltd.
9.Mr. Supakit Paungbua - Director	61 yr.	<ul style="list-style-type: none"> ● Master's Degree in Business Administration (M.B.A) at National 	-	-	1983 – 1991 1991 – 1993	Teacher at Bangkok School of Technology Head of Education Promotion	Private Education Commission The Bangkok Technology College



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
- Directors who have the authority to sign on behalf of the company as specified in the certificate - Number of years as a director: 1 year (from 1 January 2021)		Institute of Development Administration (NIDA) <ul style="list-style-type: none"> Bachelor of Industrial in Technical Education, Technology and Vocational Education Collage (Thewet Campus) Bachelor of Education Program (Educational Administration) at Chandrakasem Teacher Collage Director Accreditation Program (DAP) Class 148/2018 			1993 1993 – 2006 Dec 2006 – Feb 2007 Feb 2007 – Feb 2011 Jul 2007 – Sep 2007 Oct. 2007 – Dec. 2020 Jan 2018 - present 13 Mar 2020 - present 17 Sep 2020 - present Jan 2021 - present	Product Division Manager Product Department Manager Deputy Managing Director Managing Director Deputy Managing Director Managing Director Director Director Director Director	Union Nifco Co., Ltd. Union Zojirushi Co., Ltd. Union Stainless Steel Products Co., Ltd. Union Stainless Steel Products Co., Ltd. Union Nifco Co., Ltd. Union Nifco Co., Ltd. Saha-Union Plc. Union Rubber Products Corp., Ltd. The Royal Hotel Co., Ltd. Union Textile Industry Plc.
10. Mrs. Chadaporn Jeamsakulthip - Company secretary - Number of years as company secretary: 13 years	59 yr.	<ul style="list-style-type: none"> Bachelor’s degree in Business Administration (Management), Sukhothai Thammathirat Open University Certificate in Business Administration (Accounting), Vocational College, Bangkok Technical Campus, (Current Named Rajamangala University of Technology Krungthep (RMUTK)), Bangkok 	-	-	Jul 2008 – 2013 Jan 2009 – present Jan 2014 – Present Jan 2016 – Present Jan 2016 – Present	Assistant Company Secretary Company secretary Company secretary Company secretary Company secretary	Saha-Union Plc. Union Textile Industry Plc. Saha-Union Plc. Union Plastics Plc. Union Pioneer Plc.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
		<ul style="list-style-type: none"> ● CGR Workshop 2019 “Enhancing Good Corporate Governance based on CGR Scorecard”, Thai Institute of Directors (IOD) ● Company Secretary Program (CSP) Class 27/2008, Thai Institute of Directors (IOD) ● Effective Minute Taking (EMT) Class 11/2008, Thai Institute of Directors (IOD) ● Fundamental Practice for Corporate Secretary (FPCS 28), Thai Listed Companies Association ● Smart Disclosure Program (SDP), The Stock Exchange of Thailand ● CSR for Corporate Sustainability (Preliminary Course) (P01) ● CSR Reporting ● Sustainability Risk and Materiality Analysis (S04) ● CSR Evaluation and Data Management (S05) 					



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
		<ul style="list-style-type: none"> ● Sustainability Reporting (SO6) SR Center and Sustainable Business Development Institute, The Stock Exchange of Thailand ● Customs Professional Program, The Customs Department 					
11. Miss Ruangdao Supachorncharan - Deputy Managing Director	41 yr.	<ul style="list-style-type: none"> ● Master's degree in Management, Strategic Management, College of management, Mahidol University ● Bachelor's degree in Accounting, Thammasat University ● Accounting standards courses and other 40 hours of training per year to develop continual knowledge of accounting and auditing (CPD) under the Federation of Accounting Professions ● Course "Preparing for Changes in Financial Reporting Standards Regarding Financial Instruments Organized by the Stock Exchange of Thailand (June 2018) 	-	-	2002 - Mar 2018	Senior manager Audit Department	EY Office Co., Ltd.
					May 2018 - Jun 2020	Deputy Accounting	Saha-Union Plc.
					Jul 2020 – Present	Manager Accounting and Finance Manager	Saha-Union Plc.
					Jun 2020 - Present	Director	The Royal Hotel Co., Ltd.
					30 Mar 2021 - Present	Deputy Managing Director	Union Textile Industry Plc.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
		<ul style="list-style-type: none"> The course on “Financial Reporting Standards on Income from Contracts with Customers (TERS 15) and Financial Reporting Standards Regarding Lease Agreements (TERS 16)”, organized by the Stock Exchange of Thailand (Feb. 2019). E-Learning CFO's Orientation Course (Aug. 20) Training on the Smart Disclosure Program (SDP), The Stock Exchange of Thailand. 					
12. Mr. Danai Chaitaneeyachat - Assistant Managing Director	50 yr.	<ul style="list-style-type: none"> Master's degree in Business Administration, Ramkhamhaeng University Master's degree in Business Economics, National Institute of Development Administration (NIDA) Bachelor's degree in Mechanical Engineering, Kasetsart University 	73,000 (0.121)	-	1996 – 2004	Engineer/ After Sales Service Division	Toyota Motor Thailand Co., Ltd.
					2004 – 2006	Chief Engineer/ Customer Quality Engineering Division	Toyota Motor Asia Pacific Co., Ltd.
					2006 – 2013	Assistant Manager/After Sales Service	Toyota Motor Thailand Co., Ltd.
					2013 – 2015	Assistant General Manager/After Sales Service	Nissan Motor (Thailand) Co., Ltd.
					2021 - present	Assistant Managing Director	Union Textile Industry Plc.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
		<ul style="list-style-type: none"> Diploma in Maintenance Technician/Aircraft, Civil Aviation Institute 					
13. Mrs. Pimporn Chotirattanakul - Spinning Mill Department Senior Manager	71 yr.	<ul style="list-style-type: none"> Master's degree in General Management, College of Management, Mahidol University Director Accreditation Program (DAP) Class 5/2003 	-	-	1987 – 2011 1994 – 2010 2004 – 2011 2005-2010 2007 – Dec 2014 Jan 2014- Dec 2014 Nov 2014- May 2016 Jun 2016- Apr 2017 Jan 2015- Mar 2021 Apr 2014-Present Apr 2014-Present Jan 2015-Present May 2017-Present	Director Director Director Director Managing Director Director Director Director / Acting Managing Director Managing Director Director Director Director / Acting Managing Director Director	Uni Fiber Co., Ltd. Union Universe Company Limited Union Micron Clean Co., Ltd. Union Tech East Company Limited Union Garment Company Limited Union Textile Industry Plc. Union Micron Clean Company Limited Union Micron Clean Co., Ltd. Union Textile Industry Plc. Alsico Asia Pacific Company Limited Union Universe Co., Ltd. Union Garment Company Limited Union Micron Clean Co., Ltd.



Attachment 1: Details of Directors, Executives, Persons with Power of Control, and Company Secretary as of December 31, 2021

Name-surname/ Position / Appointment Date (1)	Age (year)	Educational qualifications/Training history (2)	Shareholding in the Company (%) (3)	Family relationship between directors and management (4)	Work experience (5)		
					Period	Position	Name of Organization/Company /Business type
14. Ms. Prayoon Sripraram - Accounting and Finance Department Manager	59 yr.	● Bachelor's degree, Faculty of Business Administration (Accounting), Ramkhamhaeng University	-	-	2005 – 2008 2009 – 2011 2012 - present	Account Manager Account Manager Finance and Accounting Manager	Union Textile Industry Plc. Union Textile Industry Plc. Union Textile Industry Plc.
15. Mr. Weeratham Poochinya - Marketing Department Manager	66 yr.	● Bachelor's degree in Economics, Kasetsart University	-	-	2005 – 2007 2008 – 2011 2012 - present	Assistant sales manager Sales Manager 1 Sales and Marketing Manager	Union Textile Industry Plc. Union Textile Industry Plc. Union Textile Industry Plc.
16. Mr. Warong Vilaihong - Administrative Department Manager	56 yr.	● Bachelor of Laws, Thammasat University	-	-	2003 - 2007 2008 – 2017 2018 - present	Purchasing Manager Administrative Manager Administrative Manager	Union Textile Industry Plc. Union Garment Co., Ltd. Union Textile Industry Plc.



Attachment 2 Details of directorship positions in associated companies, related companies as of December 31, 2021

Company List	Public company Limited						
Name	UT	UNF	UBM	MRC	UG	SUC	USM
1. Mr. Preecha Shunhavanich	Chairman					Ø/	
2. Mr. Polchet Likittanasombat ⁽¹⁾	Independent Director						
Mrs. Oranuj Soongswang	Independent Director						
3. Mr. Pitya Mahanond ⁽²⁾	Independent Director						
Mr. Pilaspong Subsermsri	Independent Director						
4. Mr. Preecha Wattanasaranont	Independent Director						
5. Mrs. Srinual Sombatpraiwan ⁽³⁾	Managing Director						
Mrs. Pimporn Chotirattanakul,	Managing Director			/	O/		
6. Mr. Chutindhon Darakananda	Director	X and O	X and O	/	/	X/	X
7. Mr. Supakit Paungbua	Director					/	
8. Mrs. Chantornree Darakananda	Director	/		/	/	Ø	
9. Mrs. Saranya Darakananda	Director						

Remark:

X = Chairman

X/ = Vice Chairman

/ = Director

Ø = President

O = Managing Director

Ø/= Vice President

O/ = Acting Managing Director

Plc.

- UT : Union Textile Industries Plc.

Related companies		
• UNF : Uni Fiber Co., Ltd.	• SUC : Saha-Union Plc.	• UBM : Union Business Management Co., Ltd.
• MRC : Union-Micronclean Co., Ltd.	• UG : Union Garment Co., Ltd.	• USM : Union Spinning Mill Co., Ltd.

Remark:

- (1) Mr. Polchet Likittanasombat, appointed as an Independent Director, replacing Mrs. Oranuj Soongswang, who resigned, effective from May 1, 2021.
- (2) Mr. Pitya Mahanond, appointed as an Independent Director, replacing Mr. Pilaspong Subsermsri, effective from April 1, 2021.
- (3) Mrs. Srinual Sombatpraiwan appointed as a Managing Director, replacing Mrs. Pimporn Chotirattanakul, effective April 1, 2021.



Attachment 3 Details about the Head of Internal Audit and the Head of Compliance Officer of the Company (compliance)**Head of Internal Audit****Name- Surname:** Ms. Wanida Chokmoh**Position:** Head of internal audit section**Age:** 45 years**Shareholding proportion in the company :** None**Family relationship between directors and management:** None**Education:**

- Bachelor's degree in Management, Suan Dusit Rajabhat Institute

Training:

1. ISO 9001:2015 Document Preparation Techniques for Standardization
2. ISO 9001:2015 Interpretation of Terms
3. ISO 9001:2008 Advance Audit Techniques Training Course
4. ISO 9001:2008 Internal Auditor Training Course
5. Prevention of corruption in the organization
6. Internal Auditing and Report Writing Techniques
7. Risk Assessment
8. Techniques for writing internal audit reports
9. Internal Auditing in Information Systems
10. Risk assessment methods for internal audit planning

Experience and current position:

- | | | | |
|---|--------------------|-------------------------------|-----------------------------|
| - | 2000 – 2008 | Internal audit officer | Union Textile Industry Plc. |
| - | 2009 – 2010 | Marketing Officer | ACT Thailand Co., Ltd. |
| - | 2010 – May 2017 | Internal Audit Officer | Union Textile Industry Plc. |
| - | Jun 2017 - Present | Head of Internal Audit Office | Union Textile Industry Plc. |



Attachment 3 Details about the Head of Internal Audit and the Head of Compliance Officer of the Company (compliance)**The assigned person with the highest responsibility in the accounting field and direct responsibility for supervising accounting:****Name-surname:** Ms. Prayoon Sripraram**Position:** Accounting and Finance Department Manager**Age:** 59 years**Date of appointment:** February 1, 2010**Shareholding proportion in the company :** None**Family relationship between directors and management:** None**Education:**

- Bachelor's degree, Faculty of Business Administration (Accounting), Ramkhamhaeng University

Training:

1. Techniques for analysis and risk management of investment projects to create sustainable business value added , organized by the Stock Exchange of Thailand
2. Insight Financial Management to empower businesses through managing finances professionally, organized by the Stock Exchange of Thailand
3. Financial Statements and Financial Statement Analysis (19 Aug. – 2 Sept. 2000) , organized by Faculty of Commerce and Accountancy Chulalongkorn University
4. Other accounting standards courses, training 12 hours per year to develop continual accounting knowledge (CPD) according to the rules of the Department of Business Development, Ministry of Commerce, and Federation of Accounting Professions

Experience and current position:

- | | | | |
|---|----------------|--------------------------------|-----------------------------|
| - | 1990 - 1994 | Accounting Clerk | Union Textile Industry Plc. |
| - | 1995 - 2001 | Head of Accounting Division | Union Textile Industry Plc. |
| - | 2002 - 2011 | Account Manager | Union Textile Industry Plc. |
| - | 2012 – Present | Accounting and Finance Manager | Union Textile Industry Plc. |



Attachment 4: Assets used in business and details of property appraisal items

Assets used in business

Main Fixed Assets

Important assets of the Company as of December 31, 2021

<u>Property Type/Characteristics</u>	<u>Proprietary Nature</u>	<u>Net book value</u> <u>(million baht)</u>	<u>Obligation</u>
1. 3 plots of land, located at 205 Moo 4, Sukhumvit Road, Km. 39.5, Bang Pu Mai Subdistrict, Mueang District, Samut Prakan Province, total area 218 rai - Ngan 33 square wa.	own	70.937	none
2. 4 plots of land, located at 65 Bangna-Trad Rd. K.M. 38, Bang Samak Subdistrict, Bang Pakong District, Chachoengsao Province, total area 84 rai 2 ngan 95 square wa.	own	5.787	none
3. Buildings and structures	own	3.548	none
4. Machinery, equipment, etc.	own	26.119	none

Remark:

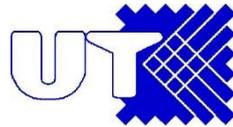
1. Property value according to item 1 includes the part classified as investment property of 41.065 million baht.
2. The asset value under item 2 is classified as an investment property with a net book value of 5.787 million baht.

As of December 31, 2021, the fair value of investment properties amounted to approximately 732 million baht, estimated by an independent appraiser using the market price criteria and the Income Approach for factory buildings for rent, valued at 14 million baht.

During the fiscal year 2021, the Company has changed its nature of business by terminating its textile business and remaining a capital investment and real estate rental business. Currently, searching for new businesses is not clear and concrete; it takes a considerable amount of time.



Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details



Union Textile Industries Public Company Limited

Guidelines for Good Corporate Governance and
Business Ethics



Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details

Introduction

Union Textile Industries Public Company Limited, by the Company's Board of Directors (The Board of Directors), is aware of the importance of the principles of good corporate governance, which demonstrate a system which provides a structure and process of relationships among the Board of Directors, management and shareholders. This will result in an efficient, transparent and auditable management system, thus building trust and confidence for shareholders and other stakeholders. Therefore, good corporate governance is a tool that adds value and promote sustainable growth to the Company.

The Guidelines for Good Corporate Governance and Business Ethics is the revised version of the previous Guidelines (in Part 2: Corporate Governance), which aims to be in accordance with the Good Governance Code for Listed Companies 2017 (CG Code), which has been applied in line with the context of the Company's business. They have been considered and reviewed by the Board of Directors.

The Board of Directors expects the Company's directors, management and employees to be informed about, study, understand and apply the Guidelines. In the case of doubt, they should consult their immediate supervisor.

The Guidelines for Good Corporate Governance and Business Ethics will be reviewed by the Board of Directors in an appropriate time to keep them updated and are in line with changing circumstances.

Board of Directors

Union Textile Industries Public Company Limited

Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details

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Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details**Part 1: Organizational Context**

Union Textile Industries Public Company (the Company) operates textile business through the process of yarn spinning and fabric weaving. Its main product is made-to-order fabrics, including cotton fabrics, poly-cotton fabrics and other synthetic fiber fabrics with specific properties as main raw materials for the production of workwear in general and fabrics used in other industries

Definitions

Corporate governance	: System which provides a structure and process of relationships among the Board of Directors, management and shareholders to build competitiveness, lead to growth, and add value to shareholders in the long run, whereby other stakeholders are taken into account.
Ethics	: Preferred conducts and precautions for concrete and continuous fulfillment of responsibilities which become good corporate culture.
Company	: Union Textile Industries Public Company Limited
Stakeholders	: Stakeholders, employees, customers, partners and trade payables, competitors, as well as society, community and the environment which are affected or may be affected by the Company's operation.
Vision	: Aspirations which the Company wishes to achieve in the future.
Missions	: Key tasks which demonstrate the Company's commitments and reflect the scope of its operations.
Values	: Principles and behaviors which reflect and strengthen the culture which the Company expects all employees to follow, guide their decision-making, and help the Company to achieve its missions and visions with appropriate methods.
Corruption	: An offer or a promise to give money, property or any other benefit which is inappropriate to government officials or public or private entities, directly or indirectly, except for when this is allowed by laws, regulations, notifications, regulations, local customs or traditions, or commercial practices.

Visions

- The Company's vision during its textile business operation:

"A textile company that gains trust in terms of quality and delivery, has good management, and is able to operate its business to receive satisfactory, stable and sustainable returns."

- After the Company stopped its textile business operation, it revised its vision in line with changing circumstances. Its new vision is:

"Manage the Company's assets to create added value for the economy, society, community and the environment under the principles of good corporate governance."

Missions

- The Company's missions during its textile business operation:

- Operate textile business to achieve a satisfactory return and increase revenue from existing resources.



Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details

- Establish positive relationships with its stakeholder for mutual benefits.
 - Pay attention to, be honest to, be responsible for, and best respond to, customer needs and keep its customers' business secrets.
 - Create customer relationships and customer satisfaction.
 - Treat its employees equally and fairly, provide appropriate compensations, and support training and capacity building for its employees on a continuous basis.
 - Be committed to doing business with social responsibility by not being involved in human right violation, protecting the environment against potential impacts of its business operations under international standards and government rules and regulations, and participating in community and social activities.
- After the Company stopped its textile business operation, it revised its missions in line with changing circumstances. Its new vision is:
- Adhere to the core values of the Company, "Integrity Quality Services".
 - Create economic benefits on existing assets.
 - Find new business that provide suitable return on investment.
 - Adhere to corporate good government principle.

Values

- Integrity
 - : Love and respect ourselves, family and society.
 - : Do the right things.
 - : Be open-minded to accept the opinions of others.
- Quality
 - : Pay attention to details of customers' expectations.
 - : Participate in brainstorming and doing to achieve the goal.
 - : Keep continuous learning and self-development.
- Services
 - : Always think of value for money.
 - : Change is an opportunity.
 - : Enhance the Company's competitiveness continuously.

Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details**Part 2: Corporate Governance****Corporate Governance Policy**

The Company's Board of Directors has recognized the importance of good corporate governance, with determination to develop the Company and encourage it to become an organization with efficient management and business ethics which can generate interest for its shareholders and other stakeholders. To promote the application of the Good Governance Code for Listed Companies 2017, which were formulated by the Securities and Exchange Commission to the Company's business operation, the Corporate Governance Policy has been formulated and reviewed. Its revised version is as follows:

Principle 1: Recognize the Board of Directors' roles and responsibilities as leadership for sustainable value creation.

Principle 2: Define key objectives and goals of sustainable business

Principle 3: Strengthen board effectiveness

Principle 4: Recruit and develop top management and people management

Principle 5: Promote innovation and responsible business

Principle 6: Ensure suitable risk management and internal control systems.

Principle 7: Maintain financial credibility and disclosures

Principle 8: Support engagement and communication with shareholders

Communication must be in place to ensure the policy implementation. Actual practices must be monitored, evaluated and reviewed when the Company's business circumstances change significantly.

Practices under the Corporate Governance Policy

In order to achieve expected outcomes in the Corporate Governance Policy, the following practices in line with the context of the Company's business operations have been formulated.

Principle 1 Recognize the Board of Directors' roles and responsibilities as leadership for sustainable value creation.

1.1 The Board of Directors understands its roles and recognizes its responsibility as leadership overseeing the Company to ensure its good management, which covers:

- (1) Define objectives and goals of the Company's business operation.
- (2) Formulate operational strategies and policies and allocate key resources to achieve the objectives and goals.
- (3) Carry out monitoring and evaluation and oversee performance reporting.

1.2 The Board of Directors conducts oversight to achieve at least the following outcomes:

- (1) Competitiveness and good performance with consideration of long-term impacts.
- (2) Ethical business operation, respect for shareholder rights, and responsibility to shareholders and other stakeholders.
- (3) Benefits for society, environmental development, and mitigation of negative environmental impacts.
- (4) Adaptation to factors of change.

Practices

1.2.1 Take into account ethics and environmental and social impacts in addition to financial performance.

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- 1.2.2 Be an exemplar of corporate governance leadership.
 - 1.2.3 Put the good corporate governance policy and business ethics in place.
 - 1.2.4 Ensure communication to allow the directors, management and employees to establish a correct understanding, ensure adequate mechanisms that are conducive to the policy implementation, monitor implementation results, as well as review the policy and its complementation on a regular basis.
- 1.3 The Board of Directors is responsible for ensuring that all directors and management perform their duties in a responsible, prudent and honest manner and ensure that the Company's operations comply with laws, regulations and resolutions passed by the shareholders' meetings.

Practices

- 1.3.1 Perform duties in a responsible, prudent and honest manner in compliance with relevant laws, rules and regulations, such as the Securities and Exchange Act, B.E. 2535 (1992), Code, Sections 89/7, 89/8, 89/9 and 89/10.
 - 1.3.2 Ensure that the Company has adequate systems or mechanisms to ensure that its operations comply with laws, regulations, resolutions passed by the shareholders' meetings, policies and guidelines and ensure that the process of approving key decisions in place (e.g. Investments, transactions having a material effect on its business, transactions with connected persons, acquisition/disposition of assets, and dividend payment) as prescribed by law.
- 1.4 The Board of Directors understands the scope of duties and responsibilities of directors, clearly define the scope of assignment of duties and responsibilities to the CEO and management, and ensure that the CEO and management fulfill duties assigned to them.

Practices

- 1.4.1 Define the roles, duties and responsibilities of the Board of Directors.
 - (1) Define the Company's direction, goals and business policies.
 - (2) Consider and approve key matters on the Company's operations, such as visions and missions, strategies, financial targets, risks, and annual plans and budgets proposed by the CEO, and ensure that the management comply with the developed policies and plans in an effective and efficient manner.
 - (3) Provide a written corporate governance policy and ensure review of the policy and policy implementation at least once a year.
 - (4) Promote the formulation of business ethics in writing to allow all directors, management and employees to understand the ethical standards applied by the Company to conduct its business and monitor their compliance seriously.
 - (5) Ensure compliance with requirements in matters that that may involve conflicts of interest, with careful consideration; provide guidelines for considering connected transactions which are clear and ensure interests of the Company and its shareholders, with no directors who are stakeholders involved in decision-making about the matters; and disclose accurate and complete information.
 - (6) Establish an internal control system, assign independent individuals or entities to audit the internal control system, and ensure review of key systems at least once a year, with details to be disclosed in the Company's annual report.
 - (7) Establish a risk management policy for the entire organization, ensure the management's proper risk management and regular reporting, and provide system review or risk management effectiveness assessment at least once a year or when the levels of risks change, with details to be disclosed in the Company's annual report.
 - (8) Ensure that the Company' correctly and fully disclosed accounts and financial reports.

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- (9) Perform duties in accordance with law, objectives, regulations and resolutions passed by the shareholders' meetings – Directors may assign one or more directors or other persons to take an action on behalf of them.

1.4.2 Formulate policies and supervise the management's actions.

Principle 2 Define key objectives and goals of sustainable business

2.1 The Board of Directors ensure that the Company's key objectives and goals allows for sustainability and are in line with creation of value for its business, customers, stakeholders and society as a whole.

Practices

2.1.1 Oversee the formulation of values, visions, missions, strategies, goals and guidelines for business operation and ensure that they are reviewed and communicated to all directors, management and employees.

2.1.2 Ensure the consideration of:

- (1) The environment and change in factors and proper adoption of innovation and technology.
- (2) Customer and stakeholder needs.
- (3) Preparedness, expertise, and competitiveness of the Company.

2.2 The Board of Directors ensures that the formulation of the Company's objectives, goals, and strategies in the medium term and/or on an annual basis are in line with the achievement of its key objectives and goals.

Practices

2.2.1 Ensure that the Company's annual strategies and plans are in line with its main objectives and goals, while taking into account the its existing current circumstantial factors, opportunities and acceptable risks; and encourage the formulation or review of objectives and goals.

2.2.2 Ensure mechanisms which provide a true understanding about stakeholder needs.

- (1) Specify methods, processes, and channels of participation/communication between stakeholders and the Company to allow the Company to access and receive information about actual issues or needs of respective groups of stakeholders as much as possible.
- (2) Identify issues and expectations of stakeholders to analyze and classify them according to their significance and potential impacts on both the Company and its stakeholders and select key matters which will create value for stakeholders to realize.

2.2.3 Encourage communication of the Company's objectives and goals through strategies and plans across the Company.

2.2.4 Ensure proper resources allocation and supervision and monitor the implementation of annual strategies and plans.

Principle 3 Strengthen board effectiveness

3.1 The Board of Directors is responsible for defining and reviewing the board structure, in terms of its size and composition and the proportion of independent directors required for leading the organization to achieve its intended objectives and goals.

Practices

3.1.1 The Board of Directors is composed of at least five directors, in accordance with the Company's regulations. At least one-third of the directors are independent directors (but with no less than three directors).

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- 3.1.2 Directors have a wide range of qualifications in terms of knowledge, abilities, skills, experience and expertise which are necessary and suitable for the Company's nature of business and possess no prohibited characteristics provided by the public limited company law.
- 3.1.3 Independent directors have qualifications which meet the criteria defined by the Securities and Exchange Commission and the Stock Exchange of Thailand and have no interest in the Company or legal entities that may have such conflict of interest. Independent directors can work with all the directors in an efficient manner and can express their opinions independently.
- 3.1.4 Appoint the Audit Committee, composed of at least three independent directors – Its Chairman shall have good knowledge about, and experience in, reviewing financial statements. Members of the Audit Committee have a term of three years at a time, and any members who retire by rotation can be re-appointed.
- 3.1.5 Appoint the Nomination and Remuneration Committee, with an independent director serving as its chairman. At least two-thirds of members of the Nomination and Remuneration Committee are independent directors.
- 3.1.6 Disclose details of the directors, such as age, gender, educational background, experience, shareholding, number of years in office as a director, and directorship in other listed companies in the Company's Annual Report and on its website.
- 3.2 The Board of Directors appoints a director who is not an executive director or the same person as the CEO to serve as the Board Chairman and ensures that the composition and actions taken by the Board are conducive to exercising discretion to make decisions independently.

Practices

- 3.2.1 The Chairman of the Board of Directors performs his/her duties while exercising his/her discretion to make decisions independently.
- 3.2.2 The Chairman of the Board of Directors plays a leadership role in the Board. His/her duties at least include the followings:
- (1) Ensure that the Board of Directors performs their duties within the scope of authority and responsibility of the Board of Directors provided by law and the Company's regulations and policies in an effective and effective manner with the aim to achieve the Company's main objectives and goals.
 - (2) Ensure that all directors are involved in promoting an ethical corporate culture and good corporate governance.
 - (3) Call board meetings, with meeting invites and documents sent at least seven days before the meetings (The Chairman can assign another person to do so).
 - (4) Set the agenda for the Board of Directors' meetings in consultation with the CEO and provide a measure for ensuring that key matters are included in the meeting agenda – Directors/Independent directors are free to propose matters to be included in the meeting agenda.
 - (5) Supervise the meetings to ensure that they comply with the company regulations and laws and follow the meeting agenda, allocate a sufficient amount of time for the management to propose matters and for all directors to express their opinions fully and independently and exercise their discretion to make decisions carefully, limit issues in discussion, and finalize meeting resolutions.
 - (6) Strengthen positive relationships between executive directors and non-executive directors and between the directors and the management and support management's responsibility fulfillment in accordance with the Company's policies.
 - (7) Chair the shareholders' meetings, ensure that the meetings comply with the Company's regulations, laws, and rules; conduct the meetings by following the agenda items specified in the meeting invites; allocate proper amounts of time to individual agenda items; provide shareholders with the opportunity to ask questions or express their opinions on equal basis; and ensure appropriate and transparent responses to questions from the shareholders.

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3.3 The Nomination and Remuneration Committee is responsible for nominating and selecting directors and put the process in place. Members of the Nomination and Remuneration Committee have qualifications that meet specified elements.

Practices

3.3.1 The Chairman of the Nomination and Remuneration Committee is an independent director. Two-thirds of the committee members are independent directors.

3.3.2 Set criteria and methods for director nomination.

3.3.3 Nominate and select persons who have qualifications as provided by the Company's regulations, the Public Limited Company Act, the Securities and Exchange Act, and the criteria set by the Company; and propose the persons to the Board of Directors.

3.3.4 The Board of Directors considers proposing that the shareholders' meeting vote for director election. Shareholders will receive sufficient information about the nominated persons to support their decision-making.

3.3.5 In the case when the Nomination and Remuneration Committee nominates the directors who will retire by rotation to be re-elected for another term, they will take into account their past performance.

3.4 To propose remuneration for the Board of the Directors to the shareholders to approve, the Nomination and Remuneration Committee considers the remuneration structure and rates that are proportionate to their responsibility and can incentivize them to lead the organization to pursue both short- and long-term goals.

Practices

3.4.1 Define the guidelines and forms of remuneration for the directors by comparing with those from other listed companies of similar sizes and taking into account their responsibilities, the level of their responsibility, the Company's performance, and current economic conditions – The remuneration will be reviewed annually.

3.4.2 The Board of Directors proposes director remuneration to the shareholders' meeting to vote. Shareholders will be informed of the remuneration rate for directors in the year before to support their consideration.

3.4.3 Disclose the forms and amount of remuneration for the Board of Directors and committees on an individual basis in the 56-1 One Report and the Annual Report.

3.5 The Board of Directors ensures that all directors are responsible and allocate sufficient time for the fulfillment of their duties. Practices

3.5.1 Assign the Company's secretary to provide advice on laws and regulations that should be known by directors, arrange board meeting documents, other important documents, and activities of directors, and carry out coordination work to ensure compliance with the Board's resolutions.

3.5.2 Disclose other positions held by the directors in the Annual Report.

3.5.3 Provide a video conference system to facilitate directors' meeting attendance.

3.6 The Board of Directors arranges annual performance evaluation for the Board of Directors, Committees, as well as individual directors and committee members. The evaluation results will be used for performance improvement.

Practices

3.6.1 Provide performance self-evaluation for the Board of Directors, Committees, as well as individual directors and committee members at least once a year. The results of the performance self-evaluation and past performance will be considered together to develop the guidelines for improvement of performance and board/committee composition.

3.6.2 Disclose the overall evaluation results in the Annual Report.

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- 3.7 The Board of Directors promotes respective directors' knowledge and understanding about their roles and responsibilities, the nature of the Company's business, as well as laws relevant to business operations and encourages all directors to receive skill and knowledge enhancement regularly to fulfilling their responsibilities.

Practices

- 3.7.1 When there are new directors, the Company Secretary prepares information about the nature of business and guidelines for business operations of the Company and other information useful for fulfilling their responsibilities as directors and arrange relevant training courses by the IOD, such as DAP and DCP courses for the Board of Directors and ACP for the Audit Committee.
- 3.7.2 Regularly promote and facilitate skill and knowledge enhancement for the directors, management and Company Secretary to ensure their responsibility fulfillment, which can be carried out in house or through services from other institutions, which aims to optimize their performance.
- 3.7.3 Disclose information about training and knowledge enhancement for the directors in the Annual Report.
- 3.8 The Board of Directors access necessary and relevant information to fulfill their work duties, with the Company Secretary having necessary and appropriate knowledge and experience supporting their work.

Practices

- 3.8.1 Schedule monthly board meetings in advance in the annual meeting timetable and schedule additional meetings for special agenda items.
- 3.8.2 In each board meeting, the Chairman and CEO will consider including key matters in the meeting agenda together. Each director is free to propose matters to be included in the meeting agenda.
- 3.8.3 The Company Secretary will send meeting invites and meeting documents to directors at least five business days before the meetings.
- 3.8.4 During the meeting, the Chairman of the Meeting encourages transparent consideration of issues; allocates sufficient time for the presentation of details; encourages the CEO to invite the management to attend the meeting to provide more detailed information as people directly involved in the issues to allow the Board of Directors to consider matters and provide opinions carefully; and ensures written meeting minutes including all key issues, contents and opinions, which will be kept in an organized manner for review.
- 3.8.5 The Company has a policy to allow non-executive directors to have meetings among themselves as necessary without involvement of the management to discuss management-related issues that are of interest and ask them to inform the CEO of meeting results.
- 3.8.6 The Board of Directors can access additional necessary information from the CEO, Company Secretary, or other assigned management within the scope of policies. Where necessary, the Board of Directors may seek independent opinions from external consultants or professionals at the expense of the Company.
- 3.8.7 The Board of Directors appoints the Company Secretary equipped with appropriate qualifications and experience to perform his/her duties specified in the Securities and Exchange Act (No. 4), B.E. 2551 (2008), Sections 89/15-89/17 and Section 89/23, as well as provide advice on laws and regulations that should be known by directors, arrange board meeting documents, other important documents, and activities of directors, and carry out coordination work to ensure compliance with the Board's resolutions. The Board of Directors discloses the Company Secretary's qualifications and experience in the Annual Report and on the Company's website.
- 3.8.8 The Company Secretary continuously undergoes training and enhancement of knowledge which is useful for his/her performance.

Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details**Principle 4 Recruit and develop top management and people management**

4.1 The Board of Directors oversees the nomination and development of the CEO and top management to equip them with knowledge, skills, experience and attributes necessary for driving the organization to achieve its goals.

Practices

4.1.1 Approve a person qualified to serve as the CEO.

4.1.2 Ensure the succession plan for top management.

4.1.3 The CEO is responsible for reporting the work development and succession plan on a regular basis and for preparation when he/she is unable to fulfill his/her duties.

4.2 The Board of Directors ensures that an appropriate remuneration and evaluation structure is defined.

Practices

4.2.1 Ensure that an appropriate remuneration structure and evaluation in line with responsibility and performance are in place.

4.2.2 Approve annual remuneration.

4.3 The Board of Directors understands the structure and relationships of shareholders which may affect the Company's business management and operations.

Practices

4.3.1 Understand the structure and relationships of shareholders.

4.3.2 Ensure disclosures as agreed which affect business control.

4.4 The Board of Directors monitors the management and development of personnel to ensure an appropriate number and an appropriate level of knowledge, skills, experience and motivation of the personnel.

Practices

4.4.1 The CEO is responsible for annually reporting executive development programs and activities carried out during the year.

4.4.2 Ensure the establishment of the provident fund and a savings cooperative.

Principle 5 Promote innovation and responsible business

5.1 The Board of Directors values and supports innovations that create value to the business while creating benefits for customers or related parties and has social and environmental responsibility.

Practices

5.1.1 Value innovations and ensure that the management incorporate innovation for value addition as part of strategy reviews and planning for development of performance and performance monitoring.

5.1.2 Promote and support cooperation to develop products that benefit customers.

5.2 The Board of Directors ensures that the management conducts business with social and environmental responsibility and reflects this in the operational plans to ensure that all parties of the organization perform in line with the objectives, key goals, and strategies of the business.

Practices

5.2.1 Establish a policy on practices that take into account stakeholder roles, as follows:

- (1) Promote the process of strengthening relations and cooperation between the Company and its stakeholders.

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- (2) Encourage the preparation of social responsibility reports as part of the Annual Report.
 - (3) Adhere to the concept of business operation that is transparent and takes into account the roles of different stakeholders.
- 5.2.2 Ensure the development of a social responsibility policy which includes: 1) Fair business operations, 2) Anti-corruption, 3) Respect for human rights, 4) Fair treatment of workers, 5) Consumer responsibility, 6) Environmental protection, 7) Community or social development, and 8) Innovation and dissemination of innovations derived from operations with social, environmental and stakeholder responsibility.
- 5.3 The Board of Directors ensures that the management allocates and manages resources effectively and efficiently while taking into account potential impacts and development of resources along the value chain, in order to achieve key objectives and goals in a sustainable way.

Practices

- 5.3.1 Support and encourage continuous improvement of production processes and operations to prevent potential adverse impacts and the utilization of natural resources with awareness of their value and reduction of unnecessary waste.
 - 5.3.2 Ensure the review of efficient and effective use of resources while always taking into account change in internal and external factors.
- 5.4 The Board of Directors provides a framework for corporate information technology governance and management in accordance with the needs of the business and ensures that information technology is leveraged to improve business opportunities, develop operations and manage risks so as allow the business to achieve the Company's key objectives and goals.

Practices

- 5.4.1 Provide a policy on the allocation and management of information technology resources to ensure they are adequate for business operation and the formulation of guidelines for support in case of failure to allocate sufficient resources.
- 5.4.2 Ensure management of risks involved in information technology.
- 5.4.3 Provide appropriate information security policies and measures.

Principle 6 Ensure suitable risk management and internal control systems

- 6.1 The Board of Directors ensures that the Company has risk management and internal control systems which will allow the Company's objectives to be achieved effectively and ensures the compliance with applicable laws and standards.

Practices

- 6.1.1 Have an understanding of the Company's significant risks.
 - 6.1.2 Provide a corporate risk management policy.
 - 6.1.3 Provide the guidelines for risk management, risk identification, impact and opportunity assessment, and risk prioritization; and provide appropriate risk management methods.
 - 6.1.4 The Audit Committee monitors and evaluates the effectiveness of risk management by assigning internal auditors to carry out audits and report the audit results.
 - 6.1.5 Ensure that the Company operates in compliance with relevant domestical and international laws and standards.
- 6.2 The Board of Directors appoints the Audit Committee that can perform efficiently and independently.

Practices

- 6.2.1 Establish the requirements for the Audit Committee and define: 1) Composition and qualifications, 2) Term in office, 3) Duties and responsibilities, and 4) Authority for the Audit Committee.

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- 6.2.2 Ensure that the Audit Committee has the authority to investigate related persons and matters within the scope of its authority and to engage specialized experts to consult and provide opinions as it deems appropriate.
- 6.2.3 Provide a guarantee of independence of internal auditors.
- 6.2.4 Ensure the Audit Committee demonstrates the adequacy of the risk management and internal control systems and disclosures in the Annual Report.
- 6.3 The Board of Directors monitors and manages potential conflicts of interest between the Company and management, directors or shareholders; prevents undue use of the Company's assets, information and opportunities; and prevents transactions with persons with an inappropriate relationship with the Company.

Practices

- 6.3.1 Establish policies and guidelines for the consideration of connected transactions, related-party transactions (RPT), or transactions which may involve conflicts of interest – The consideration must be reasonable and be in the best interests of the Company and its shareholders as a whole. These transactions must be treated as transactions conducted with the third party, which must be transparent, whereby no stakeholders will be involved in the decision-making and relevant rules must be strictly complied with. Their complete and correct details must be disclosed to investors.
- 6.3.2 Ensure management and monitoring of transactions which may involve conflicts of interest and ensure that there are guidelines and practices which ensure that such transactions conform to the procedures of disclosure as required by law and ensures that they are in the interests of the Company and its shareholders as a whole, whereby no stakeholders involved in the decision-making.
- 6.3.3 Directors who are stakeholders abstain from considering the agenda item which is related to them, and this must be recorded in the board meeting minutes.
- 6.4 The Board of Directors ensures the formulation of clear anti-corruption policies and practices and communicate them to all levels of the organization and people outside the organization to ensure applicability.

Practices

- 6.4.1 Develop anti-corruption policies and practices.
- 6.4.2 Support activities that promote and cultivate the awareness of compliance with policies, laws and regulations in all employees.
- 6.4.3 Ensure examination and evaluation in internal audits.
- 6.5 The Board of Directors ensures that the business has mechanisms for receiving complaints and taking action if in case of whistle blowing.

Practices

- 6.5.1 Provide channels for communication with stakeholders for making inquiries, providing information, filing complaints, or asking for clarification about financial reports, as follows:
- (1) Disclose company information on its website <http://www.ut.co.th>.
 - (2) Allow people to contact the Accounting and Finance Manager or CEO by phone at 02-3231085-87 to ask about financial reports.
 - (3) Allow people to make a complaint to the Secretary of the Audit Committee by phone at 02-3231085-87 to report to the Chairman of the Audit Committee, CEO, or a person assigned to conduct investigation/solve problems.
 - (4) Employees, partners or the general public can report misconduct, seek advice, or consult before making a complaint via Hotline 02-3231085-86, Ext. 1234.

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6.5.2 Ensure that the Company has measures for keeping information it has receives confidential and protecting informers.

Principle 7 Maintain financial credibility and disclosure

7.1 The Board of Directors is responsible for ensuring that there is a system for preparing financial reports and important disclosures that are correct, adequate and timely and conform to relevant rules, standards and practices.

Practices

7.1.1 Ensure that the CEO and Accounting and Finance Manager are responsible for preparing financial reports.

7.1.2 To approve the disclosure of financial reports, the Board of Directors will consider the followings:

- (1) Results of the assessment of adequacy of the internal control system.
- (2) The auditor's opinions in the financial report, the auditor's observations about the internal control system, as well as the auditor's observations through other communication channels (if any).
- (3) The Audit Committee's opinions.
- (4) Conformity to objectives, key goals, as well as strategies and policies of the Company.

7.1.3 Shareholders and interested persons can search for information, including the financial statements, Annual Report, 56-1 One Report, as well as the management discussion and analysis (MD&A), published at the platforms provided by the Stock Exchange of Thailand's channels and on the Company's website: <http://www.ut.co.th/>.

7.2 The Board of Directors monitors the adequacy of financial liquidity and affordability ratio.

Practices

7.2.1 Ensure that management monitors and evaluates the financial position of the business and reports to the Board of Directors on a regular basis to jointly identify solutions as soon as possible if signs of issues with financial liquidity and affordability ratio appear.

7.2.2 Approval of any transactions must not affect the continuity of business operations, financial liquidity or affordability ratio.

7.3 The Board of Directors ensures that the Company has resolution plans or other mechanisms which can solve financial problems, while taking into account stakeholder rights.

Practices

7.3.1 Closely monitor business operations to ensure that the Company operates its business with cautions and complies with disclosure requirements.

7.3.2 Ensure the formulation of a financial resolution plan, which takes into account fairness to stakeholders, including creditors, monitor problem-solving, and ensure that the management reports the status on a regular basis.

7.3.3 Ensure that any decisions are reasonable.

7.4 The Board of Directors encourages the preparation of sustainability reports as appropriate.

Practices

7.4.1 Take into account domestically or internationally recognized reporting framework. The disclosures may be public in the Annual Report, or a separate report may be prepared as appropriate.

7.4.2 Ensure that disclosures are significant matters and reflect practices which will lead to sustainable value creation for the Company.

7.5 The Board of Directors supervises the management to ensure they assign a person to be in charge of investor relations, who is responsible for

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communicating with shareholders and other stakeholders, such as investors and analysts in an appropriate, equal and timely manner.

Practices

- 7.5.1 The CEO takes responsibility with the Accounting and Finance Manager, and the Company Secretary is responsible for communicating with, and providing information for, shareholders.
- 7.6 The Board of Directors encourages the application of information technology to publish information.

Practices

- 7.6.1 Ensure the publicization of disclosures in both Thai and English on the Company's website, which should be done regularly and present up-to-date information, such as:
- (1) Company's visions and values.
 - (2) Nature of business of the Company.
 - (3) List of the Board of Directors and management.
 - (4) Financial statements and reports on financial positions and performance for the existing and previous years.
 - (5) 56-1 One Reports and Annual Reports, which must be available for downloading.
 - (6) Shareholding structure and voting right.
 - (7) Invitations to the Annual/Extraordinary General Meetings of Shareholders.
 - (8) Company Regulations and Memorandum of Association.
 - (9) Key policies.
 - (10) Contact or complaint channels.

Principle 8 Support engagement and communication with shareholders

- 8.1 The Board of Directors attaches great importance to, and recognizes, its responsibility for protecting fundamental rights of shareholders and encouraging shareholders to exercise their rights.

Practices

- 8.1.1 Ensure that no action infringes on, or takes away, the rights of shareholders.
- 8.1.2 Facilitate shareholders to encourage them to exercise their right to attend shareholder meetings and vote.
- (1) Set the rules and procedures for proposing matters for considering including in the meeting agenda.
 - (2) Allow shareholders to study rules and procedures for proposing matters to be included in the meeting agenda of the Annual General Meeting of Shareholders, as well as expressing opinions and asking questions to the Board of Directors on matters related to the Company on the Company's website: <http://www.ut.co.th> at least three months prior to the end of the fiscal year.
- 8.1.3 Ensure that the shareholders' meeting invites contain accurate, complete and sufficient information for shareholders to exercise their rights.
- 8.1.4 Ensure that the shareholders' meeting invites and relevant documents are circulated and published on the Company's website at least 28 days prior to the meeting.
- 8.1.5 Allow shareholders to submit questions before the meeting date, while providing rules for submitting questions in advance and publishing them on the Company's website.
- 8.1.6 Prepare the English and Thai versions of the shareholders' meeting invites and relevant documents.

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8.2 The Board of Directors ensures that shareholders' meetings are conducted in an orderly, transparent and efficient manner and are conducive to exercising the rights of shareholders.

Practices

- 8.2.1 Hold shareholder meetings, facilitate shareholders to ensure that they exercise their rights, ensure that the meetings are conducted orderly and transparently, oversee the disclosure of meeting resolutions, and ensure the preparation of meeting minutes that are correct and complete within the specified time.
- 8.2.2 Shareholders who are unable to attend meetings in person can exercise their voting rights by proxy. The Company delivers the Proxy Form which specifies nominated candidates for independent directorship, as an option for shareholders as deemed appropriate.
- 8.2.3 Promote the application of technology to shareholders' meetings, including shareholder registration, vote counting and display, to allow the meetings to be conducted quickly and accurately.
- 8.2.4 The Chairman of the Board of Directors, as the Chairman of the Shareholders' Meetings, ensures that the meetings comply with relevant law and rules and the Company's regulations, allocates an appropriate amount of time for individual agenda items specified in the meeting invites, and allows shareholders to express their views and ask question at the meetings about matters related to the Company.
- 8.2.5 Don't add a new agenda item without prior notice to the shareholders.
- 8.2.6 All directors and related management should attend the meetings so that shareholders can ask questions relevant to them.
- 8.2.7 Before starting a meeting, the Chairman of the Shareholders' Meeting informs the shareholders of the number and proportion of shareholders attending the meeting in person and shareholder proxies, as well as meeting, voting and vote counting procedures.
- 8.2.8 In the event there are many agenda items, the Chairman of the Shareholders' Meeting will arrange separate sessions to vote for respective agenda items. For example, shareholders exercise their right to appoint individual directors in the agenda item on director appointment.
- 8.2.9 Encourage the use of ballots; encourage independent persons to count or monitor votes at the meeting and disclose the results of votes: Approve, Disapprove, and Abstain from Voting for respective agenda items for the meeting participants to acknowledge; and ensure that this is recorded in the meeting minutes.
- 8.2.10 Allow shareholders to express their opinions or ask questions to directors, the management, and Chairman of individual committees at the Shareholders' Meeting.

8.3 The Board of Directors ensures the disclosure of the meeting resolutions and the preparation of accurate and complete minutes of the shareholders' meetings.

Practices

- 8.3.1 Disclose the resolutions of the shareholders' meetings and the vote results within the next business day from the date of the shareholders' meeting via the news coverage system of the Stock Exchange of Thailand and on the Company's website.
- 8.3.2 Ensure the delivery of a copy of the minutes of the Shareholders' Meeting to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.
- 8.3.3 Minutes of the Shareholders' Meeting include the details:
 - (1) List of the directors and management attending the meeting and proportion of directors attending/not attending the meeting.

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- (2) How to inform the shareholders of voting and vote counting procedures before the start of the meeting following agenda items, meeting resolutions, and vote results (Approve, Disapprove, Abstain from Voting) of respective agenda items and the use of ballots.
- (3) Issues in the questions or comments from shareholders and responses.

Part 3: Business Ethics

Union Textile Industries Public Company Limited, by the Board of Directors, has the intention to conduct its business which demonstrates its adherence to the values of “integrity” and “ethics” for all groups of its stakeholders based on the core values of Saha-Union Public Company Limited and its subsidiaries “Virtue, Quality, Benefits.” Hence, the Company deems that it is appropriate to develop the Business Ethics, which includes preferable conducts included in the Company’s announcements or regulations.

The Board of Directors expects everyone in the organization to strictly comply with relevant sections and apply them as the guideline for determining the appropriateness of behaviors or acts which may involve the risk of the violation of ethics, in order to avoid them. If anyone has any doubts, they should consult their immediate supervisor.

Protection of the Company’s assets and interests

1. Don’t disclose or exploit confidential information/data for your own interests.
2. Don’t disclose the Company’s confidential information/data to others wrongfully.
3. Protect the Company’s assets and ensure worthwhile utilization of the assets.
4. Works derived from fulfillment of duties are considered to be the Company’s assets.
5. Help to protect the Company’s assets from being wrongfully damaged or lost.

Use of computers and information technology

1. Strictly comply with the computer network use policy.
2. Don’t use computers and information technology for your own interests or others’ interests.
3. Use communication devices provided by the Company, such as mobile phones and faxes while primarily taking into account the Company’s interests.

Conflicts of interest

1. The Board of Directors and management have to conflicts of interest involved in related-party transactions (RPT) carefully and reasonably while taking into account the Company’s interests under legality.
2. Don’t take any acts which involve conflicts of interest with the Company through contact with customers or partners.

Accepting and offering gifts or any other benefits

1. Avoid accepting entertainment, gifts, presents or gratuities from business associates.
2. If you accept anything from the Company’s transactions, give it to the Company to use for the utmost benefit.

Purchase and disposal of company securities

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1. Don't use internal information/data for your own interests or give internal information/data to another person to acquire or dispose of securities.
2. Ensure that the directors and management avoid trading the Company's securities one month before the Company's financial statements are publicized.
3. Ensure that the directors and management submit a report on their interests and securities holdings every year or when there is change in them and ensure the Company Secretary keeps the report and sends a copy of the report to the Chairman of the Board of Directors and Chairman of the Audit Committee within seven working days from the day when the Company Secretary receives the report.

Internal control and internal audit

1. The Company has to establish an efficient internal control system at the managerial and operational levels, appropriate risk assessment, as well as monitoring and evaluation systems to ensure that the internal control system is appropriate and practical.
2. The Company has to establish a unit which is directly responsible for internal audits, risk assessments, and internal control evaluation. This unit must be under the Audit Committee.
3. The Audit Committee has to review the effectiveness of the internal control system by considering the key elements of the internal control system based on relevant guidelines and notifications of the Stock Exchange of Thailand, report the audit results to the Board of Directors, and express their opinions and disclose them in the Annual Report.
4. All employees of the Company should have a positive attitude towards internal control, be cooperative in audits, and take corrective actions accordingly.

Responsibility to shareholders

1. Ensure equitable and fair treatment of all shareholders and comply with relevant rules defined by law.
2. Respect shareholders' rights under a key element of good corporate governance.
3. Perform duties with integrity and make decisions in good faith and with fairness to both major and small shareholders and for the interests of relevant parties as a whole.
4. Manage the Company's business to ensure it enjoys advancement and stability and create a sound return to shareholders.
5. Fulfil responsibilities using capabilities and prudence as knowledgeable, experienced and expert persons do.
6. Report the Company's status and performance to shareholders equitably, consistently and fully.

Responsibility to partners and creditors

1. Ensure equitable and fair treatment of all shareholders on the basis of fair returns for both parties.
2. Don't solicit, accept or offer any benefits other than those under trade agreements. If there is evidence of soliciting, accepting or offering any benefits in bad faith, the Company and its partners will jointly conduct fact-checking and resolve the issue quickly.
3. Don't exercise your power or others' power for your own interests or help others wrongfully.
4. Don't engage in partner activities that involve conflicts of interest or may damage the Company; don't do personal work or accept an offer to do work that is similar to that of the Company even outside working hours of the Company.

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5. Strictly comply with conditions, contracts, and agreements with partners and creditors. In the case when you are unable to comply with them, notify your partners and creditors of this as soon as possible to consider a solution together immediately.

Responsibility to customers

1. Adherer to, and do your work, with integrity and transparency and ensure equitable and fair treatment of all customers.
2. Produce, deliver and provide high-quality and standard products which meet or exceed customer expectation at fair prices.
3. Publicize correct information on products and services and don't present false or misleading information, which results in customers being confused or receiving misinformation about quality, quantity or conditions of the goods or services.
4. Set up a unit, system, or work process to receive feedback, comments or complaints about products or services, based on which the Company will make improvement and take corrective action quickly within due time.
5. Keep customers' secrets confidential; don't disclose them or use them for the Company's or others' interest wrongfully.
6. Establish a positive customer relationship and seek ways to improve benefits for customers continuously.

Treatment of competitors

1. Treat competitors based on international principles and within the legal framework on good practices on trade competition.
2. Don't infringe on, or learn about, trade secrets of partners in a fraudulent way.
3. Don't try to discredit competitors through unfounded accusations.

Responsibility to employees

1. Strictly comply with laws and regulations on employees.
2. Pay attention to keeping, and take actions to keep, the environment in the workplace safe and hygienic at all times.
3. Pay attention to knowledge development and transfer and capability improvement of employees by providing them with opportunities thoroughly and regularly.
4. Provide employees with appropriate compensation based on their knowledge, capability, responsibility and performance.
5. Appointment, transfer, reward and sanction for employees must be done based on the principles of equity and good faith and based on their knowledge, capability, suitability, and performance.
6. Promote employee engagement in defining the direction the Company's operations and problem-solving.
7. Listen to feedback and comments from employees at all levels equally and equitably.
8. All employees must perform their duties responsibly and strictly comply with the Company's regulations.

Responsibility for society and community

1. Protect the environment and provide tangible practices which demonstrate environmental responsibility.
2. Don't encourage the Company's stakeholders to destroy nature and the environment.
3. Comply with relevant laws, regulations and requirements.
4. Disclose data/information which reflects corporate social responsibility in the Annual Report.

Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details**Part 4: Key Relevant Policies****Corporate risk management policy**

Given the Company's existing business operations, which are subject to constant change as a result of external factors, e.g. change in socio-political conditions and the economic environment or internal factors, e.g. strategies, operations, reporting, compliance, and information technology and the fact that the Board of Directors and management are aware of the importance of corporate risk management, as a key component of the move towards a good corporate governance system, which will enable the Company to efficiently respond to change in the business environment, reduce obstacles or unexpected events, boost confidence, create added value for shareholders, regulators, employees and other stakeholders, enhance competitiveness, and promote the Company's sustainable existence, the Board of Directors sets the corporate risk management policies, as follows:

- Assign risk management to be a responsibility of employees at all levels, who must be aware of existing risks involved in their work within their unit and the Company while attaching great importance to managing different risks to ensure they are at an appropriate and acceptable level.
- Provide a corporate process which are in line with good standards and international practices to ensure efficient management of risks, which may affect the Company's operations, as well as development and implementation of risk management across the organization in the same direction.
- Assign risk management to be part of decision-making, strategic planning, work plans, and operations of the Company.
- Ensure the formulation of measures and action plans for risk management and regular monitoring and evaluation of risk management.
- Apply appropriate information technology systems to the Company's risk management process and encourage employees at all levels to access sources of risk management information thoroughly and arrange the system for reporting risk management to the management and the Audit Committee to ensure it is efficient.

Corporate social responsibility policy

The Company operates the textile business while adhering to the core values of Saha-Union Public Company Limited and its subsidiaries "Virtue, Quality, Benefits," which are in accordance with the principles of good corporate governance. It complies with law and has the intention to conduct business with responsibility to society, the environment, and stakeholders. Thus, it has established the corporate social responsibility policy as a guideline for its management and employees, as follows:

- (1) Fair business operations: Ensure equitable and fair treatment on the basis of fair compensation, avoid any operations which may cause conflicts of interest and intellectual property infringement, and combat all forms of corruption.
- (2) Anti-corruption: Don't solicit, accept or offer any benefits other than those under trade agreements. If there is evidence of soliciting, accepting or offering any benefits in bad faith, the Company and its partners will jointly conduct fact-checking and resolve the issue quickly.
- (3) Respect for human rights: Avoid any acts that may cause right deprivation or violation and listen to comments and feedback from all groups of stakeholders in an equitable and equal manner.

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(4) Fair treatment of workers: Treat employees equally and fairly; provide welfare, safety and hygiene in the workplace; and pay attention to, and value, knowledge development and transfer and capability improvement while providing them with opportunities thoroughly and constantly and appropriate compensation based on the level of their knowledge, capability, responsibility, and performance.

(5) Consumer responsibility: Produce, deliver and provide high-quality and standard products which meet or exceed customer and set up a unit, system, or work process to receive feedback, comments or complaints about products or services, based on which the Company will make improvement and take corrective action quickly within due time

(6) Environmental protection: Comply with relevant laws, regulations and requirements and don't encourage the Company's stakeholders to destroy nature and the environment.

(7) Community or social development: Support or engage in community-development activities.

(8) Innovation and dissemination of innovations derived from operations with social, environmental and stakeholder responsibility – Ensure continuous improvement of production processes and operations to prevent potential adverse impacts and utilization of natural resources with awareness of their value and reduction of unnecessary waste.

Anti-corruption policy

The Company, by Board of Directors, has a policy to operate its business based on the core values of Saha-Union Public Company Limited and its subsidiaries: “Virtue, Quality, Benefits” and good management to ensure operations with integrity and without corruption. It ensures complete and correct accounting records, tax calculation, and tax payment in order not to pay bribes to stakeholders. It also has the intention to cooperate and support public and private anti-corruption measures. Thus, it has established the following guidelines:

- Promote and cultivate anti-corruption value and consider that for the Board of Directors, management and employees, it is their duty and responsibility to acknowledge and understand this through communication and training and to strictly comply with it.
- Provide an adequate and proper internal control system to prevent the Company's business operations from being involved in corruption.
- Provide an internal audit system to monitor audits on a regular basis and report to the Audit Committee and/or the CEO while assigning audits on corruption as part of the internal audit plan.
- Take into account rules pertaining to anti-corruption measures of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) Program to consider improving and reviewing the Guidelines for Good Corporate Governance and Business Ethics and Employee Regulations to provide clearer and more comprehensive guidelines.

Occupational safety, health and environment policy

Recognizing the importance of occupational safety, health and environment, which will affect all employees and others, the Company has established the following policies:

- 1) Ensuring safety and the healthy working environment is a duty of all employees at all levels, who must cooperate to ensure safety to their own, the Company's, and others' life and property.
- 2) The Company equips employees at all levels with knowledge and awareness of safe work and sound occupational health.
- 3) The Company recognizes the significance of the measures for preventing occupational accidents for its employees or others.
- 4) The Company supports and promotes the improvement of the environment and working methods to ensure safety and good hygiene of all employees.

Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details

- 5) All supervisory employees are responsible for occupational safety, health and environment of their subordinates to ensure that they strictly comply with occupational safety and health regulations.
- 6) The Company supports and promotes safety activities to have maximum practical impacts on all parties.
- 7) The Company monitors and evaluates implementation of the occupational safety, health and environment policy to ensure serious and efficient practices in accordance with government regulations and standards on occupational safety.

Quality policy

“We focus on production of high-quality textiles, proper operations, and continuous corrective actions/improvement to respond to the needs and increase customer satisfaction”.

In order to achieve the objective of the policy, the Company takes the steps:

1. Carry out preparation, maintenance, review and improvement on a continuous basis to optimize the quality management system.
2. Take actions based on trade agreements, regulations, and best practices.
3. Carry out inspection, rectification, and improvement of processes continuously to achieve better performance.
4. Develop personnel continuously to equip them with knowledge and understanding about their work to reduce errors and work that doesn't have a positive effect on products.
5. Communicate and publicize the Company's activities and policies to employees and interested persons.

Energy management policy

The Company recognizes the importance of energy efficiency; therefore, it focuses on providing the guidelines for energy conservation to employees within the organization to involve them in energy conservation and ensure their aligned practices, which aims to reduce the Company's expenses and save energy in line with government policies, with details as follows:

1. Develop and implement a proper energy management system while assigning energy conservation to be part of the Company's operations in accordance with relevant laws and requirements.
2. Enhance corporate energy efficiency on a continuous basis in line with existing business, technology, good practices.
3. Develop energy conservation plans and targets each year and communicate them to all employees to ensure their proper understanding and practice.
4. The Company considers that energy conservation is a responsibility of its management and employees at all levels, who should be cooperative to comply with specified measures, do monitoring, and report to the Energy Management Working Group.
5. The Company provides necessary support, including human resources, budget, work hours, training and engagement in expressing opinions for energy development.
6. The management and the Energy Management Working Group review and update energy-related policies, goals/targets and plans on an annual basis.

Attachment 5: Policies and Practices on Corporate Governance and Business Ethics in Details

Computer network use policy

To ensure proper work of the Data System Development Section, which is responsible for supervising, maintaining, developing and improving the Company's computer network system, it is deemed appropriate to develop the guidelines for usage, as follows:

Responsibilities of the Data System Development Section

1. General responsibilities

- Act as System Administrator, as specified in the Computer and Network Use Regulations.
- Set security parameters to prevent modification to data or information that will have detrimental effects on the Company's computer network system and take the actions in the AS/400 system:
 - Review user accounts and user rights every six months.
 - Review logs of the system access every month.
- Provide basic services to requestors for the computer network system based on criteria or policies defined by the Company.
 - User IDs and passwords with authorization.
 - Electronic mail service.
 - Network logon service.
- Backup data and information stored in the system.
 - AS/400
 - Daily, using tapes for separate days.
 - Store the tapes in other buildings, not in the office buildings.
 - Server
 - On Wednesdays.
- Record all Admin passwords in all systems in writing in the Company's safe.
- Control physical access for the Data System Development Section.

2. Modification for the AS/400 system

- Change to the system must be tested by the requester to meet the requirement, which must be signed as proof.
- The modified programs must be approved by the Accounting and Finance Manager before being installed in the actual system.

User responsibilities

- a) Comply with the Computer-related Crime Act, B.E. 2550 (2007).
- b) Comply with the Company's Network and Computer Use Regulations.
- c) The Company has no policy to monitor users' use of Internet networks of in normal cases. However, it has a legal obligation to install a system for recording traffic data and surveillance to maintain stable, secure and efficient service.
- d) Follow the instructions on how to keep/change passwords from the Data System Development Section.
- e) Maintain any hardware, software, or information belonging to, or under the responsibility of, users to ensure that they will not get infected with computer virus or malware which will interfere with working of the Company's computer network.



Attachment 6 Audit Committee Report

Audit Committee Report

Dear Shareholders,

The Audit Committee of Union Textile Industries Public Company Limited consists of independent directors who have qualifications as prescribed in the Company's Audit Committee Charter and consistent with the requirements and guidelines for the Audit Committee of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The number of meeting and attending of each director are as follows:

1. Mr. Polchet Likittanasombat, Chairman of the Audit Committee, attended 3/4 meetings
(Dr. Oranuj Soongswang attended the 1/4 meeting and resigned from the position of Independent Director/Chairman of the Audit Committee)
2. Mr. Preecha Wattanasaranont, a member of the Audit Committee, attended 4/4 meetings
3. Mr. Pittaya Mahanond, a member of the Audit Committee, attended 3/4 meeting
(Mr. Pilaspong Subsermsri attended 1/4 meeting and resigned from the position of Independent Director/Audit Committee)

The Audit Committee has performed its duties within the scope of responsibilities specified in the Audit Committee Charter. In the year 2021, four meetings were held as joint meetings with the management, internal auditors, and the Company's auditors, by which the Audit Committee organized the meeting agenda without the management team 1 time to discuss independently providing audit information, material data in preparing the financial statements as well as information disclosures, all of which conformed to the Thai Financial Reporting Standards and are beneficial to users of the financial statements. In this regard, the Audit Committee reported the results of the meeting and recommendations to the Board of Directors, which could be summarized as follows:

1. Good Corporate Governance Review

The Audit Committee encouraged the setup of management and good corporate governance in accordance with the Company's policy, including assigning the internal auditors to review the operational compliance with the good corporate governance manual and the Company's code of conduct, laws, and regulations related to business operations, as well as creating awareness of the business ethics, including the prevention and anti-corruption for management and employees.

2. Risk Management Review

The Audit Committee reviewed the Company's risk management and acknowledged the risk factors affecting the operation's results which the management reported in the Board of Directors meeting, where discussions were made to determine the practice guidelines and assigned responsible persons in operating to report the progress and result of the operation. In addition, the Audit Committee has assigned the internal audit to assess the operational risk level so that the results of the risk assessment are used in the next internal audit plan.

3. Internal Control and Internal Audit Review

The Audit Committee reviewed the results of the sufficiency assessment of the internal control system, including considering the results of the management internal audit system's assessment with the use of the "Internal Control System Sufficiency Assessment Form" of the SEC, and found that it had complied adequately according to the regulations and laws. The Company had overseen its assets and used the resources efficiently, by which there was no impact of defects on the Company's financial statements.

The Audit Committee oversees the performance of the auditor's office to be independent, fair, and ethical with the review of the annual internal audit plan, the implementation of the plan, the audit results of the internal audit team, as well as expressing opinions on audit issues to increase efficiency and effectiveness, including, evaluating the performance of the Audit Office.



Attachment 6 Audit Committee Report

4. Connected Transactions Review

The Audit Committee reviewed the connected transactions as required by the SEC and the Stock Exchange of Thailand and considered opinions before presenting them to the Board of Directors for approval and promptly sending disclosure to the Stock Exchange of Thailand.

5. Financial Statement Review

The Audit Committee reviewed the vital information of the quarterly and annual financial statements of the Company for the year 2021, which the auditors reviewed and audited, as well as having listened to the clarifications from the auditor, the management's accountants, and the internal auditor, thus, the Audit Committee consented with the auditors that the quarterly and annual financial statements 2021 shown the financial position as of December 31, 2021; the results of operations and cash flows for the year ended on the same date as accurate as it should be in all respects, in accordance with Thai Financial Reporting Standards and Disclosures with sufficient information, separating ongoing operations and discontinued operations, which are beneficial to shareholders and financial investors.

6. Consideration to Review and Update the Audit Committee Charter

The Audit Committee considered reviewing the regulations of the Audit Committee and the Audit Office Charter, as well as assessing the performance of the Audit Committee individually and as a whole on the capacity of the excellent performance practice under the Securities Exchange Commission of Thailand to ensure the independent, efficient and effective performance of the Audit Committee.

7. Appointing Consideration of the Auditor Year 2021

Regarding the satisfactory performance of the auditors in the past year with independence, skill, knowledge, and experience of auditing the business of the Company, the Audit Committee, therefore, recommended to the Board of Directors for approval before proposing to request approval from the Annual General Meeting of Shareholders to appoint Ms. Sineenart Jirachaikhuan Khan: Certified Public Accountant No. 6287, or Mr. Kritsada Lerdwana: Certified Public Accountant No. 4958, or Mr. Termpong Opanaphan: Certified Public Accountant No. 4501, or Ms. Vissuta Jariyathanakorn: Certified Public Accountant No. 3853, of the EY Office Limited to be the Company's auditors for the year 2021.

The performance of the Audit Committee is complete in accordance with the charter regulations assigned by the Board of Directors with accuracy and independence. It expressed the opinions that the Company has engaged in appropriate Corporate Governance Policy, Risk Management, Internal Control System, and Internal Audit with the efficiency of the Risk Management, as well as the correct compliance with the laws, rules, and regulations related to the Company's business operations which enables the transparency of business operations and internal management for the best interests of the shareholders as a whole. The management performed its duties with honesty, efficiency, and effectiveness in the financial statements for the fiscal year ended December 31, 2021, showing an accurate financial position according to financial reporting standards with sufficient information disclosure.

On Behalf of the Audit Committee

(Mr. Polchet Likittanasombat)

Chairman of the Audit Committee

Union Textile Industries Public Company Limited