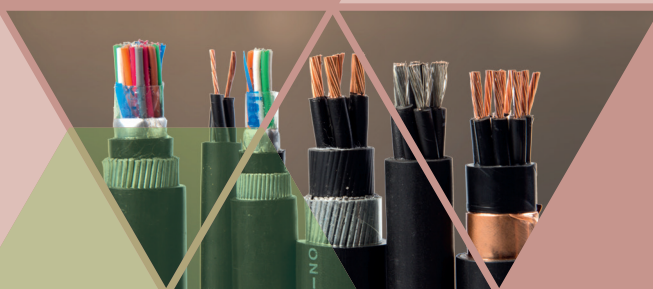


Charoong Thai Wire and Cable
Public Company Limited



Annual Report

2020



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Policy and Overall Business Operations

Policy and Business Overview

Charoong Thai Wire & Cable Public Co., Ltd., (“Charoong Thai”) or (“CTW”) was established since 1967 with registered capital of Baht 10 million. The Company received investment supports from the Board of Investment (BOI) by the joint venture between Thai and Taiwanese investors which are Walsin Lihwa Electric Wire & Cable Corp. and Pacific Electric Wire and Cable Company Limited (“PEWC”). The Company became a public company limited after that and registered to enter into Thailand Stock Exchange on September 25th, 1975. It is categorized under electrical and computer section which is now under Industrial Materials & Machinery section.

PEWC is indirectly a parent company while running their business in Taiwan. The main business is manufacturing electric wires and cables, trading and telecommunication business in Asia.

The parent company and the Company are doing the same type of business which are manufacturing and distributing electrical wires and cable wires while both companies have geographically divided the job scope very clearly.

Charoong Thai and its subsidiaries such as Siam Fiber Optics Co., Ltd. (“SFO”), Double D Cable Co., Ltd. (“DDC”), Siam Pacific Electric Wire & Cable Co., Ltd. (“SPEWC”) and Shanghai Asia Pacific Electric Co., Ltd. (“SAP”) have their main business of manufacturing aluminum electrical wire, copper electrical wire, insulated electrical wire of both high-low voltage, telephone wire, cable wire, fiber optic cable, and enameled wire in order to sell both domestically and internationally. The business includes OEM, exchange, and transform the mentioned products.

The Company has an investment business company which is CTW-Beta Co., Ltd. (“CTW-Beta”) which has business objective to gain the profit from investments. The Company also has the joint venture regarding communication and telecommunication business, Loxpac (Thailand) Co., Ltd. (“LOXPAC”) and Loxpac Hong kong Co., Ltd. (“Loxpac HK”). At present, the Company does not have any policies to increase its investment unless such investment is able to support the main business of the Company.

From the Financial Statements for the past 3 years, during 2018- 2020, the Company and its subsidiaries have sales revenue of Baht 7,960 million, Baht 5,961 million and Baht 4,668 million, respectively.

In 2020, the revenue from sales of the Company and subsidiaries decreased by Baht 1,292.97 million or 21.69% when compared with that of the previous year. Profit of Baht 298.72 million increased by Baht 221.48 million or 286.74% from Baht 77.24 million in the previous year.

Vision and Mission

Vision

1. Persistently seeking ways to improve the production efficiency and quality.
2. Persistently developing innovative product and exploring the new market.
3. Persistently maintaining as the first tier cable manufacturer in Thailand.

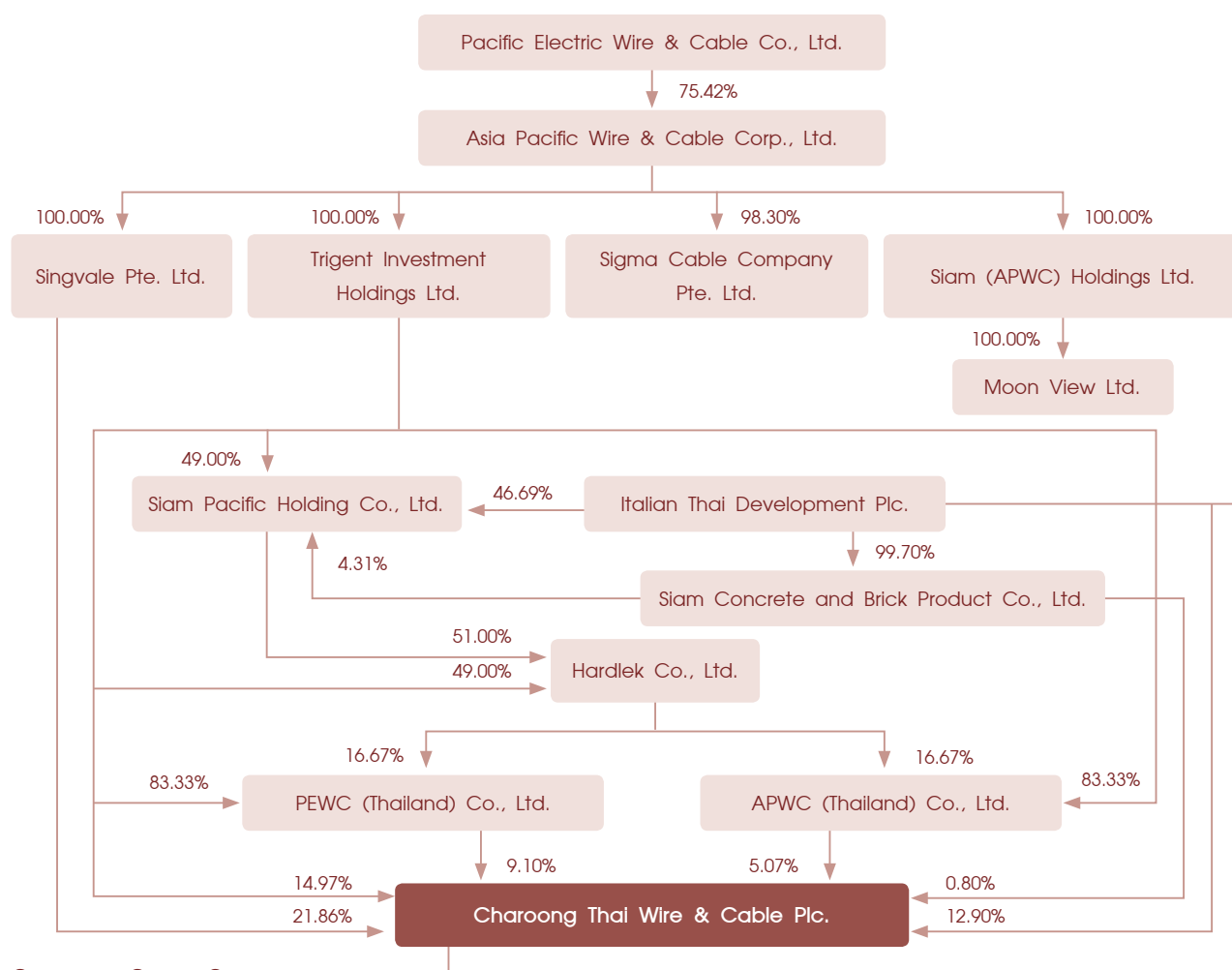
Mission

1. Providing highest quality product and service for customers.
2. Producing decent profit with consistency for shareholders.
3. Providing safe and secure working environment for staffs.

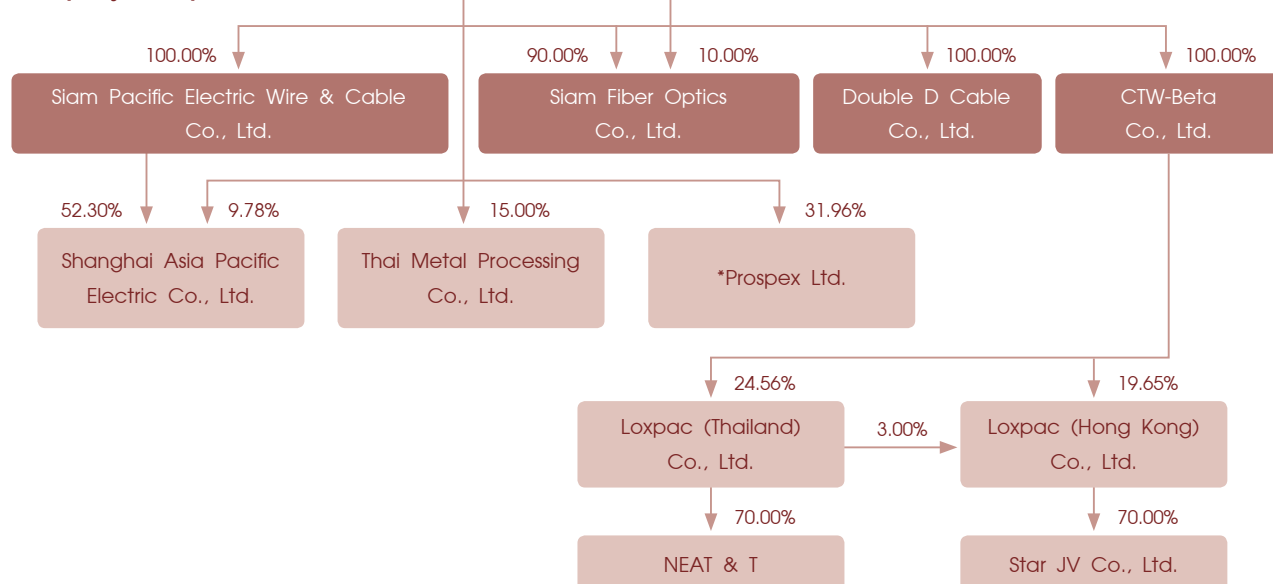
Policy and Overall Business Operations

Shareholding Structure of the Company Group

Parent Group Structure (as at 31 December 2020)



Company Group Structure



Remarks: * The liquidation is currently in progress

Policy and Overall Business Operations

Top 10 Shareholders of Pacific Electric Wire & Cable Co., Ltd. (PEWC), its Parent Company (As at 21st April 2020)

Shareholders	Number of shares	Holding (%)
1. National Financial Stabilization Fund	26,225,241	3.56
2. Yuan Yuan Corporation	24,008,254	3.26
3. Century Pacific Corporation	13,524,392	1.84
4. Ding-Hao ACME Co., Ltd.	8,654,393	1.18
5. Jin Xing Industry Ltd.	6,780,000	0.92
6. Tai Ho Investment Co., Ltd.	5,849,756	0.80
7. PEWC Employee Welfare Committee	5,289,443	0.72
8. Liao Guang Rong	4,290,000	0.58
9. Qiu Xiao Qi	3,932,721	0.53
10. Cheng Wu Chun	3,602,864	0.49
11. Minority Shareholders	633,742,936	86.12
Total shares issued	735,900,000	100.00

Nature of Business

Features of Business of the Group

Charoong Thai Wire and Cable Plc. ("CTW" or "the Company") currently has five subsidiary companies and two associated companies. The product line or business group of the Company can be divided into three major categories according to the nature of the business, as follows:

Category 1: Manufacturing

CTW, Siam Fiber Optics Co., Ltd. (SFO), Double D Cable Co., Ltd. (DDC), Siam Pacific Electric Wire and Cable Co., Ltd. (SPEWC) and Shanghai Asia Pacific Electric Co., Ltd. (SAP) are significant manufacturers and distributors of Aluminium Power Cable, Copper Power Cable, High-Voltage Power Cable, Telephone Cable, Fibre Optic Cable, Enameled and Non-Enameled Wire sold to the domestic and export market. The Company is also an Original Equipment Manufacturer (OEM) which manufactures products for customers.

Category 2: Investment Holding

CTW-Beta Co., Ltd. (CTW-Beta) which is engaged solely in investments for capital gain.

Category 3: Telecommunications

CTW holds associated company that is engaged in the telecommunications business namely, Loxpac (Thailand) Co., Ltd. (Loxpac) and Loxpac Hong Kong Co., Ltd. (Loxpac HK)

Nature of Business

Revenue Structure

Revenue Structure of the Company by business group.

(Expressed in Million Baht)

Product Line/ Business Category	By	% of Investment	2020		2019		2018	
			Revenue	%	Revenue	%	Revenue	%
Manufacturing/ Revenue	Charoong Thai Wire and Cable Plc		2,555.57	54.54	2,071.60	34.41	3,104.29	38.71
	Siam Pacific Electric Wire & Cable Co., Ltd.	100.00	1,823.55	38.92	3,235.60	53.74	3,746.47	46.72
	Shanghai Asia Pacific Electric Co., Ltd.	63.68	199.49	4.26	650.97	10.81	1,089.76	13.59
	Siam Fiber Optics Co., Ltd.	90.00	104.65	2.23	63.01	1.04	78.44	0.98
	Double D Cable Co., Ltd.	100.00	2.57	0.05	0.03	0.00	0.08	0.00
Investment/ Revenue	CTW-Beta Co., Ltd.	100.00	-	0.00	-	0.00	-	0.00
Total		100.00	4,685.83	100.00	6,021.21	100.00	8,019.04	100.00

Product Line/ Business Category	By	% of Investment	Expresses in	2020	2019	2018
Telecommunication*/ Revenue	Loxpac (Thailand) Co., Ltd.	24.56	Million Baht	0.00	2.02	15.92
	Loxpac Hong kong Co., Ltd.	20.39	USD	282,728	828,049	-
			EURO	-	-	271,586

Remarks: * Figures were represented total revenues of its an associated companies, which were not calculated by holding percentage of CTW.

Product Line/Business Group

1. The Manufacturing Group

1.1 Features of Products

A) Products

Products of the group are classified into Four categories as follows:

1. Electric Cables (Aluminium Cable, Copper Cable, High Voltage Cable)
2. Telephone Cable
3. Fiber Optic Cable
4. Enameled and Non-Enameled Wire (Enameled Copper Wire, Enameled Aluminum Wire and Non-Enameled Copper Wire)

Nature of Business

B) Sales by product

Product	Sales (%) 2020	Description
Aluminium electrical wire	4.15	- ACSR1272 - AAC - PVC Insulated Aluminium Cable
Copper electrical wire	24.83	- Building Wire (THW, NYY,VSF) - Bare Copper
High voltage power cable	25.69	- Space Aerial - XLPE Copper Cable 12/20 KV, 24 KV, 115 KV
Telephone cable	0.19	- Self-Supporting Drop Wire - Figure 8 Alpeth - PE Alpeth - Foam/Skin Alpeth
Fiber optic cable	2.23	- Single/Multi Fiber Optics
Enameled and Non-Enameled Wire	42.83	- Enameled Copper Wire - Enameled Aluminum Wire - Non-Enameled Copper Wire
Others	0.08	
Total	100.00	

Most of the Company's products in the manufacturing group, Enameled Wire and Non-Enameled Wire are sold to the private sectors and export. In regard to Electrical Wires and Cable, and Fiber Optic Cables are sold to state enterprises such as Electricity Generating Authority of Thailand (EGAT), Provincial Electricity Authority (PEA) and Metropolitan Electricity Authority (MEA) including the transformed state enterprises such as National Telecom Plc., and are sold to private sector such as the contractors and general customers etc.

1.2 Marketing and Competition

A) Marketing Strategy

The Company has emphasized the marketing mix (4P) to enhance its target as follows:

1. Product

The Company manufactures quality Aluminum Electrical Wire, Copper Electrical Wire, High-Voltage Cables, Telecommunication Cables, Fiber Optic Cables, Enameled Wires and Non-Enameled Wires which meet certain high standard in domestic and international by reputed institution such as, Thai Industrial Standard (TIS), International Standard (IEC: International Electronic Commission), British Standard (BS), American Standard (ASTM) etc. Furthermore, its products have also obtained many product certificates from Thai Government and other creditable institution as the followings:

- License of Compulsory Thai Industrial Standard e.g. TIS 11-2553 (2010), TIS 293-2541 (1998), TIS 2202-2547 (2004), TIS 85-2548 (2005), TIS 2434-2552 (2009) etc. and License of Thai Industrial Standard e.g. TIS 64-2517 (1974), TIS 838-2531 (1988), TIS 2143-2546 (2003) by Thai Industrial Standards institute (TISI) etc.
- Type Test Approval of High Voltage Power Cable (69 KV. and 115 KV.) from Faculty of Engineering Chulalongkorn University and King Monkut's Institute of Technology Ladkrabang.

Nature of Business

- Certificate of Fire Resistance Cable from TUV SUD PSB Pte. Ltd., Singapore.

With the above credentials, it would definitely help to convince the customers to choose and use the Company's products. In addition, the Company has developed the new products to support the Mass Rapid Transit Projects such as the Control and Signaling Cable etc. With regard to its subsidiaries, SPEWC initiated the production of LITZ wire and has produced and distributed since the beginning of the year 2018 onwards which is the semi-finished product that the overseas industrial customers using as the initial raw material. And regard to subsidiaries, SFO succeeds in developing the production of Flame Retardant Cable as new products which expected to enter the market soon. In the parts of developed conduit wiring cable to have lesser diameter for the purpose of increasing number of cable in the same conduit. SFO has reached a certain level, but the result is not the expected goal and has to takes time to further testing and improving.

2. Price

Last year, overall economy of Thailand has slowed down. The Company has tried to increase the sales amount and has to set the appropriate selling price according with the key raw material price in order to maintain the sales amount and profit margin due to the severe price competition. The Company has also focusing to control unnecessary expense. The Company has used the modern machinery that can produce faster and greater more volume also focused on providing good service and fast delivery as well as information services and product consulting services.

With regard to SPEWC, its a subsidiary, the company was strict to purchase raw materials by using just in time and matching purchase price with sale price as much as possible. This is able to control costs more accurately but it is facing intense price competition, especially competitors from China, then it has to sell at the lower using selling price.

3. Place

The Company goal is always to increase its wire and cable products market share to expand throughout the country. Its sales mainly focus on electrical contractors, existing distributors and new distributors with high potential as well as distributors in up-country. In addition, the Company has created more sales opportunities. It has aggressively expanded on bidding more mega projects such as the Mass Rapid Transit Projects (Blue Line, Red Line, Orange Line, Green Line, Gold Line, Yellow Line and Pink Line), Projects of the State Railway of Thailand (SRT) (Double Track Railway project), Thailand High-Speed Rail Project (HSR), Small Power Producer (SPP), Independence Power Producer (IPP), Construction of Suvarnabhumi Airport Phase 2 Project and Construction of New Parliament Projects The High-Speed Rail Linked 3 Airport Project (High Speed Train) and Infrastructure Projects in the area of Easter Economic Corridor (EEC) etc. These are long term projects (2 - 3 years) which need to use a large number of the electric wires and cables also Fiber optic cables. With regard to its subsidiary, SPEWC, has tried to find more distribution channel to sales of old products and new products to the neighboring and overseas countries. In 2020, SPEWC has to find more new customers in the existing market but focusing on the customers who make more profitable.

4. Promotion

The Company made advertising and public relations through billboard, magazine and media which relate to electrical industry such as Thai Electrical & Mechanical Contractors, Thailand Engineering Journal etc. In 2020, the Company has been using advertisement through online media such as the Internet and Facebook etc., which aim directly to target potential customers. The Company also invited agencies, contractors on electricity group, engineer supervisor group or electricity system designers to visit its factory for studying manufacturing, testing and calibrating process in order to ensure the high quality and standard of the Company's products. In addition, the Company has focused on product knowledge training and seminars to the target customer all regions of Thailand, for expanding the customer group base and for brand perception and familiarity.

With regard to export to Vietnam, Singapore, Myanmar and Laos market, the Company has still faced the competition from other foreign manufacturers who have lower labor cost. Therefore, it could not increase export sales as expectation.

Nature of Business

As a result of political turmoil in Thailand which has made SFO to encounter certain burdens in its business operation either the projects in public, state enterprise or private sector. Some have been suspended or even canceled due to reasons associating with such political conflict. In order to save cost and budget, many sale promotion activities were limited or canceled to reflect sluggish market condition. However, SFO still carries on environmental conservation activities under ISO 14001:2004 as well as legal requirements while CSR activities have been continued with limited budget. ISO 14001:2004 Environmental Management System need to be updated and changed to the new edition of the standard, ISO 14001:2015, which has been effective from September 2018 onwards.

In 2020, SPEWC has still provided and offered the special discounts for dealers when the total value of order meets a specified amount or requirement.

B). Market Share and Competition

Aluminum electrical wire

In 2020, overall economy of Thailand slowed down, but the government has an important Long-term foundation projects that need to be operated continuously. As a result, both the government and private sectors demanding aluminum conductor cables increased. In 2020 the Company has a market share of approximately 25 percent of domestic market.

Copper electrical wire

The situation of the spread of viral diseases coronavirus 2019 (COVID 19) directly impact an industrial business and the overall economy of the country continuously, including the Company has been affected from the private sector has lacked the confidence to invest and the government sector has processing of disbursements delayed in long-term infrastructure projects such as Mass Rapid Transit (Yellow line, Pink line, Orange line) and construction of 400-bed Chuladhorn hospital. In addition, there are more manufacturers in the copper electric wire market, caused the Company has also faced competitions more intense. However, The Company can has the various projects such as Vejthani Hospital, Prasat Hospital (Surin province), building Grounds of Bhumibol Hospital, Walailak University, Navaminda Kasatriyadhiraj Royal Air Force Academy (Muaklek), Big C Rama 2, Aeronautical Radio of Thailand Ltd. (Thungmahamek), Hype Condominium Charoen Nakorn 22 project etc. In 2020, the Company has a market share of approximately 13 percent of domestic market. With regard to SPEWC, its a subsidiary, SPEWC had no revenue from sales of copper electrical wire in 2020.

High voltage power cable

Most of the High voltage power cable market is similar to the Aluminum electrical wire market. The Company will be OEM for state enterprises and distribute products to the private sector customers who are the sub-contractor of government sector's projects, including the ongoing and long-term projects such as Mass Rapid Transit (Yellow Line, Pink Line), Small Power Producer (SPP) of 12 Power Plants Projects of Gulf MP Co., Ltd., Construction of Suvarnabhumi Airport Phase 2 Project, Additional projects of the double rail train, to modify Underground Cable Project on Rama 3 Road of MEA etc. In 2020, the Company has a market share of approximately 25 percent of domestic market.

Telephone cable

Presently, the demand for copper telephone cable has declined significantly since there are alternate products resulting from technology changes, that is, fiber optic cable which be better than in technical such as reduction of signal attenuation, more data storage, small structure, lightweight, non-conductive (quality for insulation) etc. The government agency that still uses copper telephone cable is National Telecom Plc., who purchase to replace the old that must be replaced it by lifetime which most telephone cable has been switched to use fiber optic cable. As for SPEWC, its sales volume also decreased for the same reason. SPEWC has a plan that this product will be available until expected to the next one year, after that it will consider to discontinue the production and distribution of this product since it is not worth manufacturing. In 2020, the Company and its a subsidiary (SPEWC) make an effort to maintain their market share of approximately 20 percent by bidding with National Telecom Plc. and the private sectors.

Nature of Business

Fiber optic cable

Mobile communication in Thailand has moved from 4G (Fourth-Generation Wireless) to 5G (Fifth Generation Mobile Network). Such would increase demand for fiber optic cable in order to improve transmission speed. This business opportunity comes with ever more intense competition as number of domestic fiber optic manufacturers has increased to substitute imported cable.

Presently, there are still only seven major domestic manufacturers of fiber optic cable, however, there are lots of foreign manufacturers to compete in Thailand's market since there are free duty tax as well as lower production cost. The domestic manufacturers do fight hard in prices although the Company's production cost usually higher than foreign manufacturers due to the raw materials are mainly imported from offshore. Currently, the Company mainly supplies to the contractors or sub-contractors of the State Enterprise projects. Due to the intense competition of imported products, SFO has coordinated and asked for help from Thai Electrical Electronics and Telecommunication Industries Association, The Federation of Thai Industries to issue the letter to the relevant government agencies to push to support the use of products manufactured in Thailand.

Enameled and non-enameled Wire

SPEWC is one of the top-three enameled copper wire manufacturers of the highest quality standard in Thailand. It also obtains standard of Underwriters Laboratories Inc. (UL) which is accepted by domestic and overseas electrical manufacturers in the world. SPEWC has always emphasized its competitiveness of quality, quick delivery and service, and full responsibilities for solving the products problem. With regard to, the intensified competition environment, SPEWC, as per its Policy, has focused more on selling products to targeted customers with real demand for the Company's products (Niche Market). In addition, SPEWC has attempted to attract the existing customers in existing markets and discover new customers in existing markets. It has also tried to discover the new markets both overseas and domestic markets for better selling price.

SPEWC has produced and exported the 2.6 millimeters and 1.8 millimeters bare copper wire which the overseas industrial customers used as the initial raw material since 2015. Although, SPEWC has a thin profit margin for bare copper wire, the management has considered that it can benefit from utilizing available manufacturing capacity to the maximum.

In 2018, SPEWC initiated the production of LITZ wire, a new product which is another strand wire that used in the electronics manufacturing industry. SPEWC plans to start the production and distribution of LITZ wire early in the year 2018 up to now. In 2020, SPEWC has a market share of Enameled wires and Non-Enameled wire of approximately 25 - 30 percent of domestic market.

1.3 Procurement of Products

A). Manufacturing of products

Plants of CTW and SFO are located at 35/1 and 35/2 Moo 22, Suwintawong Road, Saladaeng Sub-district, Bang Nam Prieo District, Chachoengsao Province, consists of one office building and six building as follows :

1. Office Building
2. Aluminium Cable Production Building
3. Power Cable Production Building
4. Telephone Cable Production Building
5. Low Voltage Cable and Copper Wire Production Building
6. Test Cable Building
7. Fiber Optic Cable Production Building

Plants of Subsidiary Companies, SPEWC's is located at 8 Moo 5, Tiwanon Road, Banmai Sub-district, Muang District, Pratumtanee Province.

Plant of Shanghai Asia Pacific Electric Co., Ltd. (SAP) is located at 2525 Daye R(d), Wuqiao Town, Feng Xian District, Shanghai, China.

Nature of Business

Production Capacity and Utilisation Rate :

	Full Capacity (metric tons/year)	Annualized Utilization Rate (%)		
		2020	2019	2018
<u>CTW</u>				
Aluminium electrical wires	14,400	47	47	79
Copper electrical wires	12,000	46	55	43
Telephone cables (pairs-km)	1,440,000	0.1	0	1
High voltage power cables	4,800		50	97
	5,079*	97		
<u>SPEWC</u>				
Enameled wires and Non-Enameled wire	15,600	49	92	96
Communication cables (pairs-km)	180,000	2	19	10
<u>SFO</u>				
Fiber optic cables (km-fiber)	500,000	11	13	25
<u>SAP</u>				
Enameled copper wires	0**	0		
	6,744		30	
	8,020			54

Remarks: * The Company has increased production capacity due to improvement of the machinery.

** SAP's production has been ceased since November 2020.

B). Sources and Acquisition of Raw Materials

The technology used in the production process is obtained from its Taiwanese shareholders and the Company has continually developed. It has also received technology support from Fujikura Ltd. of Japan for more than 30 years.

Effects on the Environment

The Company has never experience any detrimental environmental effects which exceeds government standard from the production process due to the advanced nature of the technology in use. The Company uses raw materials which have no heavy metals that are harmful to life and environment such as Lead-free PVC etc..

Raw materials

In 2020, around eighty two percent (82%) of the raw material used in the production process is imported from various countries through various agencies in Thailand and eighteen percent (18%) from domestic market. There were total 40 suppliers of raw materials, 19 suppliers from domestic and 21 suppliers from overseas.

Raw materials of CTW and its subsidiaries can be divided into four principal categories :

1. Conductors:

The important conductors are aluminium and copper with a purification rate of 99.70 per cent and 99.90 per cent, respectively. Aluminium and copper are imported from Australia, China, and Indonesia etc. The both of metals price were regulated by the central market in Great Britain (London Metal Exchange), which originally, the Company was responsible for purchasing and procuring raw materials for customers. But in present, the Company's customers, who are the state enterprises have changed their policy to procure and supply raw materials by themselves and they hired the Company to produce for power cable products. As a result, the Company can reduce the burden of procurement and storing of raw materials as well as reduce the negative effects of fluctuations in raw materials price from the global market.

Nature of Business

2. Insulator (Semi-Insulator):

There are three types of insulators used in the production process as follows:

2.1 Thermoplastic insulators :

2.1.1 Polyvinyl chloride or PVC is supplied by 2 domestic suppliers.

2.1.2 Polyethylene or PE is supplied by 1 domestic supplier and imported from 2 overseas suppliers.

2.1.3 Low Smoke Halogen Free or LSHF is supplied by 1 domestic supplier and imported from 3 overseas suppliers.

2.2 Thermosetting Plastic insulators are imported from international suppliers.

2.3 Semi-conductive insulators are imported from international suppliers.

3. Fiber Optics: SFO selected to purchase raw material from leading manufactures in the world which focusing on the quality and delivery.

4. 99.9% Copper Cathode and 99.9% Copper Rod :

Major raw materials that SPEWC needs to import from abroad through broker. As copper is considered as one of commodities whose main market is in Britain, namely, London Metal Exchange (LME). Its price can fluctuate all the time depending on demand and supply of global market. Due to the price fluctuations and the production volumes from copper mines, SPEWC has required to enter into the yearly sale and purchase contract with the quota of minimum order per month. This is also an agreement with the suppliers that they are obliged to supply and deliver copper as specified in the sales contracts.

2. The Holding Group

CTW-Beta Co., Ltd. is solely engaged in investing in entities with a view to realize a capital gain.

3. The Telecommunications Group

Loxpac (Thailand) Co., Ltd. (Loxpac TH) held a telecom concession license to be the solo telecom service provider for FETZ (Free Economic and Trade Zone) in DPRK (Democratic People's Republic of Korea). In September 1996, the Company launched a local operator NEAT&T (North East Asia Telephone & Telecommunications Co., Ltd.) in FETZ which is a Joint Venture with KPTC (Korea Postal & Telecommunications Co., Ltd.). Loxpac TH ceased operation completely from March 31, 2018, now is in the proceeding of dissolution.

Loxpac Hong Kong Co., Ltd. (Loxpac-HK) held an Internet Service Provider ("ISP") concession license to starts a Joint Venture company "Star J.V." with KPTC to be the ISP in DPRK. Star J.V. lunched its internet service on 10 October 2010.

1. Exposure to the cost of key raw materials

The Company's key raw materials used in manufacture about 90 percent is imported from abroad i.e. copper, aluminium, polyvinyl chloride, polyethylene and optic fibers etc. All of those are commodities and traded on the global market which are subject to price fluctuations in accordance with supply and demand. These international commodities almost all priced in US dollars but the Company sales revenue being largely quoted in Baht which does involved raw material price fluctuation and currency risk, and its significance would pending on the size of the contract. Copper and aluminum price rose during the last quarter of 2020.

Steps taken to mitigate the risk:

In an effort to mitigate any fluctuation of raw material price and foreign exchange related risk on procuring of raw materials, the Company would first try to pass such exposure to the customer, if possible, in other words to have the customer pay for raw material. It is now a common method for the customer to provide raw material to the Company directly and it has been a successful strategy with most State Enterprises. In some cases, in order to manage the currency exchange risk, then, the Company will purchase the same amount of foreign exchange forward contracts at the time to issue its L/C (Letter of Credit) in order to cover the exposure so to minimize any foreign exchange risk. In addition, the Company monitors price trend regularly and compares the key raw material price from several suppliers for getting the best condition. The Company sometimes also raise its raw materials reserve by conforming to the Company's order projections. Moreover, the Company tries to search for new sources of key raw materials in order to obtain appropriate price and quality raw materials. The Company and its a subsidiary (SPEWC) have risk from fluctuation of raw material price, then they have made annual contract for purchase of raw material and monthly delivery in order to prevent the lack of raw materials.

2. Risk derived from change in manufacturing technology

Thailand is entering the fourth industrial revolution know as "Thailand 4.0" which promoted by the government for entrepreneurs in all sectors to implement and adopt new technology using of Artificial Intelligence (A.I) replacing humans, for reducing production costs and competing in the global market. As our Company's products involve power and telecommunication technology that needs continual research and development in order to create innovation and to improve product quality standard and performance to meet the global changes. In addition, manufacturing technology has changed rapidly, and the Company has to face competition in a more intensely competing market of electrical wire, especially competition in terms of pricing, the Company is hence exposed to certain risks and needs to improve its manufacturing process and product design by adopting more advanced and automated system with more productivity. The key target is to save production cost while product quality and performance is still preserved.

Steps taken to mitigate the risk:

The Company has prepared itself for risk reduction resulted from change in manufacturing technology by setting up an expert team consisting of engineers, manufacturing staffs and testing staffs to monitor such change in all aspects of technology that involved with the Company's products such as production techniques, key raw material, machinery and testing tools in order to make more efficient, develop and improve the production that can meet the customer's and current market's needs. Over the past year, the Company has procured the new technology machinery with automated control system, low energy but more productivity to replace the existing machinery that having low production efficiency, not worth producing or high cost of production.

Risk Factors

3. Risk derived from foreign currency

The Company and its subsidiaries import raw materials used in the production from foreign countries which the Company may be affected on the aspect of cost derived from foreign currency exchange rate. In addition, there are exposure to foreign currency risk from investments in its subsidiary and associated companies that are denominated in foreign currencies. As at 31 December 2020, the Company and its subsidiaries have outstanding balance of liabilities denominated in foreign currencies of USD 7 million.

Steps taken to mitigate the risk:

In order to reduce the effect from exchange rate risk, the Company has managed the risk from exchange rate by entering into forward exchange contracts. Generally, the forward contracts mature within one year. In addition, the exposures to foreign currency risk of the Company and its subsidiaries arise from investments in an overseas subsidiary. The management of the Company and its subsidiaries intends to hold such investments for the long term, and has no plans to dispose it in the future.

In addition, the Company has a policy to promote its export business to foreign markets which will be base on US dollars revenue and thereby it could help as a natural hedge mechanics. It has also followed closely the movement in exchange rates.

4. Risk factors associated with control by major shareholders

There are four major shareholders of CTW that ultimately relate to Pacific Electric Wire & Cable Co., Ltd. group, (PEWC) with a total shareholding about 51 per cent plus few individual shareholders that may comprised by PEWC's management and representatives, so PEWC can thus make decisions that directly affect the policy of the Company. Minority shareholders are therefore at risk for its inability to vote against major shareholders.

Steps taken to mitigate the risk:

The Company, as SET rulings, has appointed the Audit Committee to inspect the management team and to comment on transactions that could lead to a conflict of interest between the Company and its related shareholders. Such four major shareholders are prohibited from voting on connected transactions in which they may have conflict of interest.

5. Risk derived from the shortage of skilled labor

The Government of Thailand has announced the Eastern Economic Corridor (EEC) Policy in order to promote investment for supporting both domestic and foreign investment, which will obtain the tax and land privileges. The EEC project will, initially, be focused in 3 eastern provinces namely Chachoengsao, Chonburi and Rayong, which will focus on transportation infrastructure development such as land, sea and ocean, and air transportations. In order to be ready to connect with neighboring countries. Expansion according to the said policy, resulting in, the Company may have skill labor shortage and labor mobility. This urges us to find more personnel holding knowledge, skill and expertise for such machinery and technology to replace the shortage labor.

Steps taken to mitigate the risk:

The Company focuses on the importance of all levels of employees in order to preserve the employees who have skills, knowledge and experience in work. The Company has provided a clear path for career advancement in order for staffs to develop knowledge and ability in their line more and more and also provided the healthy working environment and improved adequate advance position and appropriate welfare facilities for employees and their family such as financial aids for marriage, having a baby, hospital admission, annual salary increase, shuttle buses service, attendance bonus etc. In addition, the Company has focused on the selection process of the new employee, to provided training, skill development and specialized knowledge in performance duties for know-how and advance position in career. Although the Company has the development plan for new employees to compensate the retired employees and to support the shortage of skilled labor in the future which they may move to the government system and government employee.

General Information

Corporate Information

Charoong Thai Wire and Cable Public Company Limited (“CTW” or the “Company”), or in Thai บริษัท จรุงไทยไวร์แอนด์เคเบิล จำกัด (มหาชน), is located at 589/71 Central City Tower 12A Floor, Debaratana Road, North Bangna Sub-district, Bangna District, Bangkok 10260. Its telephone numbers are (662) 745-6118 to 30 and facsimile numbers are (662) 745-6131 to 32. The Company’s home page on the internet is www.ctw.co.th and its registration number is 0107537000599. CTW has been a manufacturer and distributor of Aluminium Cables, Copper Cables, High-Voltage Cables, Telephone Cables, Fiber Optic Cables, Enameled Wires and Non-Enameled Wires sold to the domestic and export market. The Company is also an Original Equipment Manufacturer (OEM) which manufactures products for customers since 1967. As at 6 January 2021, it had paid-up capital in the amount of Baht 1,989,531,420.

Reference Persons

Share Registrar

Thailand Securities Depository Co., Ltd. (TSD)
93 14th Floor, Rachadapisek Road,
Dindaeng, Dindaeng, Bangkok, 10400
Tel : (662) 009-9000
Fax : (662) 009-9992
Website : www.set.or.th/tsd

Auditor

Mr. Supachai Phanyawattano, Certified Public Accountant License No. 3930 or
Ms. Krongkaew Limkittikul, Certified Public Accountant License No. 5874 or
Mr. Natthawut Santipet, Certified Public Accountant License No. 5730

EY Office Limited (EY)
33rd Floor, Lake Rajada Office Complex, 193/136 - 137 Rajadapisek Road, Klongtoey, Bangkok 10110
Tel. : (662) 264-9090
Fax : (662) 264-0789-90
Website : <http://www.ey.com>

General Information

Shareholding in Other Companies

Company Name and Location	Kind of Activity	Type	Issued Shares Number (Shares)	Shareholding Portion Number (Shares)	%
1. CTW-Beta Co., Ltd.	Investment & Holding Company	Ordinary Shares	10,000	9,993	99.93
2. Double D Cable Co., Ltd.	Manufacturer and distributor of aluminium and copper cables, and copper rod manufacturing service	Ordinary Shares	200,000	199,995	100.00
3. Siam Fiber Optics Co., Ltd. Head office : 589/71 Central City Tower 12A Fl., Debaratana Road , North Bangna, Bangna, Bangkok 10260 Tel : (02) 745-6118-30 Fax : (02) 745-6575	Manufacturer and distributor of fibre optic cables	Ordinary Shares	24,000,000	21,599,994	90.00
4. Siam Pacific Electric Wire & Cable Co., Ltd. Head Office : 30 Fl., Charn Issara Tower 2, 2922/312 New Petchburi Rd., Bangkok 10320 Tel : (02) 308-2091 (Auto, 15 Lines) Fax : (02) 308-2081-2	Manufacturer and distributor of wire and cable products, enameled wires and non-enameled wires	Ordinary Shares	6,700,000	6,700,000	100.00
5. Shanghai Asia Pacific Electric Co., Ltd. Head Office : 2525 Daye R (d), Wuqiao Town, Feng Xian District, Shanghai, China Tel : (86 21) 5740 3196 Fax: (86 21) 5740 2366	Manufacturer and distributor of enameled copper wires	Ordinary Shares	10,548,737	6,548,737	62.08
6. Loxpac (Thailand) Co., Ltd.* Head Office : 139 Sethiwan Tower, 1 st Floor, Pan Road, Silom, Bangrak, Bangkok 10500 Tel : 084 0167912	Telecommunications	Ordinary Shares Preferred Shares	45,000,000 25,000,000	12,690,000 5,594,500	**24.56
7. Loxpac Hong Kong Ltd. Head Office : 18/F., Cigna Tower, 482 Jaffe Road, Causeway Bay, Hong Kong	Telecommunications	Ordinary Shares	50,000	9,825	19.65
8. Prospex Ltd.* Head Office : 2 Heather Street, Parnell, Auckland, New Zealand Tel : (649) 917-8338	Public Shell Company	Ordinary Shares	1,343,236	437,597	31.96
9. Thai Metal Processing Co., Ltd. Head Office : 25 Fl., Two Pacific Place Bldg. 142 Sukhumvit Rd., Klongtoey, Bangkok 10110 Tel : (02) 653-2550 (30 lines) Fax : (02) 653-2617	Fabrication of copper rod	Ordinary Shares	1,500,000	225,000	15.00

Remarks: * The liquidation is currently in progress.

** Voting Rights.

Shareholding

Major Shareholders

Major Shareholders as at 3rd April 2020 (The latest Record Date in the year 2020) as follows:

Shareholders Group	No. of Shares	% of holding	Notes
1. Pacific Electric Wire & Cable Co., Ltd. (PEWC) Group			
1.1 Singvale Pte Ltd.	86,999,500	21.87	International Juristic Person
1.2 Trigent Investment Holdings Ltd.	49,568,514	12.46	International Juristic Person
1.3 PEWC (Thailand) Co., Ltd.	36,206,398	9.10	Domestic Juristic Person
1.4 APWC (Thailand) Co., Ltd.	20,186,272	5.07	Domestic Juristic Person
	192,960,684	48.50	
2. Italian-Thai Development Plc. Group			
2.1 Italian-Thai Development Plc.	51,327,115	12.90	Domestic Juristic Person
2.2 Siam Concrete and Brick Products Co., Ltd.	3,188,686	0.80	Domestic Juristic Person
	54,515,801	13.70	
3. Bangkok Insurance Plc. Group			
3.1 Bangkok Insurance Plc.	28,656,524	7.20	Domestic Juristic Person
3.2 Mr. Chai Sophonpanich	2,731,210	0.69	Domestic Natural Person
	31,387,734	7.89	
4. Management Group			
4.1 Mr. Sun Tao-Heng	7,339,960	1.84	International Natural Person
5. Other Group			
5.1 China Tonghai Securities Limited A/C Client	10,000,000	2.51	International Juristic Person
5.2 Mr. Si Lok Mark Lee	3,500,000	0.88	International Natural Person
5.3 Mr. Suphot Rueangdechworachai	2,976,000	0.75	Domestic Natural Person
5.4 Mr. Tung Yu-Jeh	2,720,928	0.68	International Natural Person
5.5 Mr. Sittichai Boonsermmit	2,250,000	0.57	Domestic Natural Person
5.6 Mr. Somjiat Chumnantongpaival	2,220,000	0.56	Domestic Natural Person
5.7 Minority Shareholders	88,035,177	22.12	
Total	397,906,284	100.00	

Dividend Policy

The Company has dividend policy that in normal circumstances it is to provide the dividend payout ratio of not less than 25 percent of net profit based on the separate financial statements as at the end of year after deducting legal reserve and the Board shall propose to the shareholders meeting for approval.

The dividend policy of its subsidiary companies are as follows:

CTW-Beta Co., Ltd. has the dividend payout ratio of not less than 25 percent and not exceeding 50 percent of net profit after deducting legal reserve.

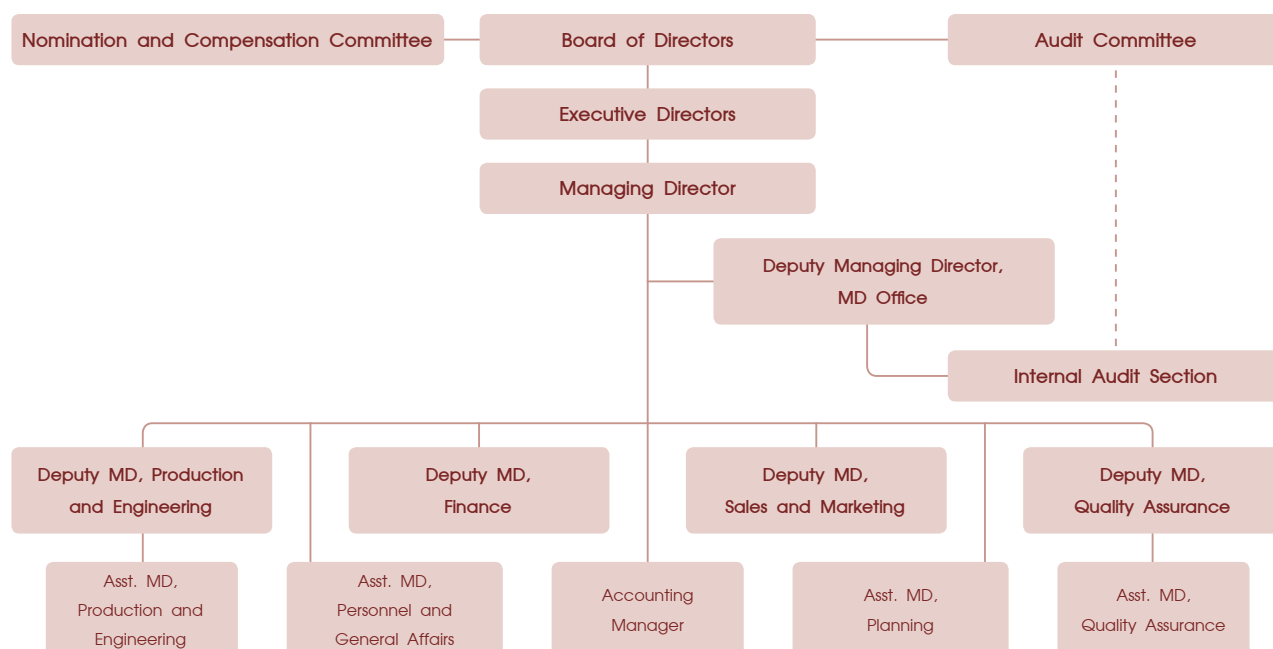
Siam Pacific Electric Wire & Cable Co., Ltd., determines the dividend payout ratio of not less than 25 percent of net profit after tax and to comply with the Civil and Commercial Code.

Siam Fiber Optics Co., Ltd., Shanghai Asia Pacific Electric Co., Ltd., and Double D Cable Co., Ltd., the dividend payment shall be proposed by the Board from time to time to their shareholders meeting for approval.

Shareholding and Management Structure

Management Structure

Organization Chart of Charoong Thai Wire and Cable Public Company Limited as at 31 December 2020



Directors Structure

The four bodies of committees are the Board of Directors, the Audit Committee, the Nomination and Compensation Committee and the Executive Committee with the following details :

1. Board of Directors

The Company has 12 Directors as at 31 December 2020:

Name	Position
1. Mr. Chai Sophonpanich	Chairman
2. Mr. Premchai Karnasuta	Vice-Chairman
3. Mr. Sun Tao-Heng*	Managing Director
4. Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director
5. Mr. Kasem Kularbkeo*	Chairman and Member of the Nomination and Compensation Committee
6. Mrs. Sununtha Phaengsook*	Director and Deputy Managing Director, Finance
7. Mrs. Nijaporn Charanachitta	Director and Member of the Nomination and Compensation Committee
8. Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee, Audit Committee Member and Independent Director
9. Mr. Steven Suey Ku	Audit Committee Member and Independent Director
10. Mr. Yuan Chun-Tang	Director
11. Mr. Cheng Chow-Chun	Director
12. Mr. Surachai Sirivallop	Independent Director

Remark: * Authorised directors

Shareholding and Management Structure

The Meeting Attendance of Directors for 2020

Name	Board Meeting (Total 4 times)	2020 AGM (28 th April 2020)
1. Mr. Chai Sophonpanich	4/4	1
2. Mr. Premchai Karnasuta	3/4	1
3. Mr. Sun Tao-Heng	3/4	-
4. Mr. Pornwut Sarasin	3/4	1
5. Mr. Kasem Kularbkeo	4/4	1
6. Mrs. Sununtha Phaengsook	4/4	1
7. Mrs. Nijaporn Charanachitta	4/4	1
8. Mr. Sai Wah Simon Suen	4/4	1
9. Mr. Steven Suey Ku	3/4	-
10. Mr. Surachai Sirivallop	3/4	1
11. Mr. Yuan Chun-Tang*	3/3	-
12. Mr. Cheng Chow-Chun*	3/4	-

Remarks: * To be appointed as the Company's director on 20 March 2020.

Authorities and Duties of directors :

The Board of Directors' duties and responsibilities, as included in but not limited to the Articles of Association of the Company are:

1. To appoint an Executive Board of Directors consisting of the Executive Chairman, Executive Vice-Chairman and other positions as necessary, to have the authority to administer and manage the operations of the Company as assigned by the Board of Directors.
2. To arrange meetings at least once in every three months at the Head Office of the Company or the province nearby in the meeting.
3. To implement and direct the Company's policies, as well as monitor and supervise its operations to maximize economic value and shareholders' wealth.
4. To notify shareholders immediately or call a shareholders' meeting in regard to events that might have a significant impact on the Company's operations or financial status and/or shareholders' benefits.

Besides, the Board of Directors delegates management authority to manage or make decisions relating to the normal business practices of the Company, but it is not allowed to approve transactions that may cause a conflict of interest among members of the executive management.

In addition to the above, the Board of Directors has granted the Managing Director the authority to approve purchases or sales of assets in the maximum value of Baht 50 million, with any amount higher than that to requiring the approval from the Board of Directors.

2. Audit Committee

The Company's Audit Committee consists of 3 members as at 31 December 2020 :

Name	Position	Meeting Attendance (Total 4 times)
1. Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director	4/4
2. Mr. Sai Wah Simon Suen*	Audit Committee Member and Independent Director	4/4
3. Mr. Steven Suey Ku	Audit Committee Member and Independent Director	3/4

Remark: * Who has knowledge and experience in reviewing financial statements.

Shareholding and Management Structure

Scope of duties and responsibilities of the Audit Committee member :

- (1) To review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
- (3) To review the Company's compliance with the law on securities and exchange, the regulations, and the laws relating to the Company's business;
- (4) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
- (5) To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;
- (6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) An opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) An opinion on the adequacy of the Company's internal control system,
 - (c) An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) An opinion on the suitability of an auditor,
 - (e) An opinion on the transactions that may lead to conflicts of interest,
 - (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - (h) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
- (7) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

Member of the Audit Committee are in 3 years per a period.

3. Nomination and Compensation Committee

The Company's Nomination and Compensation Committee consists of 3 members as at 31 December 2020:

Name	Position	Meeting Attendance (Total 1 time)
1. Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee	1/1
2. Mrs. Nijaporn Charanachitta	Member of the Nomination and Compensation Committee	1/1
3. Mr. Kasem Kularbkeo	Member of the Nomination and Compensation Committee	1/1

Duties and responsibilities of member of Nomination and Compensation Committee :

1. To set the policy, the criteria and process of nominating Board members and top executives.
2. To consider and select the list of qualified candidates for presenting to become the Board member and top executives.
3. To consider and formulate the criteria and the form of payment to directors and top executives.
4. To consider and recommend the directors' compensation to the Shareholders' meeting for approval.

Member of the Nomination and Compensation Committee are in 3 years per a period.

Shareholding and Management Structure

4. Executive Directors and Management Team

The Company's Executive Directors and Management as at 31 December 2020 :

Name	Position
1. Mr. Sun Tao-Heng	Managing Director
2. Mr. Kasem Kularbkeo	Executive Director
3. Mrs. Sununtha Phaengsook	Executive Director and Deputy Managing Director, Finance
4. Mr. Tanasit Aungkasit	Deputy Managing Director, Sales and Marketing
5. Mr. Suvit Veerapong	Deputy Managing Director, Production and Engineering
6. Mr. Sathit Tabpech	Deputy Managing Director, Quality Assurance
7. Mr. Chang Hsiao-Chun	Deputy Managing Director, Office of Managing Director
8. Mrs. Apanut Wongjarit	Accounting Manager

Duties and responsibilities of the Executive Directors and Management Team :

1. To carry out the Company's policies and to develop strategies according to policies set out by the Board of Directors, exclude approve to benefit or conflict of the company and subsidiaries.
2. To ensure that such policies and strategies are applied properly.
3. To manage their respective assignments and departments.
4. To be responsible for day-to-day business operations.

Secretary of the Company

Miss Kanjana Anekwasinchai

Criteria of selecting an independent director (s)

1. The independent director shall meet all the following criteria 1.1 through 1.9 :
 - 1.1 Holds shares not exceeding 1% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling of the company, provided that the shares held by the related parties of such independent director shall be included.
 - 1.2 Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years, provided that such prohibition shall not include the case that such independent director has ever been official or advisor of the government sector that is the major shareholder or controlling party of the applicant.
 - 1.3 Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers, sisters and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.
 - 1.4 Have no or never had business relationship with its parent company, subsidiaries, associates, major shareholders, or controlling of the company in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the company, its parent company, subsidiaries, associates, major shareholders, or controlling of the company unless the foregoing status ended at least 2 years.
 - 1.5 Is not or has never been the auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling of company, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling of company unless the foregoing status ended at least 2 years.

Shareholding and Management Structure

- 1.6 Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years.
- 1.7 Is not the director who is nominated to be the representative of directors of the company, major shareholders, or any other shareholder related to the major shareholders.
- 1.8 Do not operate the same and competitive business with the business of the company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the company, or its subsidiaries.
- 1.9 Is not any otherwise which is unable to have the independent opinion regarding the business operation of the company.

2. The member of the Nomination and Compensation is considering an appropriate person to the Board of Directors for the company whom has to be competent and matching all above listed criteria, and willing to take such position as an independent director of the company. In proceeding the independent director selection, the Board shall first conduct a searching for qualified individuals whom shall meet all required criteria with his/her own willingness then send their nomination to the Board meeting or shareholders meeting for final consideration and formal appointment.

The director compensation policy

The compensation of director consists of:

1. The director remuneration

According to the Company's Articles of Association, a resolution shall be issued at the Meeting of Shareholders for paying remuneration to directors and employees every year at a total rate of not more than 3 per cent of total sales, with allocations in favor of directors at one-third and in favor of employees at two-third.

Regarding such payment of remuneration to directors, the allocation is made in consultation between the chairman and some directors of the Company by means of distribution according to the number of portions, with each portion receiving an equal amount, as follows:

Chairman	2.0 portions
Vice-Chairman	1.5 portions
Director	1.0 portion

The chairman and directors shall consider together for allocation as appropriate in case having faction or adjustment of allocated proportion.

As for the directors who are not to be the director full year, their remuneration shall be calculated average according to the number of days in term of office of those.

2. Meeting fees

The 2020 Annual General Meeting of Shareholders resolved to determine the meeting fees for directors who only present at the meeting as follows:

2.1 Meeting fees for Board of Director :

- Chairman	Baht 50,000 per meeting
- Director	Baht 40,000 per meeting

2.2 Meeting fees for audit committee :

- Chairman of Audit Committee	Baht 40,000 per meeting
- Member of Audit Committee	Baht 30,000 per meeting

2.3 Meeting fees for the nomination and compensation committee :

- Chairman of Nomination and Compensation Committee	Baht 40,000 per year
- Member of Nomination and Compensation Committee	Baht 30,000 per year

There was no the monthly remuneration, special remuneration or other benefit for directors.

Shareholding and Management Structure

The Compensation of Directors for 2020

Monetary Compensation

Name	Position	Meeting Fees (Baht)	Director Remuneration (Baht)**
1. Mr. Chai Sophonpanich	Chairman	200,000	1,446,840
2. Mr. Premchai Karnasuta	Vice-Chairman	120,000	1,085,130
3. Mr. Sun Tao-Heng	Managing Director	120,000	723,420
4. Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director	120,000	723,420
5. Mr. Kasem Kularbkeo	Director and Member of the Nomination and Compensation Committee	160,000	723,420
6. Mrs. Sununtha Phaengsook	Director and Deputy Managing Director, Finance	160,000	723,420
7. Mrs. Nijaporn Charanachitta	Director and Member of the Nomination and Compensation Committee	160,000	723,420
8. Mr. Sai Wah Simon Suen	Audit Committee Member, Independent Director and Chairman of the Nomination and Compensation Committee	160,000	723,420
9. Mr. Steven Suey Ku	Audit Committee Member and Independent Director	120,000	723,420
10. Mr. Surachai Sirivallop	Director	120,000	723,420
11. Mr. Yuan Chun-Tang*	Director	120,000	-
12. Mr. Cheng Chow-Chun	Director	120,000	723,420
Total		1,680,000	9,042,750

As at 31 December 2020, CTW has 12 directors.

Remarks: * To be appointed as the Company's director on 20 March 2020.

** Director remuneration was calculated from the 2019's operating results but it was paid in 2020.

The Compensation of Audit Committee for 2020:

Name	Position	Meeting Fees (Baht)
1. Mr. Pornwut Sarasin	Chairman of Audit Committee	160,000
2. Mr. Sai Wah Simon Suen*	Audit Committee Member	120,000
3. Mr. Steven Suey Ku	Audit Committee Member	90,000
Total		370,000

Remark: * Who has knowledge and experience in reviewing financial statements.

The Compensation of the Nomination and Compensation Committee for 2020:

Name	Position	Meeting Fees (Baht)
1. Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee	40,000
2. Mrs. Nijaporn Charanachitta	Member of the Nomination and Compensation Committee	30,000
3. Mr. Kasem Kularbkeo	Member of the Nomination and Compensation Committee	30,000
Total		100,000

The Compensation of Executive Directors and Management for 2020:

	(Number of person)	Salary (Million Baht)	Consultant Fee and Bonus (Million Baht)	Total (Million Baht)
Executive Directors and Management Team	8	23.56	13.05	36.61

Shareholding and Management Structure

Details of the Executive Management and Controlling Person

The management of the Company and its subsidiaries has no disqualification or legal dispute.

Name-Surname/ Position	Educations/ Certifications	5 YEARS' Work Experiences		
		Period	Position	Company
Mr. Chal Sophonpanich Chairman Age : 77 years % Holding : 1.16	- B.A. (Business Administration) Colorado University, USA - Training courses from Thai Institute of Directors (DCP 16/2002 and Chairman 10/2004) - Diploma, The National Defence Course for the Joint State-Private Sectors - Advanced Management Program, The Wharton School, 1984	2018 - Present 2018 - Present 2010 - 2015 2018 - Present 2018 - Present 2018 - Present 1989 - Present	Chairman Chairman CEO Chairman Chairman Chairman Vice-Chairman	Charoong Thai Wire and Cable Plc. Bangkok Insurance Plc. Bangkok Insurance Plc. Bumrungrat Hospital Plc. Thai Reinsurance Plc. Furukawa Metal (Thailand) Plc. Thai Metal Processing Co., Ltd.
Mr. Premchal Karnasuta Vice - Chairman Age : 67 years % Holding : 0.00	MBA, University of Southern California, USA	2009 - Present 1985 - Present 1979 - Present 1997 - Present Present Present Present Present Present Present	Vice-Chairman Chairman Chairman Director Director Director Director Director Director Director	Charoong Thai Wire and Cable Plc. Italian Thai Development Plc. Bangkok Steel Wire Co., Ltd. Siam Fiber Optics Co., Ltd. Siam Steel Syndicate Plc. ITD Cementation India Co., Ltd. Siam Machinery & Equipment Co., Ltd. Thai Pride Cement Co., Ltd. Myanmar ITD Co., Ltd.
Family relation between Management Younger brother of Mrs. Nijaporn Charanachitta, who is CTW's Director.				
Mr. Sun Tao-Heng Managing Director (Authorized director) Age : 67 years % Holding : 1.91	- MBA, University of Southern California, USA - Training courses from Thai Institute of Directors (DAP 73/2008)	1994 - Present 1996 - Present 1997 - Present 2003 - Present 2007 - Present 1995 - Present 1996 - Present 2012 - Present 2020 - Present	Managing Director Managing Director Chairman President Chairman Director Director Director Director	Charoong Thai Wire and Cable Plc. CTW-Beta Co., Ltd. Siam Fiber Optics Co., Ltd. Pacific Electric Wire & Cable Co., Ltd. Siam Pacific Electric Wire & Cable Co., Ltd. Thai Metal Processing Co., Ltd. Asia Pacific Wire & Cable Corp. Ltd. Double D Cable Co., Ltd. Siam Pacific Holding Co., Ltd.
Mr. Pornwut Sarasin Independent Director and Chairman of Audit Committee Age : 61 years % Holding : 0.01	- MBA, Pepperdine University, USA - Training courses from Thai Institute of Directors (DAP 45/2005)	1986 - Present 2001 - Present 2013 - Present 2017 - Present Present Present Present	Independent Director Chairman of Audit Committee Chairman Chairman Director Director Director	Charoong Thai Wire and Cable Plc. Charoong Thai Wire and Cable Plc. Thai Pure Drinks Co., Ltd. BG Container Glass Plc. Crown Seal Plc. Home Product Center Plc. AP (Thailand) Plc.
Mr. Kasem Kularbkeo Director and Member of the Nomination and Compensation Committee (Authorized director) Age : 89 years % Holding : 0.006	- B.A. (Engineering), Chulalongkorn University - Training courses from Thai Institute of Directors (DAP 35/2005, RCC 2/2007 and DCP 126/2009) - Diploma, National Defence College (Class 29)	1995 - Present 1992 - Present 2006 - Present 1992 - Present	Director Advisor Member of the Nomination and Compensation Committee Senior Advisor	Charoong Thai Wire and Cable Plc. Charoong Thai Wire and Cable Plc. Charoong Thai Wire and Cable Plc. TASA Industrial Co., Ltd.

Shareholding and Management Structure

Name-Surname/ Position	Educations/ Certifications	5 YEARS' Work Experiences		
		Period	Position	Company
Mr. Steven Suey Ku Independent Director and Member of Audit Committee Age : 64 years % Holding : None	B.A. (Textile Engineering), St. John's University Taiwan R.O.C.	2009 - Present	Independent Director and Member of Audit Committee	Charoong Thai Wire and Cable Plc.
		2002 - Present	President	Lay Grand International Co., Ltd.
		2002 - Present	President	Suzhou King Packing Materials Co., Ltd.
		2011 - Present	President	Smartco International Co., Ltd.
Mr. Yuan Chun - Tang Director Age : 60 years % Holding : 0.27	M.S. (Applied Science), Waterloo University, Canada	Present	Director	Charoong Thai Wire & Cable Plc.
		2004 - Present	Chairman	Pacific Electric Wire & Cable Co., Ltd.
		2007 - Present	Director	Siam Pacific Electric Wire & Cable Co., Ltd.
		2005 - Present	CEO	Asia Pacific Wire & Cable Corp., Ltd.
		2005 - Present	Director	Australia Pacific Electric Cable Pty Ltd.
		2005 - Present	Director	Pacific Electric Wire & Cable (Shenzhen) Co., Ltd.
		2005 - Present	Director	Sigma Cable Co., (Pte) Ltd.
Mr. Sai Wah Simon Suen Independent Director, Member of Audit Committee and Chairman of the Nomination and Compensation Committee Age : 61 years % Holding : None	MBA, Finance Major, University of Hawaii,	2009 - Present	Independent Director, Audit Committee Member and Chairman of the Nomination and Compensation Committee	Charoong Thai Wire and Cable Plc.
		2018 - Present	Independent Director and Audit Committee Member	Italian Thai Development Plc.
Mr. Cheng Chow-Chun Director Age : 62 years % Holding : 0.05	B.S. (Finance) University of Southern California, USA	Present	Director	Charoong Thai Wire and Cable Plc.
		2015 - Present	Vice-President	Pacific Electric Wire & Cable Co., Ltd.
		2010 - Present	Chairman	Asia Pacific Wire & Cable Corp., Ltd.
		2007 - Present	Director	Siam Pacific Electric Wire & Cable Co., Ltd.
Mrs. Nijaporn Charanachitta Director and Member of the Nomination and Compensation Committee Age : 70 years % Holding : 0.00	- MBA, University of Wisconsin (Medison), USA - Training courses from Thai Institute of Directors (IOD) (DCP 56/2005)	2002 - Present	Director	Charoong Thai Wire and Cable Plc.
		2006 - Present	Member of the Nomination and Compensation Committee	Charoong Thai Wire and Cable Plc.
		1994 - Present	Senior Vice-Executive Chairman	Italian Thai Development Plc.
		Present	Chairman	OHTL Plc.
		Present	Chairman	Siam Steel Syndicate Plc.
		Present	Chairman	Italthai Industrial Co., Ltd.
		Present	Chairman	TTCL Plc.
		Present	Director	Bangkok Steel Wire Co., Ltd.
		Present	Director	Siam Concrete and Brick Product Co., Ltd.

Family relation between Management

Elder sister of Mr. Premchai Karnasuta, who is CTW's Vice-Chairman.

Mr. Surachai Sirivallop Independent Director Age : 79 years % Holding : None	- Bachelor of Laws, Thammasat University - International Law, Albert Ludwig University of Freiburg, Germany - Training courses from Thai Institute of Directors (IOD) (DCP 18/2002)	2010 - Present	Independent Director	Charoong Thai Wire and Cable Plc.
		2007 - Present	Director and Audit Committee	OHTL Plc.
		2011 - Present	Chairman	Thai Re Actuarial Consulting Co., Ltd.
		2006 - Present	Chairman	ThaiRe Services Co., Ltd.
		2001 - Present	Chairman	EMCS Thai Co., Ltd.
		2018 - 2020	Vice-Chairman	Thai Reinsurance Plc.
		2017 - 2020	Member of the Nomination and Compensation Committee	Thai Reinsurance Plc.
		2016 - 2020	Member of Investment Committee	Thai Reinsurance Plc.
		2016 - 2017	Vice-Chairman, CEO and Investment Committee Member	Thai Reinsurance Plc.
		2012 - 2016	Director, Executive Chairman and Chairman of Risk Management Committee	Thaire Life Assurance Plc.

Shareholding and Management Structure

Name-Surname/ Position	Educations/ Certifications	5 YEARS' Work Experiences		
		Period	Position	Company
Mrs. Sununtha Phaengsook Director and Deputy Managing Director, Finance (Authorized director) (The person assigned to the highest responsibility in Accounting and Finance) Age : 79 years % Holding : 0.01	- Mini MBA, Thammasat University - Training courses from Directors (IOD) (DCP 4/2000) - TLCA CFO Professional Development Program "Capital structure and funding strategy" and "Strategic Financial Communication"	2000 - Present	Director	Charoong Thai Wire and Cable Plc.
		2018 - Present	Deputy Managing Director, Finance	Charoong Thai Wire and Cable Plc.
		1994 - 2017	Asst. Managing Director, Finance	Charoong Thai Wire and Cable Plc.
		1996 - Present	Director	CTW-Beta Co., Ltd.
		2011 - Present	Director	Siam Pacific Holding Co., Ltd.
		2012- Present	Director	Double D Cable Co., Ltd.
Mr. Tanasit Aungkasit Deputy Managing Director, Sales and Marketing Age : 65 years % Holding : 0.007	M.S. (Plant), California State University, USA	2018 - Present	Deputy Managing Director, Sales and Marketing	Charoong Thai Wire and Cable Plc.
		1994 - 2017	Asst. Managing Director, Sales and Marketing	Charoong Thai Wire and Cable Plc.
		1996 - Present	Director	CTW-Beta Co., Ltd.
		2000 - Present	Director	Siam Fiber Optics Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.
Mr. Suvit Veerapong Deputy Managing Director, Production and Engineering Age : 69 years % Holding : 0.05	M.S. (Engineering), King Mongkut's Institute of Technology (North Bangkok)	2018 - Present	Deputy Managing Director, Production and Engineering	Charoong Thai Wire and Cable Plc.
		1994 - 2017	Asst. Managing Director, Production and Engineering	Charoong Thai Wire and Cable Plc.
		1996 - Present	Director	CTW-Beta Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.
Mr. Sathit Tabpech Deputy Managing Director, Quality Assurance Age : 65 years % Holding : 0.002	- MBA, The University of the Thai Chamber of Commerce - Training courses from Thai Institute of Directors (IOD) (DCP 149/2011)	2018 - Present	Deputy Managing Director, Quality Assurance	Charoong Thai Wire and Cable Plc.
		1994 - 2017	Asst. Managing Director, Quality Assurance	Charoong Thai Wire and Cable Plc.
		1996 - Present	Director	CTW-Beta Co., Ltd.
		1997 - Present	Director and General Manager	Siam Fiber Optics Co., Ltd.
		2013 - Present	Director	Double D Cable Co., Ltd.
Mr. Chang Hsiao-Chun Deputy Managing Director, MD Office Age : 60 years % Holding : 0.03	B.A. (Accounting), Fujin University, Taiwan R.O.C.	2020 - Present	Deputy Managing Director, MD Office	Charoong Thai Wire and Cable Plc.
		2006 - 2020	Asst. Managing Director, MD Office	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW-Beta Co., Ltd.
		2011 - Present	Director	Siam Pacific Electric Wire & Cable Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.
		2020 - Present	Director	Siam Pacific Holding Co., Ltd.
Mrs. Apanut Wongjarit Accounting Manager (The person assigned to the direct responsibility of supervising accounting preparation and be a professional accountant charged with accounting duties with qualification and conditions prescribed by the Notification of the Department of Business Development.) Age : 64 years % Holding : None	- B.A. (Accounting), Kirk University - Training course from Federation of Accounting Professions "Account closing techniques and preparing information for account closure" 6 hours and "Tax for accountants Systematic Taxation" 6 hours.	2005 - Present	Accounting Manager	Charoong Thai Wire and Cable Plc.

Shareholding and Management Structure

Name-Surname/ Position	Educations/ Certifications	5 YEARS' Work Experiences		
		Period	Position	Company
Miss Kanjana Anekwasinchai	- MBA, Srinakharinwirot University	2008 - Present	Company Secretary	Charoong Thai Wire and Cable Plc.
Company Secretary		2018 - Present	Manager,	Charoong Thai Wire and Cable Plc.
Age : 52 years	- Training courses from		Corporate Services	
% Holding : None	Thai Listed Companies Association (Fundamental Practice for Corporate Secretary - FPCS19)	2005 - Present	Head of Internal Audit Section	Charoong Thai Wire and Cable Plc.

Changes in the CTW Shares held by Directors and Executives in 2020

Name	Position	Shares held As at 31 Dec. 2019	Shares held As at 31 Dec. 2020	Increase/ (Decrease) Shares held In 2020	Percentage of shares held (%)
Mr. Chai Sophonpanich	Chairman	2,731,210	4,624,910	1,893,700	1.16
Mr. Premchai Karnasuta	Vice-Chairman	106	106	-	0.00
Mr. Sun Tao-Heng	Managing Director	5,337,260	6,007,660	670,400	1.51
Spouse		1,600,000	1,600,000	-	0.40
Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director	38,150	38,150	-	0.01
Mr. Kasem Kularbkeo	Director and Member of the Nomination and Compensation Committee	6,000	6,000	-	0.00
Spouse		16,800	16,800	-	0.00
Mr. Steven Suey Ku	Member of Audit Committee and Independent Director	-	-	-	-
Mr. Yuan Chun-Tang	Director	1,074,844	1,074,844	-	0.27
Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee, Member of Audit Committee and Independent Director	-	-	-	-
Mrs. Nijaporn Charanachitta	Director and Member of the Nomination and Compensation Committee	106	106	-	0.00
Mr. Surachai Sirivallop	Independent Director	-	-	-	-
Mrs. Sununtha Phaengsook	Director and Deputy Managing Director, Finance	40,400	40,400	-	0.01
Spouse		2,000	2,000	-	0.00
Mr. Tanasit Aungkasit	Deputy Managing Director, Sales and Marketing	23,400	23,400	-	0.01
Spouse		4,000	4,000	-	0.00
Mr. Sathit Tabpech	Deputy Managing Director, Quality Assurance	7,200	7,200	-	0.00
Mr. Suvit Veerapong	Deputy Managing Director, Production and Engineering	40,000	40,000	-	0.01
Spouse		160,033	180,033	20,000	0.05
Mr. Chang Hsiao-Chun	Deputy Managing Director, MD Office	111,250	111,250	-	0.03
Mrs. Apanut Wongjarit	Accounting Manager	-	-	-	-

Shareholding and Management Structure

Details of the Management who acts as management in its Subsidiary, Associated and Related Companies

Name of the Management	Charoong Thai Wire and Cable Plc.	Subsidiary, Associated and Related Companies									
		CTW Beta	SFO	SPEWC	DDC	SAP	PEWC	APWC	ITD	TMP	Loxpac HK
Mr. Chai Sophonpanich	Chairman										/
Mr. Premchai Karnasuta	Vice-Chairman		//						X		
Mr. Sun Tao-Heng	Managing Director	//	X	X	//	/	//	//			/
Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director										
Mr. Kasem Kularbkeo	Chairman and Member of the Nomination Compensation Committee										
Mr. Steven Suey Ku	Audit Committee Member and Independent director										
Mr. Yuan Chun-Tang	Director			/		/	X	//			
Mr. Cheng Chow-Chun	Director			/		/	/	X			
Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee, Audit Committee Member and Independent Director										
Mrs. Nijaporn Charanachitta	Director and Member of the Nomination and Compensation Committee								//		
Mr. Surachai Sirivallop	Independent Director										
Mrs. Sununtha Phaengsook	Director and Deputy Managing Director, Finance	//			//						
Mr. Tanasit Aungkasit	Deputy Managing Director, Sales and Marketing	/	//		/						
Mr. Suvit Veerapong	Deputy Managing Director, Production and Engineering	/			//						
Mr. Chang Hsiao-Chun	Deputy Managing Director, MD Office	/		/	/						
Mr. Sathit Tabpech	Deputy Managing Director, Quality Assurance	/	//		/						
Mrs. Apanut Wongjarit	Accounting Manager										

Remarks: X = Chairman / = Director // = Executive Director

CTW-Beta : CTW-Beta Co., Ltd.

SPEWC : Siam Pacific Electric Wire & Cable Co., Ltd.

SAP : Shanghai Asia Pacific Electric Co., Ltd.

APWC : Asia Pacific Wire & Cable Corp., Ltd.

TMP : Thai Metal Processing Co., Ltd.

SFO : Siam Fiber Optics Co., Ltd.

DDC : Double D Cable Co., Ltd.

PEWC : Pacific Electric Wire & Cable Co., Ltd.

ITD : Italian Thai Development Plc.

Loxpac-HK : Loxpac Hong Kong Co., Ltd.

Shareholding and Management Structure

List of Directors of its Subsidiary Companies.

Name of Directors	Name of Subsidiary Companies				
	CTW-Beta	SFO	SPEWC	SAP	DDC
Mr. Premchai Karnasuta		//			
Mr. Sun Tao-Tsun			/		
Mr. Sun Tao-Heng	//	X	X	/	//
Mr. Lee Michael Chao-Chun			//	/	
Mr. Yuan Chun-Tang			/	/	
Mr. Cheng Chow-Chun			/	/	
Mrs. Sununtha Phaengsook	//				//
Mr. Tanasit Aungkasit	/	//			/
Mr. Sathit Tabpech	/	//			/
Mr. Suvit Veerapong	/				//
Mr. Chang Hsiao-Chun	//		//		/
Mr. Kuei Chih-Chung	//	//			
Mr. Chen Cheng Nan			//		
Mr. Bandhit Tanchavalit			//		
Mr. Chartchai Chutima			/		
Mr. Chu, Ying-Shyang			/		
Mr. Gong Wei			//	X	
Mr. Lu, Wei Ming				/	

Remarks: X = Chairman / = Director // = Executive Director

Shareholding and Management Structure

The criteria of selection of directors and Management.

Authorities and Duties of the Board of Directors

Directors of the Company shall perform their duties in accordance with the law, objectives and the articles of association of the Company as well as with the resolutions of general and extraordinary meetings of shareholders.

Selection of Directors

The Nomination and Compensation Committee shall consider and select qualified candidate director as the following guidelines:

1. The Nomination and Compensation Committee is responsible for selecting an appropriate person, taking into account experience, vision, ability and character, and submit to the shareholders meeting for further approval.
2. The Company's directors shall number not less than five persons and shall be appointed by a general meeting of shareholders. Not less than half of the directors must have their domicile in the Kingdom of Thailand.
3. In voting to elect directors, it is deemed that every shareholder shall have one vote per share.
4. The majority vote of the shareholders who attend the meeting and cast their votes. In case of a tie vote, the Chairman of the meeting shall have a casting vote.

Expiration of Directors

One-third of the number of directors shall retire at an annual general meeting of shareholders. If the number of directors is not divisible by three, the number of directors retiring shall be the nearest integer to one-third.

Directors to be retired from their office in the first and second year after the enforcement of the Articles of Association shall retire by drawing of lots. After that, directors who have stayed in office the longest shall be retired. The retired directors may be re-elected. In voting to elect directors, it is deemed that every shareholder has one vote per one share.

The retired directors may be re-elected.

In addition to retiring by rotation, directors must retire or be considered retired if:

- 1) they die.
- 2) they resign.
- 3) they are unqualified or prohibited from being a director according to the Public Company Act.
- 4) a general shareholder meeting resolves to dismiss a director with the vote being not less than three-fourths of the participating shareholders who are eligible to vote, and the number of shares they hold is not less than half of the shares held by the participating shareholders who are eligible to vote.
- 5) they are dismissed by order of the Court.

In the case that the director is vacant by other cause, except by rotation, the Board of Directors shall appoint a qualified person whom is not prohibited by the law of public company in his stead in the next meeting of the Board of Directors. Except the leaving Directors has the time to retain in his office less than 2 months. Such resolution of the Board of Directors must have the vote not less than three-fourth of the remaining Directors. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces.

Corporate Governance

The Company has complied with the Good Corporate Governance principles according to the following 5 categories:

1. Rights of shareholders

The Company always recognizes the importance of shareholders and concerns the shareholder's rights. The practices of the shareholder's right are as follows:

- 1.1 The Company shall not perform any actions which are diminishing rights of shareholders.
- 1.2 The Company shall set up shareholders' meeting at the Company's headquarter which shareholders are able to travel conveniently.
- 1.3 Regarding 2020 shareholders' meeting, the Company has not increase any agendas which are not stated in the invitation which have been sent to all shareholders.
- 1.4 Regarding invitational letter and supporting documents of each agenda, there are explanations and information for shareholders to completely studied.
- 1.5 The Company informs the procedures of voting and score counting prior to the shareholders' meeting and use the voting card.
- 1.6 The Company fully facilitate and enhance shareholder to be able to join the meeting and vote.
- 1.7 In the shareholders' meeting, the Company provides the opportunity for the shareholders to question and give opinion independently any matters concerning the Company's operation.
- 1.8 The Company proposes the shareholders' meeting to consider and approve the directors' remuneration every year, and approve the dividend payment when the Company has a profit.
- 1.9 The Company poses the minutes of shareholders' meeting via SET channel and the Company's website within 14 days from the shareholders' meeting date and discloses the voting results of each agenda.
- 1.10 If the consideration of all the matters referred to in the agenda is finished, the shareholders holding shares amounting to not less than one-third of the total number of shares sold may request the shareholders to consider matters other than those indicated in the notice calling for the meeting.
- 1.11 As at 3 April 2020, the latest Record Date, the Company has 26.81% of free float shares.

2. Equitable Treatment of Shareholders

The Company always recognizes the importance of shareholders and fair shareholder's practice. In 2020, the shareholders' meeting was held an ordinary on April 28, 2020, at the Company's Head Office, 8 directors of 12 directors or equal to 66.67 percent in total had joined the meeting. The Company practices for fair shareholders' practice are as follows:

- 2.1 In order to ensure that each shareholder has background information for reviewing the issues and making informed decision, the Company had prepared the invitation, meeting agenda, opinion of the Board and other support documents to all shareholders.
- 2.2 The Company sent out the invitation to shareholders at least 10 days in prior to the date of the shareholders' meeting.
- 2.3 The Company set up the invitation to shareholders' meeting in both Thai and English and is also placed in daily newspapers and posted on the Company's website prior to the meeting date.
- 2.4 Provide the opportunity for shareholders who cannot attend shareholders' meeting by themselves, exercise voting rights by authorizing representative to attend the vote instead. The power of attorney type B which shareholders could vote independently for each agenda is attached with the invitation letter.
- 2.5 Each shareholder shall have a number of votes equal to the number of shares held with one vote per share.
- 2.6 Shareholders have the right to elect each board member individually.
- 2.7 At the Annual General Meeting of Shareholders for 2020, the Company also provided an option to shareholders whereby they may appoint of three independent directors as their proxy. There were 7 shareholders who authorized the independent director to attend the meeting and vote on their behalf.
- 2.8 The Company has issued the Policy on Securities Trading and Inside Information. The directors, executives and employees must comply with such policy as follows:
 - 1) Whenever buying, selling, transferring or accepting transfer of the Company's securities, such director or executive shall submit the changes in securities report in electronic form by sending through the electronic data transmission system in accordance with the guidelines specified by the Office of Securities and Exchange Commission within 3 working days from the date of such purchase, sale, transfer or acceptance of transfer of the Company's securities.

Corporate Governance

- 2) Directors, executives and employees who can access to inside information are prohibited from using such inside information for personal benefit or disclosing it to the third party, directly or indirectly, and by whatsoever mean; knowing or should know that receiver of such information may exploit it in securities trading for his personal or the third party's benefit and with or without compensation.
 - 3) Directors, executives and employees who can access to inside information are prohibited from trading the Company's securities during the period before disclosure of inside information.
 - 4) The Company restricts the access to the financial statements and relevant information of the Company prior to submit to the SET. The directors, executives and employees are instructed to keep all information confidential. The Company will inflict in case of violation of the Policy on securities Trading and Inside Information as follows:
 - 1) Directors, Executives : The Securities and Exchange Act, Section 296 provides that any person who exploits inside information for securities trading (Section 242) "shall be liable to imprisonment for a term not exceeding two years or a fine of five hundred thousand up to two million baht, or both."
 - 2) Employees who can access to inside information : Employee who contravenes this Policy may be subject to disciplinary action to the extent that he may be expelled from the job and also to civil and criminal liability under the Securities and Exchange Act.
- 2.9 The Company's related parties transactions have to comply with all the regulations of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission.

3. Role of Stakeholders

The Company always realizes the importance of all concerned parties as follows:

- 3.1 The Company has the Corporate Social Responsibility policy and Anti-Corruption policy which approved by the Board of Directors.
- 3.2 In case the Company has a profit, the payment of remuneration or special reward for directors and employees will be proposed the shareholders meeting to approve each year.
- 3.3 The Company has provided the Code of Conduct for Directors and Employees which is to be guideline to practice for all concerned parties as follows:

Customers: The Company must build productive relationships with its customers based on integrity, ethical behavior and mutual trust. Directors and managements must take care and maximize accountability in aspect of setting maintenance products standard and product quality.

Employees: The Company has realized the importance of safety to all employees by providing a safe and healthy work environment. It has also installed safety equipment and maintained good working environment for effective working. The Company has set up Occupational Safety and Health Committee which the evaluation will be performed on monthly basis. It also set employment procedures and equal employment to ensure that it employs the person who has quality and necessary knowledge for the business operations.

The Company has always supported the competency and knowledge development of employees by providing the in-house training seminar and public seminars both local and international.

The Company has provided the complain box for employees, in case they may acknowledge illegal behaviors or violating the Company's regulation.

In addition, the Company has established the provident fund for employees since the year 1993 to ensure financial security after retirement or leave a job. Employee can request for early retirement when reached the age of 55 and has been working for 25 years which the employee shall receive compensation according to the Company's regulations and laws.

Vendors or Creditors: The Company must ensure that the trading practices from suppliers or vendors are practically performed, including borrowing conditions and terms; objective, repayment, collateral and other commitments. In addition, it has regularly provided the correct information to vendors or creditors.

Communities and Societies: There shall be responsibility to the community and social regarding to use of resources and environmental protection. The Company has realized about the importance to maintain the environment and has perform management by using technologies and production processes which are up to the environmental standards regarding ISO 14001 : 2015 by establishing waste treatment systems such as waste water treatment system before releasing to the nature, treatment system of smokes for burning process, dust filtering system, and also establishing waste and industrial waste segregation plant in order to perform treatments which are accordance to the principles and performed by the certified units from Department of Industrial Works. It has also set up recycling, energy-saving and environmental protection system, including those which benefit to the

Corporate Governance

community. The Company has been fully complied with governing law and rules and regulations of all involved agencies.

In 2012, the Company has changed fuel used in manufacturing process of 100 % from Fuel Oils, which has to be imported from abroad while its price has been increased continually, to Natural Gas supplied by PTT Plc. which is considered as clean energy that is environmental friendly and help reduce pollution. Moreover, the process shall be free of black smokes, Sulfur Dioxide (SO₂), and Carbon Monoxide (CO). It will directly cut the cost for treatment of emission from combustion. The Company has regularly implemented a preventive maintenance (P.M.) by the experts, including particulate measure in the work place and flue in order to prevent particulate and gas pollution. It has also installed smoke and dust treatment equipment.

Regarding electricity usage which considered as the main energy of production, the Company give the importance and also provide support to "Energy conservation in establishment's project" according to The Energy Conservation Promotion Act of Ministries of Energy by set up energy conservation committee, consistently specifying of policies and work plans, and set up energy conservation seminar to employees. The actions also include improve and adjust equipment and machines such as change the piston air compressor to screw compressor, change the damaged existing air conditioners to the energy-saving air conditioners, change 36W fluorescent bulbs to 10W LED bulbs in the office and factory, install capacitor bank to adjust power factor value of the factory in order to reduce system loss and reduce the fines to electrical authority, maintain machines per plan in order to reduce the loss and increase production efficiency. The Company has also participated in the low-power machinery replacement project with the Department of Energy Conservation and Renewable (DEDE) and received partial fund from DEDE to purchase new machines.

Auditors : The Company has a good cooperation with auditor by providing complete financial and significant information as requested by the auditors. The auditors can perform their work independently.

Shareholders and all other concerned parties: Directors must have accountability to the shareholders and financial supporter in aspect of disclosure, accounting procedure. Directors must make decision honestly, fairness for both majority and minority shareholders, and for all stakeholders' benefits.

4. Disclosure and Transparency

The Company gives important on the disclosure of information regarding their correct and complete as follows:

- 4.1 All information of the Company presented in the financial report is correct, creditable and in accordance with generally accepted accounting principles and standards. It has been audited by an independent external auditor who has qualification and approved by the Officer of the SEC.
In the year 2020, the auditor issued the unqualified opinion on the Company's 2020 Financial Statements. The Company submits the financial report according to the regulation of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) within the specified period of time and no record of the financial statements revision ordered by the SEC.
- 4.2 The Audit Committee's primary duty and responsibility is to review the Company's financial statements to ensure its correctness and sufficiency. The Board of Directors provided the Statement of the Board of Directors' Responsibility for the Financial Statements which was certified by the Board meeting and be disclosed together with the Auditor's Report in the annual report.
- 4.3 The Company disclosed the scope, functions and responsibilities of the directors, and committee as follows :
 - 4.3.1 Functions and responsibilities of the directors, audit committee member, member of nomination and compensation committee, and the executive directors (Refer to the Director Structure on page 17 - 19)
 - 4.3.2 Disclosed the duties of the Board for the year 2020 e.g. number of meeting number of attendance of each director. (Refer to the Board of Director on page 17 and Sub Committees on page 17 - 18)
 - 4.3.3 Disclosed the compensation of director (Refer to the Compensation of Director on page 21)
- 4.4 The Company completely disclosed the details on the related party transactions. (Refer to the Related Transaction on page 37 - 40)
- 4.5 The Company has posed the financial statements, annual information form, annual report and minutes of the annual general meeting of shareholders on the Company's web site at www.ctw.co.th.
- 4.6 The Company disclosed audit fee paid to its auditor. (Refer to the Fee to the Auditor on page 84)
- 4.7 Shareholders and investors can contact the Corporate Services Section for more information by calling at 02-7456118 - 30 or e-mail address : kanjana@ctw.co.th

Corporate Governance

5. Responsibilities of the Board

The Company realizes the importance of directors' role and responsibility regarding the corporate governance for the Company's maximum benefit, details as follows:

5.1 Board Structure

- 5.1.1 According to the Company's Articles of Association, the directors of the Company shall be not less than 5 persons appointed by the meeting of shareholders.
- 5.1.2 As at 31 December 2020, the Company's 12 directors consists of:
 - Executive Directors 3 Persons
 - Non-Executive Directors 9 Persons (Independent Directors 4 persons)
- 5.1.3 At every annual general meeting of shareholders, one-third of the directors must be retired. Then the director has 3 years - period each.
- 5.1.4 The duties and responsibilities of the Chairman of the Board are different from those of the Managing Director. In order to separate responsibilities in formulating policies and management of routine work, then the Chairman of the Board is not the same person as the Managing Director.
- 5.1.5 The Company has the Company Secretary to advise about laws and regulations that the directors shall know.

5.2 Committees

- 5.2.1 The Board of Directors has set up the Audit Committee and the Nomination and Compensation Committee to study and screen special tasks on behalf of the Board.
- 5.2.2 The attendance of each member of audit committee and nomination and compensation committee. (Refer to the Directors Structure and Scope of duties of the committees of the company on page 17 - 18)
- 5.2.3 The Chairman of the Board is not the chairman of any committee to ensure independence of the committees.
- 5.2.4 The Chairman of all committee of the Company is also the independent director.

5.3 Roles and Responsibilities of the Board of Directors

- 5.3.1 The Board of Directors jointly determined the policy and approved the important matter regarding the Company's operation. The Board also monitored the Company's all activities that are in compliance with the laws. In 2020, the Company has no violation of the laws or related regulations of the SEC or the Stock Exchange of Thailand (SET).
- 5.3.2 The Company has provided Code of Conduct for the Board of Directors, the Management and the employees to use as a guideline in performing their duties.
- 5.3.3 The attendance of each Board of Directors (Refer to the Board of Directors on page 17)

5.4 Board Meetings

- 5.4.1 The Board of Directors must convene at least one meeting in 3 months and held special meeting if necessary. The Board must set agenda for the meeting in advance.
- 5.4.2 The Company Secretary is responsible for preparing and invitation letter, agenda and support documents and sending them to each member of the Board not least than 7 days in prior to the meeting date.
- 5.4.3 The quorum of each meeting requires at least 50% of the total number of Board members.
- 5.4.4 In 2020, 4 Board meetings were held and written minutes of each meeting were approved by the Board and kept for future reference and auditing by responsible person. On the average, each the Board meeting shall take about 55 minutes.
- 5.4.5 The Chairman of the Board and the Managing Director jointly considered to set the Board Meeting agenda. Each Board member is also independent to propose an issue for the Meeting agenda.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) Policy

Charoong Thai Wire and Cable Public Company Limited and subsidiaries engages in manufacturing and distributing electric wire and cable, telephone cable, fiber optic cable, enameled wire and non-enameled wire. It is determined to conduct its business with accountability against any possible impacts resulting from the Company's operation. The Company shall also manufacture products of quality and safety that international standard guided by good corporate governance and accountability for community and environment, taking into account all stakeholders. The Company hence sets out its CSR Policy as follows:

CSR Practice

1. Business Ethics

The Company promotes free trade competition. The Company's directors, management and staffs shall, in their decision making and business conduct, strictly adhere to applicable laws, rules and regulations. They are also asked to conduct oneself under good moral principle and avoid doing anything leading to conflict of interest.

Ways of conduct

- 1) Not supporting any infringement of the intellectual property and copyrights.
- 2) Strictly comply with the agreed conditions and contracts with the customers, business partners, or creditors.
- 3) Manufacture up to standard quality and safety products with a suitable selling price.
- 4) Avoid doing any matters which can lead to beneficial conflicts. In case of having to do so, all information shall be fully disclosed.

2. Respect to human right

The Company gives priority to and respects human rights by treating all relevant parties under equality without discrimination based on gender, race, religion or domicile. It also promotes compliance with universal human right principles.

Ways of conduct

- 1) Encourage in work equity with no discrimination in racial, religion, gender and domicile.
- 2) Discourage using child labor and support any opposing of using child labor campaign.
- 3) Create a good working environment and strictly conform to the laws, rules and regulations.
- 4) Encourage employees to treat others in respect to people human rights.

3. Fair treatment of labour

The Company strives to provide safe and healthy working environment for its staffs. Work conditions are set out under fair terms with reasonable compensation and welfare. It is intended to allow all staffs to work with happiness and good quality of life.

Ways of conduct

- 1) Strictly follow the labor laws, rules and regulations.
- 2) Provide clean, safe and hygiene working place for employees.
- 3) Provide doctor and nurse to be stationed at the factory clinic
- 4) Encourage and support the employees to strictly follow the rules and regulations of work safety.
- 5) Set up a Welfare Committee in order to observe and improve employee welfare and working environment.
- 6) Set up an Occupational Health and Safety Committee in order to observe, follow up and provide a report on any safety, risks, accidents and injuries which may happen during work operation to create awareness to all employees.
- 7) Provide equal job and promotion opportunity to all employees.

Corporate Social Responsibility

- 8) Encourage and support skill training both in-house and outside for the employees.
- 9) Avoid doing a double standard manners which is against the laws.
- 10) Allow for a complaint in case of unfairness.
- 11) Encourage exercise activities to enhance a good health for employees by providing a place, tools and equipments for exercise.
- 12) During the Coronavirus disease 2019 pandemic, the Company is more aware of working safety due to the rapid and severe epidemic to all regions of the world. At present more than 100 million people are infected with the disease around the world. Therefore the Company is concerned about such situation and set measures and guidelines to prevent the spread of such disease in the workplace and communicating knowledge, as well as promoting the use of protective equipment in order to prevent adverse effects on the health of the employees. The Company has procedures as follows:
 - 12.1 Set a policy to divide the working group in order to avoid close contact.
 - 12.2 Communicate with employees to understand about the spread of the disease and prevention.
 - 12.3 Support the protection devices such as surgical mask, alcohol based hand sanitizer and sterilizing solution etc.
 - 12.4 Screen all visitors who enter the Company's area.
 - 12.5 Set various measures according to the Notification announced by the Civil Aviation Authority of Thailand (CAAT).

4. Consumer responsibility

The Company is determined to manufacture product of quality and safety that meet international standards. Its products have to be the perfect solution for demand and expectation by customer. They are sold at fair price with reasonable warranty and quality claim. The Company also engages in communicating on how to get the most out of them properly and safely.

Ways of conduct

- 1) Set up suitable selling price. Manufacture up to International standard quality and safety products.
- 2) Provide a warranty and receive any complaints regarding the quality of the products.
- 3) Create products awareness by setting a product manual in order to give the right information, safety, its applications and able to provide right and clear information for the product.
- 4) Strictly follow the laws and Standard of Consumer Protection.

5. Environmental conservation

The Company conducts its business by strictly observing environmental laws and regulations, promoting resource efficiency, putting in place energy saving measures, pollution control and environmental conservation.

Ways of conduct

- 1) Encourage to recycle of packaging materials and other recycle materials such as wooden wheels, iron wheels, etc.
- 2) Use of natural gas instead of fuel oil in order to save energy and reduce pollution.
- 3) Provide efficient industrial waste water treatment system which the treated water shall also be utilized such as plant watering, etc.
- 4) Make use of remaining food from the cafeteria in order to produce enzyme ionic plasma to water home-grown vegetables which are planted within the factory.
- 5) Establish waste and industrial waste segregation plant regarding to recycle waste, contaminated waste, hazardous waste, compostable waste, and manage the disposal by using different treatment methods by using the companies which have license from Department of industrial works.

Corporate Social Responsibility

- 6) To participate the Demand Response Program with Energy Regulatory Commission.
- 7) To be certified as Green Industry from the Ministry of Industry.
- 8) To attend the Waste Management in production activity according to 3Rs from the Ministry of Industry and obtained the certification of Waste manage process, Reduce, Reuse and Recycle.

6. Contribution to community and social development

The Company is committed to conducting its business with responsibility to environment, community and society and supporting participation in any activities aimed for public good. The Company's staffs are encouraged to have good spirit and public service mind.

Ways of conduct

- 1) Encourage and support employees to be involved in public contribution activities.
- 2) Encourage all employees to conduct their duties in a responsible way to the environment, community and society.
- 3) Encourage employees to have a good conscious and a good conduct to the society.
- 4) Encourage and support employment from employees who live near the factory.
- 5) Send employees to be guest speakers in the schools in order to provide knowledge about electrical system design and installing electrical system.
- 6) Set up donation activities to disabled home or foster home and invite employees to get involved.

Anti-corruption Policy

Charoong Thai Wire and Cable Public Company Limited is committed to conducting our business with transparency guided by the good corporate governance principles and providing full support to its management and staffs to render their works with integrity, to strictly observe applicable laws and rules and regulations. The Company has therefore laid down anti-corruption policy as a guideline for its management and staffs as follows:

1. The management and staffs shall not give or ask for or take bribes or any other unlawful interest in order to persuade to do or omit doing something illegally or which may prejudice the company's legitimate benefit.
2. The management and staffs shall not seek for personal interest in conflict with the company's benefit, directly or indirectly and shall also carry out their duties and make decision on business by always taking into account the company's optimum benefit.
3. The management and staffs are assigned with duty to monitor and prevent corruption. If any corruption or any event suspicious of corruption, it is required to notify the independent director or manager without delay and provide all possible cooperation to investigate the fact.
4. Donation to any charitable activity or providing financial support for any activities or projects shall be transparently and legally done.

Ways of conduct

- 1) Create an appropriate internal control system for doing business as to avoid employees to behave in an inappropriate way especially in marketing and purchasing areas.
- 2) Create a way to be able to receive the complaints or report of any bad conducts.
- 3) Management and employees shall avoid conflicts between self and company interests, induce bad conducts or may make the company lose advantages.

Internal Control and Risk Management

The Company's Board of Directors recognizes the importance of the internal control system and creates the internal control system covering financial, management and operation for effectiveness in accordance with related laws, rules and regulations, the appropriated risk management, as well as creating the effective investigation mechanism and balance to protect the Company's assets.

The Company's Internal Audit Section shall responsible for the internal audit by carrying out according to the charter. The internal auditor shall report the audit result to the Audit Committee and the Board of Directors.

At the Company's Board of Directors Meeting No. 1/2021 on 12 March 2021 with the attendance of the Audit Committee members, the Board of Directors had assessed the adequacy and appropriateness of Internal Control System by referencing the "Internal Control System Assessment Form" of the Office of the Securities and Exchange Commission. And the Board of Directors unanimously resolved to certify the adequacy of the Internal Control System, which consists of five components as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

Head of Internal Audit Section

The Audit Committee Meeting passed the resolution to appoint Miss Kanjana Anekwasinchai who has appropriate qualification, competency and knowledge, as the Company's Head of Internal Audit Section. Details of education and training are as follows:

Education

MBA	Srinakharinwirot University
B.A. (Accounting)	The University of the Thai Chamber of Commerce
B.A. (Financial and Banking)	Ramkhamhaeng University
Training courses of Internal Audit Practice from P & D Training Center	
Training courses of Finance for Management from Faculty of Commerce and Accountancy, Chulalongkorn University	

Related Transactions

1. Intragroup transactions

Trading

The Company has had business transactions with subsidiary companies, affiliate companies and related companies. The transactions have occurred in the ordinary course of business such as through inter-company sales, service fees or management fees and have been disclosed in the Company's financial statements.

Financial support

There are both lending and borrowing financial transactions including guaranties, amongst the CTW Group of companies in order to provide working capital and to help the liquidity of certain companies when required. These transactions are also conducted in the ordinary course of business.

2. Necessary and Reasonable of Related Transactions

The necessities and opinions of the Audit Committee in regard to the Related Party Transactions are as described in the tables.

3. Measures or procedures to approve a Related Transaction

Since the Company is a listed company on the Stock Exchange of Thailand (SET), its practice regarding related transactions is conducted according to the rules and regulations of the SET. Management is highly aware of the sensitivity of this issue and monitors closely any situation in which a potential related transaction could occur. Moreover, the Company seeks advice from the SET before engaging in a related transaction.

4. Potential future of Related Transactions

Trading

The Company is expected to continue its business transactions with subsidiaries, affiliated, and related companies with regard to the sale and purchase of products and raw materials in the normal course of business. In addition, the Board meeting resolved to approve in principle regarding the related party transactions with the general commercial terms between the Company and its subsidiary companies with the director, executive or related person.

Financial support

The Company shall support its subsidiary companies through providing working capital as required. Such transactions are expected to be in the ordinary course of business only.

Related Transactions

Related Transactions for the year 2020 and 2021

1. Related Transactions between the Company and its subsidiaries

Name	Amount (Million Baht)		Related Transactions	Relationship	Price policy/Conditions
	2019	2020			
Siam Fiber Optics Co., Ltd. (SFO)	0.55	0.87	Packing income and Cable testing fee from SFO to CTW.	CTW holds a 90.00% stake in SFO, while Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta are directors of CTW and major shareholders of ITD. They and family hold 18.54% stake in ITD, and ITD holds 10% stake in SFO.	Cost plus margin.
	0.25	0.03	SFO owes payment to CTW for raw materials.		Cost plus margin.
	0.20	-	CTW purchases products and raw materials from SFO.		
	15.96	25.46	SFO owes payment to CTW for management fee, service fee and rental fee.		Contract price/Management Fee is in accordance with an Agreement. The management fee charged to SFO will vary depending on the number of advisory personnel CTW assigns to assist SFO. The rate charged for various levels of advisory personnel range. CTW charge in actual cost plus 10 per cent.
	37.53	27.97	Management fee income for services provided by CTW to SFO.		
	5.59	1.72	Service fee income and factory rental income from SFO to CTW.		Contract price/CTW receives factory rental revenue in accordance with factory rental Agreement which is renewed every year and CTW receives services revenue monthly from SFO for the maintenance, repair, and cleaning of facilities at SFO's factory.
	0.30	0.30	Rental of factory deposit from SFO to CTW.		
	1.70	1.82	Electric income from SFO to CTW.		At cost price (actual cost).
	62.08	58.17			

2. Related Transactions between the Company and its related companies

Name	Amount (Million Baht)		Related Transactions	Relationship	Price policy/Conditions
	2019	2020			
Thai Metal Processing Co., Ltd. (TMP)	19.65	7.41	CTW hired TMP to melt raw materials (copper rod).	CTW holds a 15% stake in TMP. Mr. Chai Sophonpanich, director of CTW, holds 0.69% stake in CTW and holds 3.22% stake in Bangkok Insurance Plc.. And Bangkok Insurance Plc. holds 5% stake in TMP.	Contract price.
	0.39	0.77	CTW owed payment to TMP for fabrication cost (copper melting).		
	3.38	3.38	CTW receives dividend income from TMP.		Announced Rate/CTW received a dividend income of Baht 15 per share from 225,000 shares in TMP.
	23.42	11.56			

Related Transactions

2. Related Transactions between the Company and its related companies (Continued)

Name	Amount (Million Baht)		Related Transactions	Relationship	Price policy/Conditions
	2019	2020			
Italian-Thai Development Plc. (ITD)	126.28	121.47	Sales of products by CTW to ITD.	Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta are directors of CTW and major shareholders of ITD. They and family hold 18.54% stake in ITD.	Market Price/Terms and conditions are the same as those of other parties.
	177.61	129.97	ITD owes payment to CTW for products.		
	6.62	102.42	Construction of factory buildings expenses by CTW to ITD.		Contract price.
Ital-Thai Engineering Co., Ltd. (Ital Thai)	-	40.59	Sales of products by CTW to Ital Thai.	Ital Thai is affiliated company of ITD.	Market Price/Terms and conditions are the same as those of other parties.
ITD Hongsa Co., Ltd. (ITD Hongsa)	1.61	1.85	Sales of products by CTW to ITD Hongsa.	ITD Hongsa is affiliated company of ITD.	Market Price/Terms and conditions are the same as those of other parties.
ITD-RT Joint Venture (ITD-RT)	-	0.28	Sales of products by CTW to ITD-RT.	ITD-RT is Joint venture company of ITD. ITD hold 70% stake in ITD-RT.	Market Price/Terms and conditions are the same as those of other parties.
	312.12	396.58			

Name	Amount (Million Baht)		Related Transactions	Relationship	Price policy/Conditions
	2019	2020			
Pacific Electric Wire and Cable Co., Ltd. (PEWC)	1.80	1.90	Management fee expenses from CTW to PEWC.	PEWC indirectly holds approximately 51% stake in CTW.	Contract price/Management fee for service provided by PEWC to CTW. (These transactions are described in the Agreement that are approved by the Board meeting).
	0.44	0.47	CTW owes the payment to PEWC for management fee expenses.		
Sigma Cable Pte. Ltd. (Sigma)	0.17	-	Sales of products by CTW to Sigma.	Sigma is affiliated company under PEWC Group.	Cost plus margin.
	2.41	2.37			

3. Related Transactions between its subsidiaries and related companies

Name	Amount (Million Baht)		Related Transactions	Relationship	Price policy/Conditions
	2019	2020			
Siam Fiber Optics Co., Ltd. (SFO) and Italian Thai Development Plc. (ITD)	3.51	2.17	SFO receives income from the sale of products to ITD.	SFO is a 90% subsidiary company of CTW. ITD hold 10% stake in SFO.	Cost plus margin.
	3.75	2.32	ITD owes payment to SFO for products.		
	7.26	4.49			

Related Transactions

3. Related Transactions between its subsidiaries and related companies (Continued)

Name	Amount (Million Baht)		Related Transactions	Relationship	Price policy/Conditions
	2019	2020			
Siam Pacific Electric Wire and Cable Co., Ltd. (SPEWC) and Pacific Electric Wire and Cable Co., Ltd. (PEWC)	- 4.32 1.89	0.29 - 1.97	Sales of products by SPEWC to PEWC. PEWC hires SPEWC to manufacture products. Management fee expenses from SPEWC to PEWC.	SPEWC is a 100% subsidiary of CTW and PEWC is a parent company of CTW Group.	Cost plus margin. Contract price/Management fee for service provided by PEWC to SPEWC. (This transaction is described in the Agreement that is approved by the Board meeting).
	0.39	0.42	SPEWC owes the payment to PEWC for management fee expenses.		
Shanghai Asia Pacific Electric Co., Ltd. (SAP) and Pacific Electric Wire and Cable (Shenzhen) Co., Ltd. (PEWC-Shenzhen)	7.70 0.66 184.15	1.14 - 179.17	Sales of raw materials by SAP to PEWC-Shenzhen. PEWC-Shenzhen owes payment to SAP for raw materials. SAP purchases products from PEWC-Shenzhen.	SAP is a subsidiary of CTW which CTW holds directly and indirectly 63.68% stake in SAP and PEWC-Shenzhen is affiliated company under PEWC Group.	Market price/Same terms and conditions as other clients.
	155.93	66.86	SAP owes payment to PEWC-Shenzhen for products.		
	2.53	2.09	Sales of Machinery by SAP to PEWC-Shenzhen.		Market Price.
Shanghai Asia Pacific Electric Co., Ltd. (SAP) and Ningbo Electric Wire and Cable Co., Ltd. (Ningbo)	0.07	0.05	Rental income from Ningbo to SAP.	SAP is a subsidiary of CTW which CTW holds directly and indirectly 63.68% stake in SAP and Ningbo is affiliated company under PEWC Group.	Market price.
	357.64	251.99			

Financial Highlights

Financial Information of the Company and its subsidiaries for 2018 - 2020

For the year ended December 31

(Unit: Million Baht)

	2020	2019	2018
Operating Results			
Total Revenues	4,685.83	6,021.21	8,019.04
Revenue from Sales	4,667.75	5,960.72	7,960.09
Selling and distribution Expenses	117.02	102.37	112.20
Administrative Expenses	243.80	237.35	250.31
Total Expenses	4,343.03	5,925.33	7,646.38
Profit Attributable to Equity Holders of the Company	298.72	77.24	287.49
Earning per Share (Baht) Attributable to Equity Holders			
of the Company	0.75	0.19	0.72
Par Value (Baht/Share)	5.00	5.00	5.00
Financial Position			
Current Assets	3,937.01	3,955.21	4,705.14
Other non-current financial assets	169.94	123.77	115.37
Investments in associates	6.45	5.16	4.89
Investment Properties	19.23	16.78	17.22
Property, Plant and Equipment-Net	1,226.43	920.44	946.53
Total Assets	5,468.43	5,273.44	6,087.17
Current Liabilities	625.42	656.91	1,336.17
Total Liabilities	962.25	1,005.54	1,626.71
Equity attributable to CTW's Shareholders	4,485.92	4,237.48	4,370.19
Total Shareholders' Equity	4,506.18	4,267.90	4,460.45
Book Value (Baht/Share)	11.32	10.73	11.21
Financial Ratio			
Current Ratio (times)	6.29	6.02	3.52
Quick Ratio (times)	3.59	3.59	2.25
Gross Profit Margin (%)	14.61	6.52	8.50
Net Profit Margin (%)	6.37	1.28	3.59
Return on Equity (%)	6.81	1.77	6.52
Debt to Equity Ratio (times)	0.21	0.24	0.36
Return on Assets (%)	5.56	1.36	4.60
Total Assets Turnover Ratio (times)	0.87	1.06	1.28

Management Discussion and Analysis (MD&A)

1. Overview of operation

Although in 2020, Thailand's economy slowed down which have been affected by the coronavirus 2019 (COVID 19) pandemic. However, the Company has gradually received the orders from various projects during the fourth quarter of 2020 while there was decrease in export sales of a subsidiary which is affected by import tax of foreign customers. Therefore, the Company and subsidiaries had net profit of Baht 298.72 million in 2020, increasing by Baht 221.48 million or 286.74% compared with net profit of Baht 77.24 million in 2019. Gross profit margin was 14.61% in 2020, while it was 6.52% in 2019. The Company group's revenue was mainly derived from sales of Aluminium electrical wire and Copper electrical wire of 55%, followed by enameled wire and non-enameled wire of 43% which sold to domestic customers both the government and private sectors.

2. Operating results and profitability

Revenue Analysis

In 2020, the Company and subsidiaries had total revenue of Baht 4,685.83 million, decreasing by Baht 1,335.38 million or 22.18% from Baht 6,021.21 million in the previous year. Revenue by sales of products in the amount of Baht 4,667.75 million, representing 99.61% of total revenue, divided by domestic sales of Baht 4,012.04 million or 85.95% of total sales and export sales of Baht 665.71 million or 14.05% of total sales.

In 2020, the Company and subsidiaries had other income of Baht 18.08 million, decreasing by Baht 42.41 million or 70.11% from Baht 60.49 million in 2019, since gain on exchange decreased by Baht 33.16 million due to the weakness of the Thai baht against USD in 2020.

Finance Income

In 2020, the Company and subsidiaries had total finance income of Baht 25.27 million, increasing by Baht 14.73 or 139.75% from Baht 10.54 million in 2019 since a subsidiary company received interest income from its long outstanding trade receivables.

Cost and Expense Analysis

In 2020, the Company and subsidiaries had total expenses of Baht 4,343.03 million, decreasing by Baht 1,582.29 million or 26.70% from Baht 5,925.33 million in 2019. In 2020, total cost of sales of Baht 3,985.86 million or representing 85.39% of sales decreased by Baht 1,585.93 million or 28.46% from Baht 5,571.79 million or representing 93.48% of sales in 2019. In 2020, there was the reversal of allowance for diminution in value of inventory of Baht 22.12 million due to increase in the main raw material (copper) price at the end of period which was included in cost of sales.

Share of profit (loss) from investment in associate

Share of profit from investment in associate company in 2020 was Baht 1.29 million, increasing by Baht 1.01 million or 368.21% from share of loss from investment in associate of Baht 0.28 million in 2019 since the subsidiary has recognized its share of profit and loss from investment in Loxpac Hong Kong Co., Ltd., its associate company.

Finance cost

In 2020, the Company and subsidiaries had finance cost of Baht 8.59 million, decreasing by Baht 15.09 million or 63.72% from Baht 23.68 million in 2019 due to decrease in the interest expenses of the trust receipts.

Net profit

The Company and subsidiaries had net profit of Baht 298.72 million in 2020, increasing by Baht 221.48 million or 286.74% from net profit of Baht 77.24 million in 2019. The net profit margin was 6.40%, increasing from the net profit margin of 1.30% in 2019.

Management Discussion and Analysis (MD&A)

3. Ability to manage property

Asset

As at 31 December 2020, the Company and subsidiaries had total assets of Baht 5,468.42 million, increasing by Baht 194.98 million or 3.70% from Baht 5,273.44 million in 2019, mainly caused by the increase in cash and cash equivalents including other current financial assets which were the bank deposits with an original maturity over three months increasing by Baht 141.79 million. Trade receivables decreased by Baht 257.26 million due to the payment from customers. Inventories increased by Baht 71.12 million and other non-current financial assets increased by Baht 169.94 million, while other long-term investments decreased by Baht 123.77 million which is the classification and measurement at fair value in accordance with the financial reporting standards related to financial instruments.

As at the end of 2020, trade and other receivables of Baht 1,216.56 million decreased by Baht 257.26 million or 17.46% from Baht 1,473.82 million at the end of 2019, since the Company and subsidiaries received more repayment from trade receivables on due date.

As at the end of 2020, inventories of Baht 1,633.46 million increased by Baht 71.12 million or 4.55% from Baht 1,562.34 million at the end of 2019 which the products were delivered to customers in the early 2021.

Property, plant and equipment of Baht 1,226.43 million as at 31 December 2020 increased by Baht 306 million or 33.24% from Baht 920.44 million at the end of 2019. There was depreciation for the year 2020 of Baht 90.98 million.

Liability

As at 31 December 2020, the Company and subsidiaries had total liabilities of Baht 962.25 million, decreasing by Baht 43.29 million or 4.31% from Baht 1,005.54 million at the end of 2019 which were divided into current liabilities of Baht 625.42 million and non-current liabilities of Baht 336.83 million. All non-current liabilities were the provision for long-term employee benefits, which represents compensation payable to employees after they retire.

Trust receipts (T/R) of Baht 74.18 million decreased by Baht 86.84 million or 53.93% from Baht 161.02 million at the end of 2019 due to payment of trust receipts before due date.

Cash flow analysis

In 2020, the Company and subsidiaries had net cash flows from operating activities of Baht 555.71 million, net cash flows used in investing activities of Baht 332.17 million and net cash flows used in financing activities of Baht 183.38 million. In addition, there was an increase in translation adjustments of Baht 1.74 million, resulted in increase in net cash and cash equivalents of Baht 41.90 million in 2020, and cash and cash equivalents were Baht 927.25 million as at 31 December 2020.

Net cash flows from operating activities of Baht 555.71 million resulted from profit from operating activities of Baht 418.39 million, increase in cash flows from operating liabilities of Baht 41.77 million. Meanwhile, cash flows used in operating assets decreased by Baht 180.63 million. There were cash paid for long-term employee benefits of Baht 28.45 million and cash paid for interest expenses and corporate income tax of Baht 56.64 million.

Net cash flows used in investing activities were Baht 332.17 million resulted from the bank deposits with an original maturity over three months (other current financial assets) increased by Baht 100.00 million, restricted bank deposits decreased by Baht 75.50 million, dividend income from other non-current financial assets of Baht 3.38 million and interest income of Baht 25.74 million. Meanwhile, there were cash flows used in acquisition of machinery and assets under construction of Baht 381.57 million, cash received from sale of property, plant and equipment of Baht 11.92 million and increase in other non-current financial assets of Baht 19.00 million.

Net cash flows used in financing activities of Baht 183.38 million which were decrease in trust receipts of Baht 86.92 million, decrease in short-term loans from financial institutions of Baht 17.48 million and dividend payment of Baht 78.99 million.

Management Discussion and Analysis (MD&A)

4. Liquidity and Sufficiency of Fund

Liquidity

As at 31 December 2020, the Company and subsidiaries had the current ratio of 6.29 times and quick ratio of 3.59 times which were similar to the current ratio of 6.02 times and quick ratio of 3.59 times at the end of 2019. Although the Company and subsidiaries had an increase in cash and cash equivalents from operation of Baht 41.90 million, decrease in restricted bank deposits of Baht 75.50 million and decrease in trade and other receivables of Baht 256.21 million since they received payments from trade receivables. At the same time, the Company and subsidiaries also had a decrease in current liabilities of Baht 31.49 million, decrease in trust receipts of Baht 86.92 million due to repayment of trust receipts before due date, while there was increase in trade and other payables of Baht 44.68 million due to purchase of raw materials and fixed assets.

Capital structure

As at 31 December 2020, the Company and subsidiaries had the shareholders' equity of Baht 4,485.92 million, increasing by Baht 248.44 million or 5.86% from Baht 4,237.48 million at the end of 2019, since they adopted financial reporting standards related to financial instruments. The cumulative effects of the initial adoption of new financial report standards are recognized as an adjustment to the retained earnings as at 1 January 2020 of Baht 66.43 million and there was total comprehensive income for the year 2020 of Baht 261.59 million while there was dividend payment for the year 2019's operating results of Baht 79.58 million.

The capital structure of the Company and subsidiaries as at 31 December 2020 consists of total liabilities of Baht 962.25 million and shareholders' equity of Baht 4,506.18 million. As a result, the debt to equity ratio is only 0.21 times which slightly decreased from 0.24 times at the end of 2019. Therefore, the Company and subsidiaries have no the risk from insufficiency of fund since they have much more funds than debts. Most of the liabilities are current liabilities of 65.00%, arising from the operating activities, such as trust receipts, trade payables and short-term loans from financial institutions etc.

5. Other factors that may affect the operation in the future

Impact of COVID-19 epidemic situation, the Bank of Thailand forecasts Thailand's economy in 2020 would shrink approximately -6.6% and overall Thailand's economy in 2021 will be able to recover at 3.2%, the Office of the National Economic and Social Development Council expects the Thailand's economy in 2021, which may expand to 2.5-3.5 percent.

However, the Company maintains its confidence that the government would drive investment and spending, in order to stimulate the economy is expanding and to create the potential for economic growth in long-term. The Company expects a performance result in 2021, be growing better than the previous year result based on the Company's products are related to basic utilities and its major customers are the state enterprises and government agencies. In addition, the Company has purchased new machinery to increase productivity and control costs to set selling price to be competitive in the market.

In addition, there are factors that may affect the profitability of the Company group such as, the Government's economic policies and measures, key raw material price fluctuation, exchange rate which affects the cost of key raw materials, the price competition of products etc.

Report from the Audit Committee

Charoong Thai Wire and Cable Public Company Limited

Dear Shareholders:

The Audit Committee of Charoong Thai Wire and Cable Public Company Limited consists of three independent directors as follows:

- | | |
|---------------------------|---------------------------------|
| 1. Mr. Pornwut Sarasin | Chairman of the Audit Committee |
| 2. Mr. Sai Wah Simon Suen | Member of the Audit Committee |
| 3. Mr. Steven Suey Ku | Member of the Audit Committee |

In the year 2020, the Company's Audit Committee totally held four regular meetings and report to the Board of Directors every quarter. The attendance of the Audit Committee members is summarized as follows:

	Meeting Attendance/Total Meeting (Times)
1. Mr. Pornwut Sarasin	4/4
2. Mr. Sai Wah Simon Suen	4/4
3. Mr. Steven Suey Ku	3/4

The followings are summary of the Audit Committee's duties during the year 2020:

- Meetings with both external auditor and internal auditor to consider matters and to assess any occur issues if relate to the Company internal control system to ensure its adequate and appropriate.
- To review the Company quarterly financial statements and year-end financial statements for 2020 as well as all related documents and validate it is correct, sufficient, creditable and in accordance with general accounting standards. In addition, the Audit Committee considered the suggestion to improve the accounting guidelines to be in line with the new and revised accounting standards.
- To review all related party transactions between the Company and its related companies to assure that there are no transactions may lead to conflicts of interest.
- To review and to ensure that the Company complies with the Securities and Exchange Act, regulations, notification and all relevant laws with the Company's business operation.
- To pay attention on concerned issues or information (if any) that may relate or effect to the Company's financial statements.
- To monitor the operation results of internal audit section.

During the year 2020, the certified public accountant from EY Office Limited performed properly and efficiently. Therefore, the Audit Committee considers and proposes EY Office Limited and its audit fee proposal for the year 2021 for the Company and subsidiaries totaling Baht 5.08 million, then send their recommendation to the Board for consideration and such proposal will be proposed to the 2021 Annual General Meeting for further approval.

For and on behalf of the Audit Committee of
Charoong Thai Wire and Cable Public Company Limited

Pornwut Sarasin

(Mr. Pornwut Sarasin)

Chairman of the Audit Committee

March 12, 2021

Statement of the Board of Directors' Responsibility for the Financial Statements

The financial statements of Charoong Thai Wire and Cable Public Company Limited and its subsidiary companies for the year 2020 have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 (A.D. 2004) and their presentation has been made in compliance with the stipulations of the Notification, issued under the Accounting Act B.E. 2543 (A.D.2000)

The Board of Directors is responsible for the financial statements of Charoong Thai Wire and Cable Public Company Limited and its subsidiary companies as to their correctness and the completeness of the presentation. The aforementioned financial statements are prepared in accordance with the general accounting standards as applied in Thailand, using appropriate accounting policy consistently employed by the Company. They are genuinely representative of the Company's financial status and operational results. Important information is adequately disclosed in the notes to financial statements.

March 12, 2021

On behalf of the Board of Directors of Charoong Thai Wire and Cable Plc.



(Mr. Chai Sophonpanich)

Chairman

Independent Auditor's Report

Opinion

I have audited the accompanying consolidated financial statements of Charoong Thai Wire and Cable Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Charoong Thai Wire and Cable 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 Charoong Thai Wire and Cable Public Company Limited and its subsidiaries and of Charoong Thai Wire and Cable Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current year. 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 matter and how audit procedures respond are described below.

Recognition of revenue from sales under bill and hold arrangements

During the year 2020, the Company recognised revenue from sales under bill and hold arrangements totaling Baht 254 million. The Company has entered into sales contracts or trading agreements with state-owned enterprises, whereby the counterparties agree in advance that the delivery of goods is to be made on their requests. If consideration of the specific conditions of such agreements is not in compliance with the related accounting standards, revenue would be recognised prior to the appropriate period.

I assessed and tested the Company's internal controls with respect to the sale transactions under bill and hold arrangements by making enquiry of responsible executives, understanding of the controls and selecting representative samples to test the operation of the designed controls. I also read the sales contracts, enquired of the Company's management to understand the specific sales conditions and examined supporting documents. In addition, I observed the Company's physical count of such inventories and directly sent confirmation requests to customers for the outstanding balances of sales under bill and hold arrangements, which covered the sales amounts, quantities of inventories and conditions of sales.

Independent Auditor's Report

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 Group, 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditor's Report

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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current year 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.



Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 25 February 2021

Statement of financial position

Charoeng Thai Wire and Cable Public Company Limited and its subsidiaries

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents		927,245,434	885,450,974	603,129,091	599,056,385
Trade and other receivables	8	1,216,560,340	1,473,823,275	663,412,471	794,552,835
Inventories	9	1,633,456,875	1,562,336,518	1,201,297,112	1,145,039,096
Other current financial assets	10	100,000,000	-	100,000,000	-
Other current assets		59,749,582	33,599,970	18,910,229	1,732,062
Total current assets		3,937,012,231	3,955,210,737	2,586,748,903	2,540,380,378
Non-current assets					
Restricted bank deposits		-	75,500,000	-	-
Other non-current financial assets	3, 13	169,942,059	-	67,677,750	-
Long-term loans to subsidiary	7	-	-	-	-
Investments in associates	12	6,454,975	5,164,536	-	-
Investments in subsidiaries	11	-	-	1,150,672,751	1,154,095,751
Other long-term investments	3, 13	-	123,770,000	-	22,500,000
Investment properties	14	19,227,327	16,784,770	11,022,059	11,022,059
Property, plant and equipment	15	1,226,433,695	920,435,826	926,568,369	633,785,146
Deferred tax assets	21	78,582,542	93,389,553	58,924,879	74,547,877
Other non-current assets		30,772,324	83,186,852	14,436,754	56,685,081
Total non-current assets		1,531,412,922	1,318,231,537	2,229,302,562	1,952,635,914
Total assets		5,468,425,153	5,273,442,274	4,816,051,465	4,493,016,292

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

Statement of financial position (continued)

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	36,025,860	53,502,280	-	-
Trust receipts	16	74,175,559	161,018,006	74,175,560	87,749,061
Trade and other payables	17	443,684,993	384,092,561	215,781,961	126,907,317
Income tax payable		26,059,084	10,508,268	26,059,084	10,040,232
Other current liabilities		45,476,511	47,790,052	40,109,876	41,069,513
Total current liabilities		625,422,007	656,911,167	356,126,481	265,766,123
Non-current liabilities					
Provision for long-term employee benefits	18	336,827,548	348,628,714	279,677,663	292,847,064
Other non-current liabilities		-	-	500,000	500,000
Total non-current liabilities		336,827,548	348,628,714	280,177,663	293,347,064
Total liabilities		962,249,555	1,005,539,881	636,304,144	559,113,187
Shareholders' equity					
Share capital					
Registered					
397,906,284 ordinary shares of Baht 5 each		1,989,531,420	1,989,531,420	1,989,531,420	1,989,531,420
Issued and fully paid-up					
397,906,284 ordinary shares of Baht 5 each		1,989,531,420	1,989,531,420	1,989,531,420	1,989,531,420
Share premium		1,105,933,696	1,105,933,696	1,105,933,696	1,105,933,696
Capital surplus from changes in					
shareholding percentage in a subsidiary		13,145,139	13,145,139	-	-
Non-controlling interests of subsidiary acquired by					
the Company at price lower than book value		12,005,761	12,005,761	-	-
Retained earnings					
Appropriated - statutory reserve	19	198,953,142	198,953,142	198,953,142	198,953,142
Unappropriated		1,152,842,026	928,847,400	885,329,063	639,484,847
Other components of shareholders' equity		13,507,570	(10,931,746)	-	-
Equity attributable to owners of the Company		4,485,918,754	4,237,484,812	4,179,747,321	3,933,903,105
Non-controlling interests of the subsidiaries		20,256,844	30,417,581	-	-
Total shareholders' equity		4,506,175,598	4,267,902,393	4,179,747,321	3,933,903,105
Total liabilities and shareholders' equity		5,468,425,153	5,273,442,274	4,816,051,465	4,493,016,292

The accompanying notes are an integral part of the financial statements

Income statement

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Revenues					
Sales		4,667,752,368	5,960,722,242	2,574,686,118	2,087,629,372
Other income					
Gain on exchange		4,038,867	37,193,934	-	12,004,649
Management fee income		-	-	31,905,956	41,759,348
Dividend income	11, 13	3,375,000	3,375,000	8,868,995	13,357,991
Others		10,662,536	19,916,789	17,229,727	20,867,876
Total revenues		4,685,828,771	6,021,207,965	2,632,690,796	2,175,619,236
Expenses					
Cost of sales		4,007,982,382	5,597,422,416	2,016,912,817	1,823,566,594
Reversal of allowance for diminution in value of inventory		(22,124,984)	(25,635,796)	(16,238,226)	(24,901,804)
Total cost of sales		3,985,857,398	5,571,786,620	2,000,674,591	1,798,664,790
Selling and distribution expenses		117,015,417	102,366,902	89,601,092	56,455,804
Administrative expenses		243,803,591	237,353,427	183,583,281	157,775,859
Other expenses					
Allowance for loss on impairment of investments in subsidiaries	11	-	-	3,423,000	22,200,000
Allowance for loss on impairment of machine and equipment (reversal)	15	(3,642,142)	13,821,846	-	-
Total expenses		4,343,034,264	5,925,328,795	2,277,281,964	2,035,096,453
Profit from operating activities		342,794,507	95,879,170	355,408,832	140,522,783
Share of profit from investment in associate	12	1,290,439	275,609	-	-
Finance income		25,270,771	10,540,493	3,296,171	7,428,783
Finance cost		(8,590,763)	(23,676,408)	(3,640,377)	(4,121,582)
Profit before income tax		360,764,954	83,018,864	355,064,626	143,829,984
Income tax	21	(73,748,830)	(40,934,703)	(70,256,676)	(31,897,252)
Profit for the year		287,016,124	42,084,161	284,807,950	111,932,732
Profit attributable to:					
Equity holders of the Company		298,717,999	77,240,619	284,807,950	111,932,732
Non-controlling interests of the subsidiaries		(11,701,875)	(35,156,458)		
		287,016,124	42,084,161		
Earnings per share					
Basic earnings per share	22				
Profit attributable to equity holders of the Company		0.75	0.19	0.72	0.28

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

Statement of comprehensive income

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit for the year		287,016,124	42,084,161	284,807,950	111,932,732
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currency		4,242,806	(10,133,714)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		4,242,806	(10,133,714)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Actuarial gain (loss)	18	5,446,212	(45,552,419)	7,263,868	(29,297,306)
Loss on investments in equity designated at fair value through other comprehensive income		(55,236,749)	-	(52,924,500)	-
Less: Income tax effect	21	9,958,107	9,110,484	9,132,126	5,859,461
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(39,832,430)	(36,441,935)	(36,528,506)	(23,437,845)
Other comprehensive income for the year		(35,589,624)	(46,575,649)	(36,528,506)	(23,437,845)
Total comprehensive income for the year		251,426,500	(4,491,488)	248,279,444	88,494,887
Total comprehensive income attributable to:					
Equity holders of the Company		261,587,236	34,345,896	248,279,444	88,494,887
Non-controlling interests of the subsidiaries		(10,160,736)	(38,837,384)	-	-
		251,426,500	(4,491,488)	248,279,444	88,494,887

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

Statement of changes in shareholders' equity

Charoeng Thai Wire and Cable Public Company Limited and its subsidiaries
For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
	Issued and fully paid-up share capital	Share premium	Capital surplus changes in shareholding percentage in a subsidiary	Non-controlling interests of subsidiary acquired by the Company at price lower than book value	Retained earnings		Other components of equity					
					Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Investments in equity designated at fair value through other comprehensive income	Total other component of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2019	1,989,531,420	1,105,933,696	13,145,139	-	198,953,142	1,067,105,871	(4,478,958)	-	(4,478,958)	4,370,190,310	90,260,725	4,460,451,035
Profit (loss) for the year	-	-	-	-	-	77,240,619	-	-	-	77,240,619	(35,156,458)	42,084,161
Other comprehensive income for the year	-	-	-	-	-	(36,441,935)	(6,452,788)	-	(6,452,788)	(42,894,723)	(3,680,926)	(46,575,649)
Total comprehensive income for the year	-	-	-	-	-	40,798,684	(6,452,788)	-	(6,452,788)	34,345,896	(38,837,384)	(4,491,488)
Acquisition of non-controlling interests of subsidiary	-	-	-	12,005,761	-	-	-	-	-	12,005,761	(21,005,761)	(9,000,000)
Dividend paid (Note 25)	-	-	-	-	-	(179,057,154)	-	-	-	(179,057,154)	-	(179,057,154)
Balance as at 31 December 2019	1,989,531,420	1,105,933,696	13,145,139	12,005,761	198,953,142	928,847,401	(10,931,746)	-	(10,931,746)	4,237,484,813	30,417,580	4,267,902,393
Balance as at 1 January 2020												
- as previously reported	1,989,531,420	1,105,933,696	13,145,139	12,005,761	198,953,142	928,847,401	(10,931,746)	-	(10,931,746)	4,237,484,813	30,417,580	4,267,902,393
Cumulative effects of the initial adoption of new financial reporting standards (Note 4)	-	-	-	-	-	500,616	-	65,927,047	65,927,047	66,427,663	-	66,427,663
Balance as at 1 January 2020												
- as restated	1,989,531,420	1,105,933,696	13,145,139	12,005,761	198,953,142	929,348,017	(10,931,746)	65,927,047	54,995,301	4,303,912,476	30,417,580	4,334,330,056
Profit (loss) for the year	-	-	-	-	-	298,717,999	-	-	-	298,717,999	(11,701,875)	287,016,124
Other comprehensive income for the year	-	-	-	-	-	4,356,969	2,701,667	(44,189,399)	(41,487,732)	(37,130,763)	1,541,139	(35,589,624)
Total comprehensive income for the year	-	-	-	-	-	303,074,968	2,701,667	(44,189,399)	(41,487,732)	261,587,236	(10,160,736)	251,426,500
Dividend paid (Note 25)	-	-	-	-	-	(79,580,958)	-	-	-	(79,580,958)	-	(79,580,958)
Balance as at 31 December 2020	1,989,531,420	1,105,933,696	13,145,139	12,005,761	198,953,142	1,152,842,027	(8,230,079)	21,737,648	13,507,569	4,485,918,754	20,256,844	4,506,175,598

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

Statement of changes in shareholders' equity (continued)

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2020

(Unit: Baht)

	Separate financial statements						
	fully paid-up share capital	Share premium	Retained earnings		Other components of equity		
			Appropriated	Unappropriated	Other comprehensive Income		Total other component of equity
					Gains on Investments In equity designated at fair value through comprehensive income		
Balance as at 1 January 2019	1,989,531,420	1,105,933,696	198,953,142	730,047,114	-	-	4,024,465,372
Profit for the year	-	-	-	111,932,732	-	-	111,932,732
Other comprehensive income for the year	-	-	-	(23,437,845)	-	-	(23,437,845)
Total comprehensive income for the year	-	-	-	88,494,887	-	-	88,494,887
Dividend paid (Note 25)	-	-	-	(179,057,154)	-	-	(179,057,154)
Balance as at 31 December 2019	1,989,531,420	1,105,933,696	198,953,142	639,484,847	-	-	3,933,903,105
Balance as at 1 January 2020							
- as previously reported	1,989,531,420	1,105,933,696	198,953,142	639,484,847	-	-	3,933,903,105
Cumulative effects of the initial adoption of new financial reporting standards (Note 4)	-	-	-	(1,336,070)	78,481,800	78,481,800	77,145,730
Balance as at 1 January 2020- as restated	1,989,531,420	1,105,933,696	198,953,142	638,148,777	78,481,800	78,481,800	4,011,048,835
Profit for the year	-	-	-	284,807,950	-	-	284,807,950
Other comprehensive income for the year	-	-	-	5,811,094	(42,339,600)	(42,339,600)	(36,528,506)
Total comprehensive income for the year	-	-	-	290,619,044	(42,339,600)	(42,339,600)	248,279,444
Dividend paid (Note 25)	-	-	-	(79,580,958)	-	-	(79,580,958)
Balance as at 31 December 2020	1,989,531,420	1,105,933,696	198,953,142	849,186,863	36,142,200	36,142,200	4,179,747,321

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

Cash flow statement

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	360,764,954	83,018,864	355,064,626	143,829,984
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Dividend income	(3,375,000)	(3,375,000)	(8,868,995)	(13,357,991)
Depreciation and amortisation	92,886,869	94,989,327	57,645,798	59,587,121
Reversal of allowance for expected credit loss/ allowance for doubtful accounts - trade receivables	(2,607,257)	(6,928,440)	(5,252,859)	(3,553,310)
Written-off bad debt - trade receivables	2,926,231	-	-	-
Bad debt recovery	(2,847,323)	-	-	-
Reversal of allowance for diminution in value of inventory	(22,124,984)	(25,635,796)	(16,238,226)	(24,901,804)
Allowance for loss on impairment of investments in subsidiaries	-	-	3,423,000	22,200,000
Gain on sales of property, plant and equipment	(6,326,484)	(2,912,032)	(1,104,665)	(715,814)
Allowance for loss on impairment of machinery and equipment (reversal)	(3,642,142)	13,821,846	-	-
Share of profit from investment in associate	(1,290,439)	(275,609)	-	-
Provision for long-term employee benefits	22,091,233	28,422,735	18,641,431	21,231,616
Unrealised (gain) loss on exchange	784,134	(309,926)	279,826	(19,747)
Loss on fair value adjustments of financial instruments	-	78,306	-	-
Finance income	(25,270,771)	(10,540,493)	(3,296,171)	(7,428,783)
Finance expenses	6,424,564	19,604,770	2,586,810	3,125,038
Profit from operating activities before changes in operating assets and liabilities	418,393,585	189,958,552	402,880,575	199,996,310
Operating assets (increase) decrease				
Trade and other receivables	256,211,767	406,944,638	134,715,104	95,888,262
Inventories	(49,417,643)	96,837,360	(40,019,790)	(121,537,603)
Other current assets	(26,162,449)	27,851,034	(17,178,167)	583,161
Operating liabilities increase (decrease)				
Trade and other payables	44,677,524	(138,187,581)	73,424,422	(118,498,900)
Other current liabilities	(2,911,399)	(24,861,542)	(1,554,250)	(4,213,028)
Cash flows from operating activities	640,791,385	558,542,461	552,267,894	52,218,202
Cash paid for long-term employee benefits	(28,446,187)	(15,895,283)	(24,546,964)	(11,306,093)
Cash paid for interest expenses	(6,608,764)	(21,075,072)	(2,613,987)	(3,148,821)
Cash paid for corporate income tax	(50,026,976)	(44,800,437)	(48,769,132)	(43,391,729)
Net cash flows from (used in) operating activities	555,709,458	476,771,669	476,337,811	(5,628,441)

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

Cash flow statement (continued)

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Interest income	25,736,387	10,947,814	3,304,203	7,754,648
Decrease in restricted bank deposits	75,500,000	94,300,000	-	-
Cash paid for investments in subsidiary	-	-	-	(9,000,000)
Dividend income from investment in subsidiary	-	-	5,493,995	9,982,991
Dividend income from other non-current financial assets	3,375,000	3,375,000	3,375,000	3,375,000
(Increase) decrease in current financial assets	(100,000,000)	100,121,038	(100,000,000)	100,121,038
Increase in other non-current financial assets	(19,000,000)	(8,400,000)	-	-
Acquisition of property, plant and equipment	(381,572,381)	(87,579,044)	(335,466,062)	(57,451,221)
Proceeds from sales of property, plant and equipment	11,921,042	6,005,659	2,002,334	2,290,366
Increase in other non-current assets	51,874,527	(52,294,854)	41,663,396	(41,457,653)
Net cash flows from (used in) investing activities	(332,165,425)	66,475,613	(379,627,134)	15,615,169
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(17,476,420)	(60,338,890)	-	-
Increase (decrease) in trust receipts	(86,920,573)	(441,085,137)	(13,651,627)	15,532,860
Cash paid for acquisition of non-controlling interests of a subsidiary	-	(9,000,000)	-	-
Dividend paid	(78,986,349)	(177,245,580)	(78,986,344)	(177,245,580)
Net cash flows used in financing activities	(183,383,342)	(687,669,607)	(92,637,971)	(161,712,720)
Translation adjustments	1,741,303	(5,735,230)	-	-
Net increase (decrease) in cash and cash equivalents	41,901,994	(150,157,555)	4,072,706	(151,725,992)
Unrealised gain (loss) on exchange for cash and cash equivalents	(107,534)	1,100,194	-	-
Cash and cash equivalents at beginning of year	885,450,974	1,034,508,335	599,056,385	750,782,377
Cash and cash equivalents at end of year	927,245,434	885,450,974	603,129,091	599,056,385
Supplemental cash flow information :-				
Non-cash transaction				
Purchase of machinery by trust receipts	15,275,698	-	15,275,698	-
Repayment from trade account receivable by means of receipts of investment properties	2,892,703	-	-	-

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

Notes to consolidated financial statements

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries
For the year ended 31 December 2020

1. General information

Charoong Thai Wire and Cable Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The ultimate parent company is Pacific Electric Wire and Cable Co., Ltd., which is incorporated in Taiwan. The Company is principally engaged in the manufacture and distribution of electric wire and cables and telephone cables. The registered office of the Company is at 589/71 Central City Tower, 12A Floor, Debaratana Road, North Bangna, Bangna, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Charoong Thai Wire and Cable Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020	2019
			Percent	Percent
CTW-Beta Co., Ltd.	Investment and holding company	Thailand	100	100
Siam Fiber Optics Co., Ltd.	Manufacturer and distributor of fiber optic cables	Thailand	90	90
Siam Pacific Electric Wire and Cable Co., Ltd.	Manufacturer and distributor of wire and cable products, and enameled and non-enameled wires	Thailand	100	100
Shanghai Asia Pacific Electric Co., Ltd. (Held by a subsidiary 54%)	Manufacturer and distributor of enameled copper wires	China	64	64
Double D Cable Co., Ltd.	Manufacturer and distributor of cables and provider of fabrication service	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period and revenues and expenses are translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statements of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

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

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

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

The adoption of these standards does not have significant impact on the Group's financial statements for recognition of credit losses. For recognition of derivatives, the Group already measured at their fair value, but changed only the presentation in the financial statements.

However, the Group records the measurement of investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through other comprehensive income.

Cumulative effects of the initial adoption of new financial reporting standards are detailed in Note 4 to the consolidated financial statements.

TFRS 16 Leases

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

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

This standard does not have any significant impact on the Group's financial statements.

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

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

The management of the Group has assessed the impact of these standards and found that they would not have any significant impact on the Group's financial statements in the year when they are adopted.

4. Cumulative effects of the initial adoption of new financial reporting standards

As described in Note 3 to the consolidated financial statements, during the current year, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effects of the initial adoption of new financial reporting standards are recognised as an adjustment to the retained earnings as at 1 January 2020 without restatement of the comparative information.

Financial instruments

As at 1 January 2020, the Group presented derivative financial instruments as financial assets or financial liabilities classified and measured at fair value through profit or loss. Equity instruments are financial assets classified and measured at fair value through other comprehensive income, with no subsequent recycling to profit or loss. Other financial assets and liabilities are classified and measured at amortised cost.

The impacts on the beginning balance of retained earnings as at 1 January 2020 from the initial adoption of financial reporting standards related to financial instruments are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
The impact on retained earnings		
Recognition of an allowance for expected credit losses on financial assets - net of income tax	501	(1,336)
The impact on other comprehensive income		
Fair value measurement of investments in equity instruments of non-listed companies - net of income tax	65,927	78,482

5. Significant accounting policies

5.1 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, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Bill and hold arrangements

The Company recognises revenue from sales of goods under bill and hold arrangements when they have yet to be delivered, since delivery is delayed at the buyer's request and the buyer takes control and accepts the billing and that the usual terms of payment applied. Moreover, the inventory is on hand, clearly identified and ready for delivery to the buyer at the time the revenue is recognised and it is highly probable that delivery will be made.

Sales of goods under bill and hold arrangements are the invoiced value, excluding value added tax after deducting discounts and allowances.

Finance income

Finance income represents interest income on debt instruments measured at amortised cost, which is recognised on an accrual basis based on the effective interest rate.

Finance cost

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

Dividends

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

5.2 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.

5.3 Inventories

Finished goods and work in process are valued at the lower of average cost and net realisable value and includes all production costs and attributable factory overheads.

Raw materials and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

5.4 Investments in subsidiaries and associates

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

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

5.5 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 condominium and office building for rent is calculated by reference to their costs on the straight-line basis over estimated useful life of 20 years. Depreciation is included in profit or loss.

No depreciation is provided on land not being used for operation.

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

5.6 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 plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	20 - 25 years
Buildings improvement	5 - 20 years
Machinery and equipment	5 - 20 years
Furniture, fixtures and office equipment	3 - 20 years
Motor vehicles	5 - 10 years

Depreciation is included in profit or loss.

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

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 on disposal of an asset is included in profit or loss when the asset is derecognised.

5.7 Leases

Accounting policies adopted as from 1 January 2020

The Group recognises right-of-use assets and lease liabilities for all leases as at the date underlying assets is available for use (the commencement date of the lease), except for a lease that has a lease term less than or equal to 12 months or a lease of low-value assets, which the Group recognises as expenses on a straight-line basis over the lease term.

Right-of-use assets

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

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of lease term or their estimated useful lives if ownership of the leased asset is transferred to the Group at the end of the lease term.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease.

Accounting policies adopted prior to 1 January 2020

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

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

Leasehold rights

Leasehold rights are stated at cost less accumulated amortisation and less allowance for impairment loss of leasehold rights (if any). Amortisation is calculated by reference to cost on a straight-line basis over the lease periods.

The amortisation is included in profit or loss.

5.8 Related party transactions

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

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

5.9 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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 profit or loss.

5.10 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of property, plant and equipment and 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.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Such reversal is recognised in profit or loss.

5.11 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plan. The Group treats these severance payment obligations as a defined benefit plan.

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

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

5.12 Provisions

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

5.13 Income tax

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

Current tax

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

Deferred tax

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

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

5.14 Financial instruments

Accounting policies adopted as from 1 January 2020

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 Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect cash flows with the contractual terms. The cash flows are solely payments of principal and interest on the principal amount outstanding complied with the period specified in the contract.

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

Upon initial recognition, the Group can elect to classify its equity investments which are not held for trading as equity instruments designated at FVOCI, with no subsequent recycling. 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 financial instruments, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

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

Classification and measurement of financial liabilities

The Group's financial liabilities are initially recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost, except for derivative liabilities which disclosed in note 5.15 to the consolidated financial statement. In determining amortised cost, the Group 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 Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred all the risks nor rewards of the asset but has transferred control over it.

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 Group 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 Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Accounting policies adopted prior to 1 January 2020

Trade accounts receivable

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

Investments

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

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

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

5.15 Derivatives

The Group has entered into forward currency contracts which is derivative financial instruments 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 or financial liabilities by considering fair value of the derivative.

Derivatives are presented as non-current assets or liabilities and current assets or liabilities by considering the remaining maturity with more than or less than 12 months respectively.

5.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group 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 Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

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

Allowance for expected credit losses of trade receivables

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

Fair value of financial instruments

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

Impairment of investments in subsidiaries

The Group treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

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 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 to record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

7. Related party transactions

During the years, the Group had significant business transactions in the ordinary course of business with related parties, which have been concluded on commercial terms and bases agreed upon between the Group and those related parties. Below was a summary of those transactions.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2020	2019	2020	2019	
<u>Transactions with ultimate parent Company</u>					
Sales of goods	3	4	-	-	Cost plus margin
Management fee expenses	4	4	2	2	Contract price
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of raw materials	-	-	9	12	Cost plus margin
Fabrication income	-	-	8	20	Cost plus margin
Packing income	-	-	1	1	Cost plus margin
Fabrication cost	-	-	20	24	Cost plus margin
Insulation cost	-	-	6	9	Cost plus margin
Management fee income	-	-	32	42	Contract price
Service income	-	-	1	5	Contract price
Rental income	-	-	3	3	Contract price
Electric income	-	-	11	12	At cost
Dividend income	-	-	5	10	Announced rate

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2020	2019	2020	2019	
<u>Transactions with related companies</u>					
Sales of goods	166	132	164	128	Market price, Cost plus margin
Sales of raw materials	1	8	-	-	Market price
Sales of assets	2	3	-	-	Market price
Purchases of goods	179	175	-	-	Market price
Purchases of raw materials	-	16	-	-	Market price, Cost plus margin
Fabrication cost	7	20	7	20	Contract price
Dividend income	3	3	3	3	Announced rate
Construction of factory buildings Expenses	102	7	102	7	Contract price

As at 31 December 2020 and 2019, the balances of the accounts between the Group and those related companies were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	29,347	21,370
Related companies (related as the shareholders of the Company or common shareholders)	154,307	182,910	151,989	178,495
Total trade and other receivables - related parties	154,307	182,910	181,336	199,865
<u>Trade and other payables - related parties (Note 17)</u>				
Ultimate parent company	893	832	474	441
Subsidiaries	-	-	2,868	2,280
Related companies (related as the shareholders of the Company or common shareholders or held by the Company)	74,787	156,362	7,931	386
Total trade and other payables - related parties	75,680	157,194	11,273	3,107

Long-term loans to subsidiary

As at 31 December 2020 and 2019, the balance of long-term loans to subsidiary and the movements were as follows:

(Unit: Thousand Baht)

Loans to	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	31 December	during	during	31 December
	2019	the year	the year	2020
<u>CTW-Beta Company Limited</u>				
Loan principal	540,939	-	-	540,939
Add: Accrued interest	96,174	-	-	96,174
Total	637,113	-	-	637,113
Less: Allowance for doubtful accounts	(637,113)	-	-	(637,113)
Total	-	-	-	-

The outstanding balance was a loan in the form of at call promissory notes bearing interest at the rate of time deposit 12 months of the commercial bank. During the year 2006, the Company ceased to calculate the said interest because of the uncertainty in receiving repayments. The Company considered recording the allowance to be at the anticipated repayment amount. (A total of Baht 237 million of interest receivable under the agreement was not recorded in its accounts. Interest income for the year ended 31 December 2020 and 2019 amounted to Baht 3 million and Baht 7 million, respectively).

Directors and management's benefits

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Short-term employee benefits	94,336	85,720	70,252	62,515
Post-employment benefits	4,548	7,911	2,649	4,630
Total	98,884	93,631	72,901	67,145

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Trade receivables - related parties</u> (Note 7)				
Aged on the basis of due dates				
Not yet due	33,865	13,382	36,291	15,499
Past due				
Up to 3 months	23,129	19,580	23,129	21,051
3 - 6 months	35,200	34,544	33,061	31,326
6 - 12 months	62,113	114,741	61,934	114,741
Total trade receivables - related parties	154,307	182,247	154,415	182,617
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	874,829	1,051,911	375,990	439,084
Past due				
Up to 3 months	174,974	233,449	94,624	155,969
3 - 6 months	10,770	189	10,175	190
6 - 12 months	5,999	500	2,219	-
Over 12 months	5,839	16,479	1,251	5,232
Total	1,072,411	1,302,528	484,259	600,475
Less: Allowance for expected credit losses/				
allowance for doubtful accounts	(10,762)	(13,879)	(2,478)	(6,061)
Total trade receivables - unrelated parties, net	1,061,649	1,288,649	481,781	594,414
Total trade receivables - net	1,215,956	1,470,896	636,196	777,031
<u>Other receivables</u>				
Other receivables - related parties (Note 7)	-	663	26,921	17,248
Other receivables - unrelated parties	604	2,264	295	274
Total other receivables	604	2,927	27,216	17,522
Trade and other receivables - net	1,216,560	1,473,823	663,412	794,553

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

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
As at 1 January 2020	(13,254)	(7,731)
Allowance for expected credit losses	2,492	5,253
As at 31 December 2020	(10,762)	(2,478)

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	741,435	711,267	(46,380)	(57,352)	695,055	653,915
Work in process	405,226	436,030	(7,413)	(14,922)	397,813	421,108
Raw materials and factory supplies	343,633	469,297	(30,139)	(33,360)	313,494	435,937
Goods in transit	227,095	51,377	-	-	227,095	51,377
Total	1,717,389	1,667,971	(83,932)	(105,634)	1,633,457	1,562,337

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	541,741	536,966	(37,667)	(48,620)	504,074	488,346
Work in process	359,527	406,236	(6,687)	(7,043)	352,840	399,193
Raw materials and factory supplies	228,193	261,344	(10,056)	(14,985)	218,137	246,359
Goods in transit	126,246	11,141	-	-	126,246	11,141
Total	1,255,707	1,215,687	(54,410)	(70,648)	1,201,297	1,145,039

During the current year, the Group reduced cost of inventories by Baht 40 million (2019: Baht 65 million) (The Company only: Baht 31 million and 2019: Baht 46 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 62 million (2019: Baht 91 million) (The Company only: Baht 47 million and 2019: Baht 71 million), and reduced the cost of sales during the year.

10. Other current financial assets

The balances represent bank deposits with an original maturity over three months.

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Cost		Dividend received during the year	
	2020	2019	2020	2019	2020	2019
Siam Fiber Optics Company Limited	240,000	240,000	153,000	153,000	-	-
Siam Pacific Electric Wire and Cable Company Limited	670,000	670,000	1,067,703	1,067,703	5,494	9,983
Double D Cable Company Limited	20,000	20,000	20,000	20,000	-	-
Shanghai Asia Pacific Electric Company Limited	10,549	10,549	41,110	41,110	-	-
	Thousand USD	Thousand USD				
CTW-Beta Company Limited	100	100	100	100	-	-
Total			1,281,913	1,281,913	5,494	9,983
Less: Allowance for impairment loss of investments			(131,240)	(127,817)		
Total investments in subsidiaries - net			1,150,673	1,154,096		

In 2020, the Company assessed the value of investments in subsidiaries and concluded that the recoverable amounts of investments in Siam Fiber Optics Company Limited were lower than the carrying amounts, amounting to Baht 3 million (2019: Siam Fiber Optics Company Limited and Shanghai Asia Pacific Electric Company Limited amounting to Baht 10 million and Baht 12 million, respectively). The Company therefore recorded an allowance for impairment loss on these investments in the income statement of the separate financial statements.

12. Investments in associates

12.1 Details of associates:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
Loxpac (Thailand) Company Limited	Providing telecommunication service	Thailand	25	25	379,246	379,246	105,151	105,151
Loxpac Hong Kong Co., Limited	Investment and holding company	Hong Kong	20	20	302	302	6,455	5,165
Total					379,548	379,548	111,606	110,316
Less: Allowance for impairment loss of investment							(105,151)	(105,151)
Total investments in associates - net							6,455	5,165

12.2 Share of profit/loss and dividend received

The Group has not recognised its share of loss from investment in Loxpac (Thailand) Company Limited since it recorded full amount of the allowance for impairment amounting to Baht 105 million in its records.

On 30 March 2018, the Annual General Meeting of shareholders of Loxpac (Thailand) Company Limited No. 1/2018 passed a resolution approving its dissolution. Presently, this company is in its liquidation process.

During the current year, the subsidiary has summarised its share of profit from investment in Loxpac Hong Kong Co., Limited totally Baht 1.3 million (2019: Baht 0.3 million). The financial statements included investment in the associate which based on the financial statements prepared by the associate's management. The management of the Group believes that the financial statements would not differ significantly if they had been audited by an auditor.

This associate invested mainly through its subsidiary established in the Democratic People's Republic of Korea, which often has political instability, and recorded investment in that subsidiary company by cost method.

There is no dividend received from this associate.

12.3 Financial information of the associates were summarised below.

Company's name	Unit (Million)	Paid-up capital		Total assets		Total liabilities		Total revenues for		Profit (loss) for	
		as at		as at		as at		the years ended		the years ended	
		31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Loxpac (Thailand)	Baht										
Company Limited		700	700	129	185	-	1	-	2	(55)	(30)
Loxpac Hong Kong	Euro	-	6	-	14	-	7	-	0.4	-	0.1
Co., Limited	US dollar	7	-	18	-	9	-	0.3	-	0.2	-

13. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019*	2020	2019*
Debt instruments at amortised cost				
Fixed deposit over 1 year	56,000	37,000	-	-
Total debt instruments at amortised cost	56,000	37,000	-	-
Investments in equity instruments of non-listed companies				
Thai Metal Processing Company Limited	67,678	22,500	67,678	22,500
Crown Century Holdings Limited	46,264	64,270	-	-
Total investments in equity instruments of non-listed companies	113,942	86,770	67,678	22,500
Total other non-current financial assets	169,942	123,770	67,678	22,500

During the year 2020, the Company received dividend from Thai Metal Processing Company Limited amounting to Baht 3 million (2019: Baht 3 million).

* The balances as at 31 December 2019 were presented as long-term investments which were reclassified to other non-current financial assets as described in Note 3 to the consolidated financial statements.

14. Investment properties

	(Unit: Thousand Baht)					
	Consolidated financial statements				Separate financial statements	
	Land - not being used for operation	Condominium and office building for rent	Land leasehold right	Total	Land - not being used for operation	Total
31 December 2020:						
Cost	13,845	10,017	2,893	26,755	11,022	11,022
<u>Less</u> Accumulated depreciation	-	(7,510)	(18)	(7,528)	-	-
Net book value	13,845	2,507	2,875	19,227	11,022	11,022
31 December 2019:						
Cost	13,845	10,017	-	23,862	11,022	11,022
<u>Less</u> Accumulated depreciation	-	(7,077)	-	(7,077)	-	-
Net book value	13,845	2,940	-	16,785	11,022	11,022

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	16,785	17,217	11,022	11,022
Transfer of land leasehold right from trade account receivable for repayment	2,893	-	-	-
Depreciation charged for the year	(451)	(432)	-	-
Net book value at end of year	19,227	16,785	11,022	11,022

The fair values of the investment properties as at 31 December 2020 and 2019 are stated below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Land - not being used for operation	343,412	343,412	340,550	340,550
Condominium and office building for rent	16,522	15,998	-	-
Land leasehold right	2,893	-	-	-

The fair values of the above investment properties have been determined based on market price valuations performed by the qualified independent valuers.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2019	240,121	1,267,622	2,972,146	111,246	122,098	41,119	4,754,352
Additions	-	1,529	7,001	5,583	7,992	65,474	87,579
Disposals	-	(131)	(71,043)	(5,404)	(12,006)	(247)	(88,831)
Transfers	-	17,437	52,179	869	3,573	(74,058)	-
Translation adjustment	-	(5,479)	(11,035)	(224)	(321)	(1,560)	(18,619)
31 December 2019	240,121	1,280,978	2,949,248	112,070	121,336	30,728	4,734,481
Additions	-	480	3,517	2,783	5,325	384,743	396,848
Disposals	-	(960)	(168,379)	(4,381)	(10,030)	-	(183,750)
Transfers	-	14,882	35,761	514	1,289	(52,446)	-
Translation adjustment	-	4,366	6,913	98	238	668	12,283
31 December 2020	240,121	1,299,746	2,827,060	111,084	118,158	363,693	4,959,862
Accumulated depreciation:							
1 January 2019	-	(1,024,620)	(2,577,996)	(101,418)	(67,208)	-	(3,771,242)
Depreciation for the year	-	(26,497)	(52,391)	(4,232)	(10,299)	-	(93,419)
Depreciation on disposals	-	131	69,463	5,354	10,789	-	85,737
Translation adjustment	-	3,943	10,322	171	319	-	14,755
31 December 2019	-	(1,047,043)	(2,550,602)	(100,125)	(66,399)	-	(3,764,169)
Depreciation for the year	-	(25,375)	(51,034)	(4,298)	(10,268)	-	(90,975)
Depreciation on disposals	-	653	164,011	4,334	9,158	-	178,156
Translation adjustment	-	(3,116)	(5,818)	(115)	(279)	-	(9,328)
31 December 2020	-	(1,074,881)	(2,443,443)	(100,204)	(67,788)	-	(3,686,316)

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Allowance for impairment loss:							
1 January 2019	-	-	(36,582)	-	-	-	(36,582)
Increase during the year	-	-	(13,822)	-	-	-	(13,822)
Translation adjustment	-	-	528	-	-	-	528
31 December 2019	-	-	(49,876)	-	-	-	(49,876)
Decrease during the year	-	-	3,642	-	-	-	3,642
Translation adjustment	-	-	(878)	-	-	-	(878)
31 December 2020	-	-	(47,112)	-	-	-	(47,112)
Net book value:							
31 December 2019	240,121	233,935	348,770	11,945	54,937	30,728	920,436
31 December 2020	240,121	224,865	336,505	10,880	50,370	363,693	1,226,434

Depreciation for the year

2019 (Baht 85 million included in manufacturing cost, and the balance in selling and administrative expenses)	93,420
2020 (Baht 81 million included in manufacturing cost, and the balance in selling and administrative expenses)	90,975

(Unit: Thousand Baht)

Separate financial statements

	Land	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2019	186,770	660,416	1,681,599	71,241	81,445	11,590	2,693,061
Additions	-	399	5,441	1,890	5,557	44,164	57,451
Disposals	-	-	(1,830)	(2,619)	(8,389)	-	(12,838)
Transfers	-	12,974	34,401	870	3,573	(51,818)	-
31 December 2019	186,770	673,789	1,719,611	71,382	82,186	3,936	2,737,674
Additions	-	210	2,590	1,708	4,565	341,669	350,742
Disposals	-	-	(955)	(1,801)	(8,304)	-	(11,060)
Transfers	-	3,306	18,958	513	1,290	(24,067)	-
31 December 2020	186,770	677,305	1,740,204	71,802	79,737	321,538	3,077,356
Accumulated depreciation:							
1 January 2019	-	(523,519)	(1,423,438)	(65,438)	(43,642)	-	(2,056,037)
Depreciation for the year	-	(14,083)	(35,291)	(2,457)	(7,284)	-	(59,115)
Depreciation on disposals	-	-	1,512	2,578	7,173	-	11,263
31 December 2019	-	(537,602)	(1,457,217)	(65,317)	(43,753)	-	(2,103,889)
Depreciation for the year	-	(13,311)	(34,243)	(2,310)	(7,197)	-	(57,061)
Depreciation on disposals	-	-	951	1,780	7,431	-	10,162
31 December 2020	-	(550,913)	(1,490,509)	(65,847)	(43,519)	-	(2,150,788)
Net book value:							
31 December 2019	186,770	136,187	262,394	6,065	38,433	3,936	633,785
31 December 2020	186,770	126,392	249,695	5,955	36,218	321,538	926,568

Depreciation for the year

2019 (Baht 55 million included in manufacturing cost, and the balance in selling and administrative expenses)	59,116
2020 (Baht 54 million included in manufacturing cost, and the balance in selling and administrative expenses)	57,061

As at 31 December 2020 and 2019, certain plant and equipment items had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,984 million and Baht 3,344 million, respectively (The Company only: Baht 1,923 million, 2019: Baht 1,894 million).

As at 31 December 2020, two subsidiary companies have pledged their land, buildings and machinery amounting to approximately RMB 2 million (2019: Baht 1 million and RMB 3 million) as collateral against credit facilities received from financial institutions. In addition, a subsidiary has released its mortgaged of land and buildings amounting to Baht 49 million (31 December 2019: Baht 51 million) from a bank. However, the subsidiary is still restricted from selling, transferring or creating lien over the land and buildings without written consent from the bank.

16. Short-term loans from financial institutions and trust receipts

Short-term loans from financial institutions carry interest at rates of 4.5 - 4.9% per annum (2019: 4.6 - 4.8% per annum) while trust receipts carry interest at rates of 0.9 - 1.0% per annum (2019: 1.9 - 2.7% per annum). These are secured by the mortgage of land, buildings and right-of-use of land and the pledge of machinery by two subsidiaries.

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade payables - related parties (Note 7)	67,628	156,362	3,640	2,666
Trade payables	185,079	67,892	56,301	27,758
Other payables - related parties (Note 7)	8,052	832	7,633	441
Other payables	61,279	56,390	51,905	39,999
Accrued expenses	121,647	102,617	96,303	56,043
Total trade and other payables	443,685	384,093	215,782	126,907

18. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Provisions for long-term employee benefits at beginning of year	348,629	290,549	292,847	253,624
Included in profit or loss:				
Current service cost	17,501	20,593	14,853	14,369
Interest cost	4,590	7,830	3,789	6,863
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	4,087	34,763	2,671	29,755
Experience adjustments	(9,533)	10,789	(9,935)	(458)
Benefits paid during the year	(28,446)	(15,895)	(24,547)	(11,306)
Provisions for long-term employee benefits at end of year	336,828	348,629	279,678	292,847

The Group expects to pay Baht 41 million of long-term employee benefits during the next year (The Company only: Baht 33 million) (2019: Baht 40 million, The Company only: Baht 37 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit were 9 - 10 years (The Company only: 10 years) (31 December 2019: 9 years, The Company only: 9 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Discount rate	1.2 - 1.4	1.5	1.4	1.5
Salary increase rate (depending on age)	5.0 - 6.0	5.0 - 6.0	6.0	6.0
Turnover rate	0.0 - 18.0	0.0 - 18.0	0.0 - 8.0	0.0 - 8.0

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

	(Unit: Million Baht)			
	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(29)	35	(25)	29
Salary increase rate	33	(28)	28	(24)

	(Unit: Million Baht)			
	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(30)	35	(25)	30
Salary increase rate	33	(29)	28	(24)

19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit 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. At present, the statutory reserve has fully been set aside.

20. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Raw materials and consumables used and purchase of finished goods	3,220	4,897	1,406	1,470
Changes in finished goods and work in progress	1	(113)	42	(202)
Salaries and wages and other employee benefits	494	518	354	318
Packing expenses	132	133	125	99
Fabrication expenses	7	20	27	44
Electric expenses	134	150	70	65
Repair and maintenance expenses	57	63	44	51
Depreciation and amortisation	93	95	58	60

21. Income tax

Income tax for the years are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Current income tax:				
Current income tax charge	65,591	30,304	64,788	28,259
Deferred tax:				
Relating to origination and reversal of temporary differences	8,158	10,631	5,469	3,638
Income tax reported in the statement of Income	73,749	40,935	70,257	31,897

The amounts of income tax relating to each component of other comprehensive income for the years are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax relating to gain on actuarial (gain) loss	(1,089)	9,110	(1,453)	5,859
Deferred tax relating to loss on investments in equity designated at fair value through other comprehensive income	11,047	-	10,585	-
	9,958	9,110	9,132	5,859

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accounting profit before tax	360,765	83,019	355,064	143,830
Applicable tax rate	20% and 25%	20% and 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	70,594	13,058	71,013	28,766
Utilisation of previously unrecognised deferred tax assets	(2,770)	-	-	-
Adjustments in respect of deferred tax assets	(1,615)	3,122	-	-
Deferred tax assets which were not recorded during the year	9,181	25,341	685	4,440
Effects of:				
Additional taxable income	-	-	546	1,320
Tax-exempt income	(675)	(675)	(1,774)	(2,672)
Non-deductible expenses	667	972	358	559
Additional expense deductions allowed	(827)	(771)	(571)	(516)
Others	(806)	(112)	-	-
Total	(1,641)	(586)	(1,441)	(1,309)
Income tax reported in the income statement	73,749	40,935	70,257	31,897

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Trade accounts receivable and inventories (differences in revenue recognition)	(69)	(89)	(39)	(41)
Building improvement (differences in depreciation expenses)	691	-	-	-
Allowance for expected credit losses/allowance for doubtful accounts	1,909	2,101	496	1,212
Allowance for diminution in value of inventories	11,633	14,803	10,882	14,130
Unrealise loss on fair value adjustments of financial instruments	-	16	-	-
Provision for accrued vacation leave	873	833	687	677
Provision for long-term employee benefits	67,365	69,725	55,935	58,569
Unrealise loss on exchange of financial assets measured at FVOCI	(5,434)	-	(9,036)	-
Unused tax loss	1,615	6,000	-	-
Deferred tax assets - net	78,583	93,389	58,925	74,547

As at 31 December 2020, the Group had deductible temporary differences and unused tax losses amounting Baht 467 million (2019: Baht 290 million), on which deferred tax assets have not been recognised as the Group 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 293 million will expire by the year 2025.

22. Earnings per share

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

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Profit for the year (Thousand Baht)	298,718	77,241	284,808	111,933
Weighted average number of ordinary shares (Thousand shares)	397,906	397,906	397,906	397,906
Basic earnings per share (Baht/share)	0.75	0.19	0.72	0.28

23. Segment information

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 chief operating decision maker has been identified as the president of the Group.

For management purposes, the Group is organised into business units based on its products and have four reportable segments as follows:

- The power cable segment, which consists of aluminum conductor power cable, copper conductor power cable and high-voltage power cable
- The communication cable segment
- The enameled and non-enameled wire segment, which consists of enameled copper wire, enameled aluminum wire and non-enameled copper wire
- The fiber optic cable segment

No operating segments have been aggregated to form the above reportable operating segments

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenue and profit or loss information regarding the operating segments of the Group for the years.

(Unit: Million Baht)

	For the year ended 31 December											
	Power cable segment ¹⁾		Communication cable segment		Enameled and non-enameled wire segment ²⁾		Fiber optic cable segment		Other segments		Consolidated	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue												
Sales	2,552	2,047	9	29	1,999	3,816	104	63	4	6	4,668	5,961
Segment profit (loss)	585	308	(8)	4	86	75	18	(1)	1	3	682	389
Unallocated income and expenses												
Other income											18	60
Selling and contribution expenses											(117)	(102)
Administrative expenses											(244)	(237)
Allowance for loss on impairment of machinery and equipment											4	(14)
Finance income											25	11
Finance expenses											(8)	(24)
Share of profit from investment in associate											1	-
Profit before income tax											361	83
Income tax											(74)	(41)
Profit for the year											287	42
Non-controlling interests of the subsidiaries											12	35
Profit attributable to equity holders of the Company											299	77

1) Power cable segment consists of aluminum conductor power cable, copper conductor power cable and high-voltage power cable.

2) Enameled and non-enameled wire segment consists of enameled copper wire, enameled aluminum wire and non-enameled copper wire.

Geographic information

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

(Unit: Million Baht)

	2020	2019
Revenue from external customers		
Thailand	4,012	3,585
China	190	612
Hong Kong	126	174
India	89	1,252
Others	251	338
Total	4,668	5,961
Non-current assets (other than financial instruments, deferred tax assets)		
Thailand	1,240	1,057
China	43	44
Total	1,283	1,101

Major customers

For the year 2020, the Group has revenue from one major customer amounting to Baht 1,052 million arising from sales by power cable segment (2019: Baht 714 million derived from one major customer, arising from sales by the enameled and non-enameled wire segment).

24. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees and the Group contribute to the fund monthly at the rate of 5 percent of basic salary. The fund of the Company, which is managed by Krungsri Asset Management Company Limited and the fund of a subsidiary, which is managed by Bualuang Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 9 million (2019: Baht 9 million) were recognised as expenses (the Company only: Baht 7 million, 2019: Baht 6 million).

25. Dividends

	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2018	Annual General meeting of the shareholders on 29 April 2019	179,057	0.45
Final dividends for 2019	Annual General meeting of the shareholders on 28 April 2020	79,581	0.20

26. Commitments and contingent liabilities

	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Capital commitments				
Capital commitments relating to the acquisition of machinery and equipment				
- Million Baht	2	12	2	12
- Million US dollar	1	2	1	1
- Million Euro	-	3	-	3
Capital commitments relating to the construction of factory building improvement				
- Million Baht	37	5	37	4
Capital commitments relating to the acquisition of raw materials				
- Million US dollar	1	-	1	-
Operating lease and service commitments				
Payable within 1 year				
- Million Baht	8	8	5	5
- Million Taiwan dollar	2	2	1	1
Guarantee				
Letter of guarantee for bidding (Million Baht)	64	84	63	84
Letter of guarantee for performance in accordance with the contracts (Million Baht)	422	1,039	417	1,034
Letter of guarantee for utilities usage (Million Baht)	21	21	6	6
Commitments to purchase raw materials				
Reference to the market price (Metric ton)	16,450 - 20,850	10,100 - 14,700	9,450 - 10,550	3,300
Fixed price (Metric ton)	2,250	800	1,550	300

27. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity investments	-	114	-	114
Assets for which fair value are disclosed				
Investment properties	-	363	-	363

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	359	-	359

(Unit: Million Baht)

Separate financial statements as at 31 December 2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity investments	-	68	-	68
Assets for which fair value are disclosed				
Investment properties	-	341	-	341

(Unit: Million Baht)

Separate financial statements as at 31 December 2019				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	341	-	341

28. Financial instruments

28.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other accounts receivable, restricted bank account, loans, investments, short-term loans from financial institutions, trade and other accounts payable and trust receipts. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other accounts receivable, loans, deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade and other receivables

The Group 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.

An impairment analysis is performed at each reporting date to measure expected credit losses. The allowance rates are based on days past due for groupings of various customer segments with similar credit risks.

Cash

The credit risk on debt instruments is limited because the Group has a policy to consider and approve credit limits assigned to each counterparty by the Group's Board of directors. The counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk.

Foreign currency risk

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

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

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	3	7	7	7	30.0371	30.1540

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	-	4	3	30.0371	30.1540

In addition, the Group's exposures to foreign currency risk arise from investments in an overseas subsidiary. The management of the Group intends to hold such investments for the long term, and has no plans to dispose it in the future.

The Group has evaluated that the changes in the fair value of monetary assets and liabilities in foreign currencies as at 31 December 2020 do not have any significant impact on the Group's profit before tax.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, short-term loans and trust receipts. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate were summarised in the below tables, 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)

Consolidated financial statements as at 31 December 2020

	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective
	Within	Over				Interest
	1 year	5 years				rate
						(% p.a.)
Financial assets						
Cash and cash equivalents	101	-	826	-	927	0.1 - 0.4
Trade and other receivables	-	-	-	1,217	1,217	-
Other current financial assets	100	-	-	-	100	0.6
Other non-current financial assets	-	56	-	114	170	0.2
	201	56	826	1,331	2,414	
Financial liabilities						
Short-term loans from financial institutions	-	-	36	-	36	4.5 - 4.9
Trust receipts	74	-	-	-	74	0.9 - 1.0
Trade and other payables	-	-	-	444	444	-
	74	-	36	444	554	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2019

	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within	Over				
	1 year	5 years				
Financial assets						
Cash and cash equivalents	253	-	610	22	885	0.1 - 1.3
Trade and other receivables	-	-	-	1,474	1,474	-
Restricted bank deposits	76	-	-	-	76	0.6
Other long-term investments	-	37	-	87	124	1.5
	329	37	610	1,583	2,559	
Financial liabilities						
Short-term loans from financial institutions	-	-	54	-	54	4.6 - 4.8
Trust receipts	161	-	-	-	161	1.9 - 2.7
Trade and other payables	-	-	-	384	384	-
	161	-	54	384	599	

(Unit: Million Baht)

Separate financial statements as at 31 December 2020

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	101	508	(6)	603	0.1 - 0.4
Trade and other receivables	-	-	663	663	-
Other current financial assets	100	-	-	100	0.6
Other non-current financial assets	-	-	68	68	-
	201	508	725	1,434	
Financial liabilities					
Trust receipts	74	-	-	74	0.9 - 1.0
Trade and other payables	-	-	216	216	-
	74	-	216	290	

(Unit: Million Baht)

Separate financial statements as at 31 December 2019

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	253	326	20	599	0.2 - 1.3
Trade and other receivables	-	-	795	795	-
Other long-term investments	-	-	23	23	-
	253	326	838	1,417	
Financial liabilities					
Trust receipts	88	-	-	88	1.9 - 2.2
Trade and other payables	-	-	127	127	-
	88	-	127	215	

The Group has evaluated that the changes in interest rates on that portion of floating rate loans from affected as at 31 December 2020 do not have any significant impact on the Group's profit before tax.

Liquidity risk

The Group has assessed its liquidity risk as low. Since the Group can access to a sufficient variety of sources of funding,

28.2 Fair values of financial instruments

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

The methods and assumptions used by the Group estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade and other accounts receivable, trade and other account payable, and short-term loans from financial institutions, the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- c) The fair value of short-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- d) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

29. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 0.21:1 (2019: 0.24:1) and the Company's was 0.15:1 (2019: 0.14:1).

30. Approval of financial statements

These financial statements were authorised for issue by the authorised director of the Company on 25 February 2021.

Audit Fee

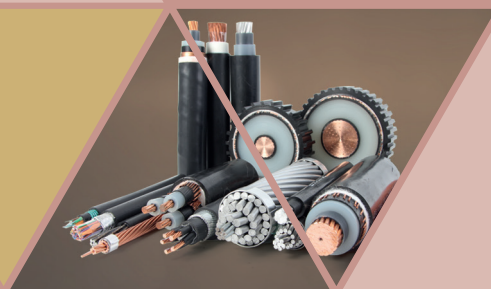
1. Audit fee

The Company and its subsidiaries paid audit fee to :

- The Company's auditor for the year 2020 totaling Baht 5,080,000.
- Other than the Company's auditor but, related individual or related company of the Company's auditor for the year 2020 totaling Baht 0.

2. Non-audit fee

The Company and its subsidiaries paid non-audit fee for the year 2020 totaling Baht 0.



Charoong Thai Wire and Cable Public Company Limited

"The investors can study more information about Charoong Thai Wire and Cable Plc.
from Annual Information Disclosure Form (56-1 Form)
on www.sec.or.th or the Company's website www.ctw.co.th"