

SAMART TELCOMS
LEADING TO
***SUSTAINABLE
FUTURE***

Annual Registration Statement /
Annual Report 2024
(Form 56-1 One Report)

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SAMART TELCOMS *LEADING TO* **SUSTAINABLE** **FUTURE**

Expanding Landscape

We are advancing to broaden our business landscape across clients, partners, solutions, and services, while unveiling cutting-edge innovations throughout an ever-expanding Digital Landscape.

Powering Impact

We forge remarkable achievements, unveiling advanced technologies to empower the capabilities of both public and private sectors. Our focus ignites key projects that contribute to propelling economic, social, and national progress.

Creating Enduring Value

Fostering lasting value with partners and customers, yielding stable and recurring revenue, we cultivate strong relationships and continuously develop solutions and services that deliver sustainable value.

Unified Synergy

With a shared vision, executives, employees, partners, and customers move forward as one. Through the power of seamless collaboration, we create enduring success and a sustainable future.





Messages from the Board of Directors

Dear Shareholders

In 2024, despite the recovery of the tourism sector and an economic expansion of 2.5%, the Thai economy faced significant challenges. These included the impact of the global economic situation, geopolitical uncertainties due to conflicts in various regions, currency fluctuations, high interest rates, and changes in government policies. However, with preparedness and a steadfast commitment to sustainable management practices, Samart Telcoms Group has maintained stable business operations, delivering solutions that address diverse customer needs. The Company signed new contracts worth over Baht 4,800 million, generated total revenue of Baht 4,249 million, and achieved a net profit of Baht 115 million.

Regarding sustainability, the Company has focused on efficient energy management, controlled greenhouse gas emissions, and prioritized partnerships with sustainability-conscious partners to expand its customer base and enhance the value of products and services. The Company operates under international standards such as ISO 9001, ISO 20000, ISO 27001, ISO 29110, and CMMI to ensure the delivery of value to customers and society. Furthermore, the Company has consistently received an “Excellent” rating in the Corporate Governance Report of Thai Listed Companies from the Thai Institute of Directors (IOD).

Looking ahead to 2025, the Thai economy is projected to grow by 2.8%, supported by the expansion of the tourism sector, private sector investment and consumption, as well as public sector investment. The government has outlined clear policies to promote digital government, smart city development, a cloud-first policy, and the Bio-Circular-Green Economy (BCG) Economy model, alongside the adoption of Artificial Intelligence (AI). Furthermore, it is anticipated that in 2025, Thailand’s expenditure on information technology products and services, as well as the value of communication services, will grow by 7.9%. This growth is partly attributed to investments in data centers. Moreover, the private sector is increasingly incorporating a range of technologies apart from AI to enhance competitiveness, including Big Data Analytics, Internet of Things (IoT), Robotic Process Automation (RPA), and immersive technologies such as Virtual Reality (VR) and Augmented



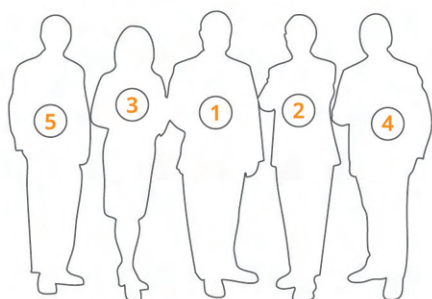
Reality (AR), as well as cybersecurity. The Company has prepared and developed the capabilities of its workforce and technologies to adapt to these changes. Through collaboration with leading business partners, the Company aims to create new solutions, expand its customer base and new business opportunities, and establish long-term projects to generate recurring revenue from both public and private sector clients.

In conclusion, on behalf of the Board of Directors, we wish to extend our profound gratitude to our business partners, shareholders, customers, executives, and all employees, as well as every group of stakeholders, for their unwavering cooperation and support in the Company's operations. The Board of Directors, management, and staff remain committed to conducting our operations with a deep sense of responsibility toward society and the environment, guided by good corporate governance practices. Concurrently, we are dedicated to advancing the development of high-quality digital technologies to deliver meaningful benefits to our customers and society at large. This endeavor forms an integral part of our mission to foster the stable and sustainable growth of the nation's digital economy and society.

General Sumpun Boonyanun
 Chairman

Mr. Watchai Vilailuck
 Executive Chairman / Chief Executive Officer

Board of Directors



1. General Sumpun Boonyanun

- Chairman
- Independent Director
- Chairman of the Nominating & Compensation Committee
- Audit Committee Member

2. Mr. Vichai Pokasamrit

- Independent Director
- Chairman of the Audit Committee
- Chairman of the Corporate Governance Committee
- Nominating & Compensation Committee Member

3. Miss Rapeepan Luangaramrut

- Independent Director
- Audit Committee Member
- Corporate Governance Committee Member
- Nominating & Compensation Committee Member

4. Mr. Sirichai Rasameechan

- Independent Director
- Corporate Governance Committee Member
- Nominating & Compensation Committee Member

5. Mr. Kajornvut Tayanukorn

- Independent Director
- Corporate Governance Committee Member

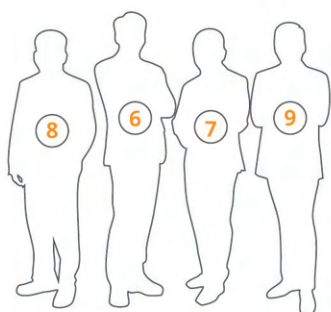


6. Mr. Charoenrath Vilailuck

- Executive Director
- Risk Management Committee Member

8. Mr. Thananan Vilailuck

- Executive Director
- Risk Management Committee Member



7. Mr. Watchai Vilailuck

- Executive Director
- Executive Chairman & Chief Executive Officer
- Chairman of the Risk Management Committee

9. Mr. Jong Diloksombat

- Executive Director
- President
- Chairman of the Sustainable Development Committee
- Corporate Governance Committee Member
- Risk Management Committee Member

Vision

Samart Telcoms Group is committed to professionally offering, with international standards, a comprehensive range of ICT solutions and digital innovations to enhance customers' competency in moving towards digital economy.

Corporate Culture SAMART DNA



Think Ahead



Customer Focus



Team of Professionals



Commit to Excellence

Mission

To realize our vision, we have defined a clear set of the following missions to create shared values for all of our stakeholders:



Customers

Constantly develop and customize a strong portfolio of advanced ICT solutions and digital innovations to fully serve demands and requirements of our customers with utmost benefit delivered to users.



Employees

Provide extensive training and development programs to enhance the professionalism, gain new experience and foster the service-minded professionals as well as to improve the quality of life and their career advancement.



Organization

Define a clear set of high standard of how we conduct ourselves in order to ensure transparency, efficiency and fairness and to be organization of innovation with environmental responsibility.



Partners

Strengthen relationships with business partners to create sustainable success for all parties and contribute to the creation of vibrant business environment through knowledge transfer to lift up the service quality.



Shareholders

Ensure a sustainable return on investment for shareholders and investors with stable revenues by expanding customer base and continuously seeking new business opportunities.



Society and Communities

Be a socially responsible organization through implementation of a wide range of social contribution activities and initiatives that promotes "Developing Quality People and Promoting a Moral Society".

Report of the Audit Committee

Dear Shareholders,

The Audit Committee of Samart Telcoms Public Company Limited comprises of three independent qualified committee members, who have specialized knowledge and expertise. Both aspects of organizational management, budgeting, finance, risk management and internal auditing. Such knowledge supports the Audit Committee to perform the efficient duties and possess adequate qualifications for their posts specified by the Audit Committee Charter and in accordance with the Securities and Exchange Commission, Thailand and the Stock Exchange of Thailand regulations and best practice guidelines.

In 2024, the Audit Committee operates independently and performs the duties and responsibilities as assigned by the Board of Directors in overseeing the corporate governance and the good quality internal control systems to ensure that the Company's business operations are carried out for the interests of its shareholders and other stakeholders and that the Management execute their duties with integrity, and in accordance with the Company's policies. The Audit Committee conducted 4 meetings to discuss and share opinions with management, external auditors and internal auditors on matters related to the meeting agenda.

Meeting attendance information of the Audit Committee in 2024

Directors	Position	Total Number of meeting
1. Mr. Vichai Pokasamrit	Chairman of the Audit Committee (Independent Director)	4/4
2. General Sumpun Boonyanun	Member (Independent Director)	4/4
3. Miss Rapeepan Luangaramrut	Member (Independent Director)	4/4
and Mr. Somchai Bunsupaporn, VP. Internal Audit and Corporate Secretary, as Secretary of the Audit Committee		

The Audit Committee performs the duties and responsibilities as assigned which was summarized below:

- Review of interim and annual financial statements** as of 2024, in consultation with management and external auditors. The Audit Committee's opinion was that the financial statements were correct adhering to the general acceptable accounting principles and promptly disclose which a quality financial report for the benefit of shareholders, investor and users of such statements for the purpose of making informed investment decisions.
- Review the operation information together with quality of its internal control systems** and their efficacy towards ensuring that the Company's business was efficiently and effectively conducted in the pursuit of achieving performance goals. In 2024, based on the COSO Framework (The Committee of Sponsoring Organizations of the Tread way Commission), the Audit Committee reviewed internal audit reports. Assessment results regarding effectiveness of internal controls and risk management systems disclosed that there are no significant deficiency, have appropriate asset safeguarding, correct, complete and reliable information disclosure. In addition, the Audit Committee evaluated the internal control system in compliance to the Practice of the Securities and Exchange Commission. They commend that the Company possesses good quality internal control system monitoring the operations of its subsidiaries adequately, appropriately and efficiently.
- Review of internal audit**, by considering the mission, scope of work, duties and responsibilities, independency, manpower and budget of the Internal Audit Division. Reviewed and approved the amendment of the Internal Audit Charter as appropriate, up to date and in compliance with the internal audit practice manual of the Stock

Exchange of Thailand. Approval of 2025's audit plans that linked on the internal control evaluation basis and covering crucial working systems of the Company. The Audit Committee also commend that the Company had an internal control was adequate quality, appropriate and effective. Also have developed the audit quality in personnel training and audit work on par with international standard for the Professional Practice of Internal Auditors.

4. **Review the Charter of the Audit Committee.** The Audit Committee has reviewed and approved the Company's Audit Committee Charter as appropriate, up to date and in compliance with the rules and guidelines of governance principles, good business and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
5. **Reviewed connected transactions, or transactions that may lead to conflicts of interest.** This is to ensure that they were in compliance with the laws, rules and regulations prescribed by the Capital Market Supervisory Board of the Securities and Exchange Commission and other regulatory bodies and were reasonable and for the highest benefit of the Company.

The Audit Committee concluded, that the aforementioned transactions that were conducted by Management was fair, without conflict of interest maximizing the benefit to the Company and shareholders on an arm's length basis and under normal commercial terms. Therefore, the resolution came to propose that to the Board of Directors' Meeting for approval and disclosure to Stock Exchange of Thailand.

6. **Establishing a self assessment** for Audit Committee member and the Audit Committee annually in compliance with Best Practice Guideline for Audit Committee. The evaluation result revealed that the Audit Committee's performance is completely fulfilled according to its Charter and complied with the good principles, effectively enhancing the good corporate governance.
7. **Conducted the Report of the Audit Committee's** Activities to the Board of Directors for acknowledgement for every Audit Committee meetings and provided useful management performance recommendation, which were subsequently adopted. To comply with Best Practice Guideline for Audit Committee and Regulations of the Stock Exchange of Thailand.
8. **Consider appointing the External Auditors and their Remuneration for the year 2024** to be proposed to the Board of Directors to ask for approval of Annual Shareholder's Meeting for the year 2024, which the Audit Committee considered the performance, independency and remuneration and concluded to propose appointing Ms. Siriwan Suratepin, Certified Public Accountant Registration number 4604, Mrs. Sarinda Hirunprasurtwutti, Certified Public Accountant Registration number 4799, or Mr. Piya Chaipruckmalakarn, Certified Public Accountant Registration number 7544 of EY office Limited to serve as the Company's external auditors for the year 2024, with the remuneration of 3,190,000 Baht. The Audit Committee has the opinions regarding the external auditors as follows:
 - Based on past performance, the external auditors performed their duties with knowledge, professional competency, independency in performing their duties, and giving recommendations regarding internal control system and various risks.
 - The proposed remuneration was 3,190,000 Baht, an increase from the year of 2023 equal to 250,000 Baht. Because the business growth of the group, in addition, the Securities and Exchange Commission (SEC) has increased audit requirements to enhance confidence among the users of the financial statements of the Company listed on the Stock Exchange of Thailand. (excluding any miscellaneous expenses such as traveling and photo copy expenses etc.).

- There was compliance with Regulation of the Office of the Securities and Exchange Commission (SEC) with regards to the changing of the financial statements signatory external auditor every 7 years.
- The external auditors had no relation with the Company and subsidiaries.

The Audit Committee performed its duties and responsibilities with appropriate knowledge, ability, carefulness and sufficient independence. The Audit Committee had full access to all pertinent information from management, employees and associated parties. Furthermore, the Audit Committee gave comments and recommendations which were beneficial to all of the Company's stakeholders.

In summary, the Audit Committee had fulfilled the responsibility of the Audit Committee Charter that was approved by the Board of Directors and found that the Board of Directors, Management, and Executive Directors all performed ethically with the intent to conduct their job functions professionally and in pursuit of the Company's performance goals. Furthermore, it has been concluded that the Company was fully committed to effective Corporate Governance. The Company disclosed financial and operation information correctly, had sufficiency of internal controls system, internal audit, risk management, good corporate governance, and anti-corruption which appropriate and effective, complied with laws, regulations and obligations. Related party transactions are properly disclosed and operations are in line with good corporate governance, transparent and reliable, including continuous development of operating systems to support sustainable good corporate governance.



(Mr. Vichai Pokasamrit)

Chairman of the Audit Committee

Report of the Executive Board

Dear Shareholders,

The Company's Board of Directors has appointed the Executive Board to support the Board of Directors of in managing the Company's business in compliance with the strategy, policy, business plan, regulations and announcements including key target under the framework assigned by the Board of Directors and shareholder meeting resolution, with the best interests of the company and its shareholders as the primary consideration. as well as considering, approval, and revisions to the business plans of the Company and its subsidiaries to suit the current situation for present to the Board of Directors' meeting.

In 2024, the Executive Board held 12 meetings to consider various matters according to the scope of duties and responsibilities, summarized as follows:

Meeting attendance information of the Executive Board in 2024

Directors		Position	Total Number of Meeting
1. Mr. Watchai	Vilailuck	Executive Chairman & Chief Executive Officer	9/12 ⁽¹⁾
2. Mr. Charoenrath	Vilailuck	Executive Director	11/12 ⁽¹⁾
3. Mr. Thananan	Vilailuck	Executive Director	11/12 ⁽¹⁾
4. Mr. Jong	Diloksombat	Executive Director	12/12
5. Miss Chotika	Kamloonwesaruch	Executive Director	11/12 ⁽¹⁾
6. Mr. Suchart	Duangtawee	Executive Director	11/12 ⁽¹⁾
7. Mr. Dhilokpat	Nisamaneevong	Executive Director	12/12

Remark: ⁽¹⁾ On oversea business trip.

The Executive Board reported results from the meeting including comments and recommendations to the Board of Directors for considerations. The matters can be concluded as follows:

- Specified and reviewed the Company and its subsidiaries' mission, vision, strategy, and business plan.**

The Executive Board specified and reviewed vision, mission and business operation plans of the Company and its subsidiaries, by specifying that the meeting shall be arranged of management at least twice a year, starting from the manager level and above to such plans shall be conveyed to the management and all employees for their acknowledgement and compliance, so that the targets should be achieved as per specified.

- Reviewed and monitored performance of the Company and its subsidiaries.**

The Executive Board reviewed and monitored performance of the Company and its subsidiaries every month, including the progress of projects, along with suggestions to enhance operational efficiency in alignment with the strategic plan and business plan.

- Considered and approved the Company's annual budget and investment.**

The Executive Board approved the Company's business plans, annual budget, business investment for the company and its subsidiaries and propose for the Board of Directors for approval.

- Specified remuneration's structure policy, forms and criteria of remuneration's payment.**

The Executive Board has considered annual salary increase for 2025, 2024 Bonus and 2025 Bonus Payment Policy, prepared for the Nominating and Compensation Committee's consideration prior to further consideration of the Board of Directors' meeting.

- **Considered and approved important matters.**

The Executive Committee has carefully considered and approved important matters with caution, diligence, and transparency such as investment expenses of the Company and its subsidiaries, financial transactions with financial institutions under the credit limit and approval authority assigned by the Board of Directors to support the management and business operations efficiently.

The Executive Board was committed to managing the business in alignment with the company's vision, mission, strategies, and business plans while fulfilling its assigned duties with integrity and transparency under Corporate Governance Code for maximum benefits of the company, shareholders and all stakeholders along with conducting business with social and environmental responsibility to ensure stable and sustainable organizational growth.



(Mr. Watchai Vilailuck)

Executive Chairman / Chief Executive officer

Report of the Risk Management Committee

Dear Shareholders,

The Board realizes the importance of Risk Management as it can drive the Company's business operations smoothly and continually has appointed Risk Management Committee, which consists of 4 Directors and appoints the Chairman of the Executive Board as Chairman of the Risk Management Committee. Moreover, a Risk Management's working group comprises of the President and 10 concerned department heads to evaluate related risks as a result of the Risk Management Plans, the appropriate preventive and corrective measures and monitor results regularly. To propose a management plan and follow-up performance on risk management to the Risk Management Committee for consideration.

In 2024, The Risk Management Committee conducted 3 meetings in order to carry out duties and responsibilities as assigned by the Board of Directors.

Meeting attendance information of the Risk Management Committee in 2024

Directors		Position	Total Number of meeting
1. Mr. Watchai	Vilailuck	Chairman of the Risk Management Committee	3/3
2. Mr. Chaeroenrath	Vilailuck	Member	3/3
3. Mr. Thananan	Vilailuck	Member	3/3
4. Mr. Jong	Diloksombat	Member	3/3
and Mr. Somchai Bunsupaporn as Secretary of the Risk Management Committee			

The Risk Management Committee performs the duties and responsibilities as assigned by the Board of Directors which was summarized below:

1. To consider the significant risks that management department heads have evaluated/assessed risks consequently their affects to the business covering financial risk, business risk, operational risk and corruption risk, as well as, determine risk indicators (Key Risk Indicator: KRI) and the method to manage risk and/or reduce its affect to an acceptable level, including assigning to the responsibly teams for implementation. Furthermore, the management department heads have to aware of the sustainability risks (ESG) related to Environmental, Social and Governance.
2. To continuously promote and support executives and employees to aware the importance of internal risk management. So that the company can manage its critical risks to an acceptable level.
3. To consider the current and emerging business risk factors, which are related to 6 major topics: Strategic Risk, Management and Operation Risk, Finance Risk, Compliance Risk, Environmental, Social and Corporate Governance Risk (ESG Risk) and risks affecting the rights or investment of securities holders (Risk to Securities Holder).
4. To monitor progress of risk management from various agencies involved and reviewing the compliance with risk management plan pursuant regarding risk management policy and framework. Assuring that the company has systematically and effectively conduct risk management as well as providing important advice to contribute to the development of the risk management of the Company to be more efficient by assigning the internal audit department to monitor and review the risk management measures of each company to ensure that the goal has been achieved. As well as reporting the meeting report on the company's risk management to the Audit Committee and the Board of Directors respectively.

According to the issues and tasks mentioned above, The Risk Management Committee responsibilities assigned by the Board of Directors and ensure that the Corporate Risk Management operations are carried out efficiently and effectively in line with the good Corporate Governance Principle, sufficient internal control including compliance with the law and regulations concerning Company's business.



(Mr. Watchai Vilailuck)

Chairman of the Risk Management Committee

Report of the Corporate Governance Committee

Dear Shareholders,

The Board of Directors strongly believes in conducting business according to business ethics, good governance together with social and environmental responsibility (ESG). This serves as a crucial mechanism in driving and overseeing the company's business towards achieving good long-term sustainable operating results and being trustworthy for shareholders and all stakeholders as well as supporting in improvement of corporate governance policy on continual basis.

To this end, the Board of Directors has assigned the Corporate Governance Committee (CG Committee) to be responsible to propose corporate governance guidelines and oversee the conduct of directors and the management to ensure conformance to corporate governance principles, including the provisions and good practice guidelines of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Thai Institute of Directors (IOD), and the Thai Investors Association, with the Chairman of the CG Committee serving as an independent director.

In 2024, the Corporate Governance Committee held two meetings to consider various matters according to the scope of duties and responsibilities, summarized as follows:

Meeting attendance information of the Corporate Governance Committee in 2024

Directors		Position	Total Number of Meeting
1. Mr. Vichai	Pokasamrit	Chairman of the Corporate Governance Committee	2/2
2. Miss Rapeepan	Luangaramrut	Corporate Governance Committee	2/2
3. Mr. Sirichai	Rasameechan	Corporate Governance Committee	2/2
4. Mr. Kajornvut	Tayanukorn	Corporate Governance Committee	2/2
5. Mr. Jong	Diloksombat	Corporate Governance Committee	2/2

The CG Committee regularly reported to the Board of Directors with the meeting results having key agendas that can be concluded as follows:

- **Review the compliance with the principles of good corporate governance, Corporate Governance Policy, Business Ethics, and the Board of Director and the Committee Charters of the Company.**

The Corporate Governance Committee reviewed the compliance with the principles of good corporate governance, Corporate Governance Policy, Business Ethics, and the Board of Director and the Committee Charters of the Company to according with the good corporate governance principles for listed companies in 2017 (CG Code), the details are summarized as follows:

1. Review compliance with the principles of good corporate governance for Listed companies in 2017 or Corporate Governance (CG Code)
2. Review the self-assessment according to the criteria of the Corporate Governance Report of Thai Listed Companies (CGR) survey
3. Amending the corporate governance policy under the topics of "Rights to attend shareholder meetings" and "Supervision of the use of inside information"
4. Amending the Corporate Governance Committee Charter under the topic of "Duties and Responsibilities of the Corporate Governance Committee".

The Board of Directors has considered that the Company has applied the 8 CG Code principles with the Company's business context. However, regarding to the guidelines in the CG Code that were not suitable for the Company's business operations, the Board of Directors' meeting has assigned the CG Committee to review that matters annually, and proposed appropriate replacement measures for further consideration.

- **The Self-Assessment of the Board of Directors, Committee, Executive Chairman and Company Secretary**

The Corporate Governance Committee oversaw and encouraged annual self-assessment of the Board of Directors, both as a group and individual, Committees, the Executive Chairman and the Company Secretary. Results from such assessments with recommendations shall be used to improve, rectify and develop for better efficiency and proposed to the Board of Directors and the shareholders for their acknowledgement.

The results of the Corporate Governance Committee self-assessment for 2024 performance was rated as "Excellent". Consequently, the Corporate Governance Committee will use the assessment results to further improve the effectiveness of duties.

- **Review of the Company's Corporate Governance Report disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report)**

The Corporate Governance Committee reviewed the Company's corporate governance report disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report) to ensure compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

- **Agenda and enquiries for AGM**

The Corporate Governance Committee has encouraged the minority shareholders to propose the agenda and submit enquires in advance for consideration in the Annual General Meeting of Shareholders in order to promote shareholders' rights and equality for the transparency and efficiency of AGM arrangement in accordance with good corporate governance and the AGM Checklist.

- **Provide reports on various information related to new laws or regulatory changes**

The Corporate Governance Committee has determined that various information should be reported in order to create knowledge and enhance understanding of regulatory changes of the relevant agencies that the Board of Directors is well-informed. The details are as follows:

1. Improvement of the qualification of companies to be listed on both SET and mai.
2. Improvement of the criteria for listed companies with financial status and performance risks that do not meet the specified criteria.
3. Improvement of the SEC regulations on reporting changes is securities holdings.

Due to the Company's continuous commitment to driving performance in accordance with the principles of good corporate governance. As a result, in 2024, the Company was evaluated in the Corporate Governance Report of Thai Listed Companies by the Thai Institute of Directors (IOD). The Company received an assessment rating of "Excellent" and being ranked in Top Quartile of the group of companies with a market capitalization of Baht 3,000-9,000 million Baht and was assessed with 4 TIA (90-99 points) for the 2024 Annual General Meeting of Shareholder (AGM Checklist) by the Thai Investors Association.

The Company will remain committed to prioritizing and conducting business correctly and transparently, and emphasizes strict compliance with good corporate governance policies and ethical standards, along with sustainable business development, including the promotion of a culture of good corporate governance within the organization, as well as fostering all employees to have awareness and service mind of business ethics. The Company has promoted the publicizing of the Company's Corporate Governance Policy and Business Ethics for employees and executives to be acknowledged and encourage the Company's corporate governance to align with international standard of corporate governance resulting in more trust and acceptance by all stakeholders.



(Mr. Vichai Pokasamrit)

Chairman of the Corporate Governance Committee

Report of the Nominating & Compensation Committee

Dear Shareholders,

The Board of Directors has appointed the Nominating & Compensation Committee consisting of all independent directors to be responsible for recruiting, selecting, and nominating candidates who is diverse qualifications encompassing skills, experience, expertise, and specific attributes essential for achieving the organization's objectives and key goals to the Company for the Board position and senior managements. Also responsible for specifying the reasonable structure policy, forms and criteria of remuneration payment of the directors, committees, Executive Chairman, senior managements, managements as well as the employees fairly, and in accordance with the strategies and goals including the performance of the Company and market conditions into consideration with the best interests of all parties as the main priority.

In 2024, the Nominating & Compensation Committee has performed its duties completely according to the Charter of the Nominating & Compensation Committee as assigned by the Board of Directors, adhering to the Company's corporate governance and maintaining its independence. The meetings were held three times to consider numerous matters. Any member with a conflict of interest shall abstain from voting on the relevant matter.

Meeting attendance information of the Nominating & Compensation Committee in 2024

Directors		Position	Total Number of Meeting
1. General Sumpun	Boonyanun	Chairman of the Nominating & Compensation Committee	3/3
2. Mr. Vichai	Pokasamrit	Nominating & Compensation Committee Member	3/3
3. Miss Rapeepan	Luangaramrut	Nominating & Compensation Committee Member	3/3
4. Mr. Sirichai	Rasameechan	Nominating & Compensation Committee Member	3/3

The Nominating & Compensation Committee reported results from the meeting including comments and recommendations to the Board of Directors for considerations. The matters can be concluded as follows:

- **Nominated and proposed new Directors to replace the Directors retiring by rotation:**

The Nominating & Compensation Committee considered nomination and proposed persons to replace Directors retiring. The Nominating & Compensation Committee considered not only qualifications, experience, knowledge, abilities that are beneficial to the Company, but also diversity aspects in the structure of the Board of Directors including age, race, nationality, and necessary skills that the Company still lacks in order to align with business strategies of the Company. The Nominating & Compensation Committee also employed Director Database of the Thai Institute of Directors Association in consideration to recruit and select appropriate persons according to the laws and regulations and proposed to the Board of Directors in order to appoint or propose for approval in the shareholders' meeting in accordance with the Company's regulations.

- **Nominated and proposed personal to Independent Directors**

The Nominating & Compensation Committee considered nomination and proposed qualified persons for Independent Directors defined by the Board of Directors, which compliant regulations of the Securities and Stock Exchange of Thailand and Exchange Commission, for one more Independent Director, from 4 to 5 directors or equivalent to 55.56%, which is higher than the principles of good corporate governance guideline at more than 50%, to independently perform their duties and express opinions or report the performance of their duties assigned by the Board of Directors. The Nominating & Compensation Committee then proposed to the Board of Directors for further approval.

- **Nominated and proposed personnel to assume the Committees' members**

The Nominating & Compensation Committee, carefully considered, nominated and proposed qualified persons for the Committees' member using guidelines for the structure of Committees every year and proposed to the Board of Directors for further approval.

- **Reviewed succession plan of the managements**

The Nominating & Compensation Committee has reviewed succession plan of the top management and senior managements is of the opinion that the aforementioned criteria were appropriate to use continuously, which aligns with the 4th principles, ensure effective CEO and people management of good corporate governance principles for listed companies in 2017 (CG Code).

- **Determined Compensation for Directors and Committees' members**

The Nominating & Compensation Committee considered the 2024 remuneration for the Board Directors and Committees consisting the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance Committee to further propose to the Board of Director and the Shareholders' meeting for consideration and approval, taking into the appropriateness of role and fairly in accordance with the overall performance of the Company, the remuneration of the directors who are assigned to take additional responsibilities shall be increased in proportion with their workload, and such remuneration can be compared with companies in the same industry consistent with the company's strategy and goals and enough to attract quality directors and executives to achieve the goals and directions as defined by the Company.

- **Specified remuneration's structure policy, forms and criteria of remuneration's payment**

The Nominating & Compensation Committee jointly with the Human Resources Department and the Executive Board considered the criteria on salary increase for 2025, bonus payment of 2024 and criteria for bonus of 2025. The salary increase rate and the bonus shall be in appropriate rate and in line with the Company's performance.

The Nominating & Compensation Committee has fully carried out its duties and responsibilities as assigned by the Board of Directors with caution, meticulously, and independently, including a commitment to performing its duties with transparency and fairness, in alignment with good corporate governance principles set by the Stock Exchange of Thailand. Additionally, the committee provides straightforward opinions for the utmost benefit of shareholders, investors, and all stakeholders.



(General Sumpun Boonyanun)

Chairman of the Nominating & Compensation Committee

Report of the Sustainable Development Committee

Dear Shareholders,

The Board of Directors realizes the importance of business development towards sustainability along with balanced social and environmental development, and continuously considering the interests of all stakeholders, due to continuous changes of social and environmental driving forces. The Sustainable Development Committee currently consists of 6 members, with the President serving as the Chairman of the Committee. The Committee has appointed three sustainability development working groups comprising Economic Dimension, Environmental Dimension, and Social Dimension Working Group in order to carry out work according to the set plan.

In 2024, the Sustainable Development Committee arranged meetings to follow up operations and consider matters pursuant to the sustainability development policy and the Sustainable Development Committee Charter. 3 meetings were held in 2024. The summary is as follows:

Meeting attendance information of the Sustainable Development Committee in 2024

Directors		Position	Total Number of Meeting
1. Mr. Jong	Diloksombat	Chairman of the Sustainable Development Committee	3/3
2. Miss Chotika	Kamloonwesaruch	Sustainable Development Committee Member	3/3
3. Mr. Suchart	Duangtawee	Sustainable Development Committee Member	3/3
4. Mr. Dhilokpat	Nisamaneevong	Sustainable Development Committee Member	3/3
5. Miss. Kanokwan	Chanswangpuvana	Sustainable Development Committee Member	3/3
6. Mr. Channat	Ketditse	Sustainable Development Committee Member	2/2 ⁽¹⁾

Remark: (1) Has been appointed as a Sustainability Development Committee Member, effective from May 14, 2024, onwards.

The Sustainable Development Committee results had been constantly reported to the Board of Directors of which their main points were summarized as follows:

1. To consider and review the sustainability development policy to align with the Company's direction and business strategy, considering environmental, social and good governance issues;
2. To consider the sustainability performance plan and timeframe for the year 2024 to align with the policies and goals for sustainability management in line with the Company's business strategy;
3. To oversee and monitor the sustainability performance in 2024 in order to ensure that the operations align with the action plan;
4. To consider the report of the Sustainable Development Committee for the year 2023 and the driving business for sustainability report for the year 2023 to propose to the shareholders and disclose in the Annual Registration Statement / Annual Report (Form 56-1 One Report).

The Sustainable Development Committee has performed duties to the best of its ability and promote sustainable business operations alongside creating shared value among all stakeholders to earn their trust of all stakeholders and lead the organization toward long-term sustainability.



(Mr. Jong Diloksombat)

Chairman of the Sustainable Development Committee

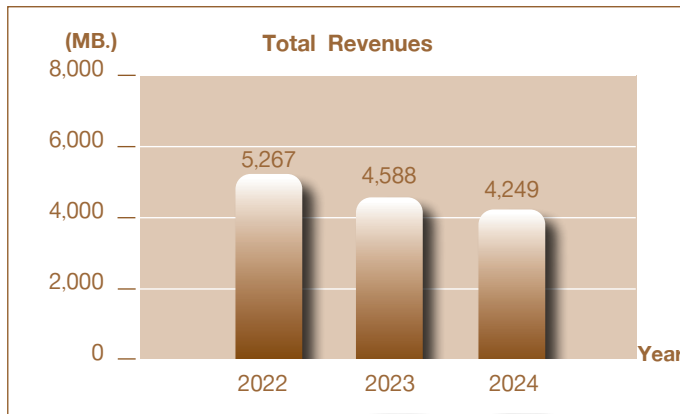
Financial Highlights

		2022	2023	2024
Operating Results (Baht Million)				
Total revenues		5,267	4,588	4,249
Gross profit		632	601	561
Net profit (loss)		261	72	115
Financial Status (Baht Million)				
Total assets		7,471	7,657	6,515
Total liabilities		3,908	4,109	2,891
Shareholders' equity		3,563	3,548	3,624
Financial Ratio				
Net Profit Margin	(%)	4.95	1.56	2.71
Return on equity	(%)	7.45	2.01	3.22
Return on asset	(%)	3.57	0.95	1.63
Debt to equity	(Time)	1.10	1.16	0.80
Earning (loss) per share	(Baht)	0.42	0.12	0.19
Dividend per share	(Baht)	0.21	0.06	0.11 ⁽¹⁾
Dividend payout ratio	(%)	87.93 ⁽²⁾	51.73 ⁽³⁾	58.93 ⁽³⁾
Book value per share	(Baht)	5.81	5.74	5.86
Par value per share	(Baht)	1	1	1
No. of Shares	(Million Share)	618.0	618.0	618.0

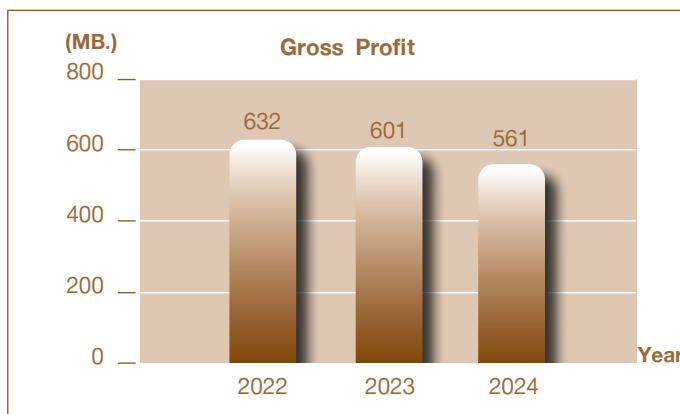
Remarks: ⁽¹⁾ Dividend per share for 2024 at Baht 0.11 which will be proposed for consideration of shareholders in the 2025 Annual General Meeting of Shareholders;

⁽²⁾ % of separate company net profit after deduction of all reserves complied with the company's Articles of Association and related laws;

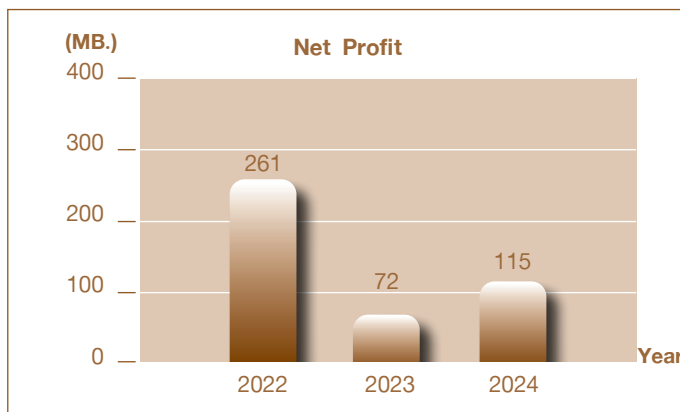
⁽³⁾ % of consolidated net profit after deduction of all reserves complied with the Company's Articles of Association and related laws (the Board of Directors No. 4/2023 on August 10, 2023 had resolved to approve to change the dividend policy from paying dividends not less than 50% of separate company net profit to paying dividends not less than 50% of consolidated net profit).



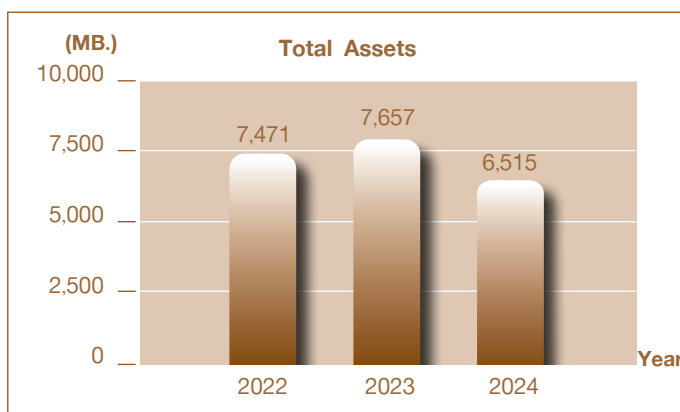
In 2024, total revenue was Baht 4,249 million, decreased from 2023 by Baht 338 million or 7.4%. Revenue from sales, contract work, services and rental was Baht 4,183 million, decreased by Baht 306 million or 6.8% comparing to 2023, decreased in revenue from sales and contract work. Other income was Baht 66 million, decreased by Baht 33 million from 2023.



In 2024, gross profit was Baht 561 million, decreased by Baht 40 million or 6.6% from 2023. Gross profit margin was 13.4%, the same as in 2023.



In 2024, net profit was Baht 115 million, increased by Baht 44 million from 2023. Net profit margin was 2.7%, increased from 1.6% in 2023.



Total assets as of December 31, 2024 were Baht 6,515 million decreased by Baht 1,142 million or 14.9% from the end of 2023, mainly resulting from the decrease in trade and other receivables.

Changes During the Year

The Company has classified the business structure into 3 Business Groups comprising Network Solutions, Enhanced Technology Solutions and Business Application for suitability and business operation efficiency and to respond market demands.

In 2024, apart from external factors such as geopolitical conflicts in various parts of the world, fluctuating interest rates, and volatile currency values, there have also been changes in government policies related to the transition of government leadership and the use of fiscal policies to stimulate the economy. These have impacted government spending and investment. Furthermore, there has been foreign investment in the infrastructure of information systems. Consequently, the Company is closely monitoring these changing situations and focusing on risk management. The Company therefore closely monitors changing situations, focuses on risk management, prioritizes personnel development, and emphasizes enhancing the value of its products and services. The Company created business opportunities and had significant changes in each business group as follows:

1. Network Solutions Business Group

1) Samart Communication Services Co., Ltd. had significant changes as follows:

The company has maintained the service quality standard in accordance with ISO 9001, resulting in customer satisfaction. Additionally, it has upheld the ISO 2000 for quality and efficiency of IT service management in order that the system provided could gain more confidence from customers. This serves as a competitive strength in the long term and contributes to the company's success.

In 2024, the company earned trust and signed contracts for various projects, such as the installation of IP Packet Radio microwave signal transmission equipment, bandwidth expansion for transmission media to support international submarine cable communication services, communication systems for public relations centers, remote pollution online monitoring systems, as well as maintenance contracts for various systems including the Mediation Device for data interconnection, Media Gateway systems, and more. These services were carried out for key clients such as National Telecom Public Company Limited, the Industrial Estate Authority of Thailand, and the Royal Thai Police.

2) Samart Telcoms Public Co., Ltd. had significant changes as follows:

The company maintained its service standards increasing confidence in the system and operations, considered the strengths for long-term competition, resulting in success in several important projects and services in 2024, for example, projects related to wireless network systems, streaming systems, and satellite communication services, among others. The company has carried out operations and provided services to key clients such as PTT Public Company Limited, Government Savings Bank, the Royal Thai Police, and Panyapiwat Technological College.

3) Samart Infonet Co., Ltd. had significant changes as follows:

Operating with the expertise in providing high-speed broadband Internet services, Co-Location services, Software-Defined Wide Area Networking (SD-WAN) solutions as an alternative service to enterprise customers for secure data connectivity between office branches helping reduce network expenses for customers. Additionally, the company offers Infrastructure-as-a-Service (IaaS) cloud services under the name SAFE Cloud, which provides flexible service options, high stability and security, and efficient workload support. Over the past year, the company has installed additional cloud systems in the data center and offered various services to both government and private sector clients such as The Defense Information and Space Technology Department, the National Institute of Educational Testing Service.

These successful projects in the Network Solutions Business Group will be the Company's revenue stream in 2025 and will serve as additional revenue sources from services and system maintenance, while also creating opportunities to expand into projects requiring even more advanced technology in the future.

2. Enhanced Technology Business Group

1) Samart Comtech Co., Ltd. had significant changes as follows:

The company continues to maintain its operational and service quality standards under ISO 9001, while emphasizing the development of new knowledge and personnel through a program called "Target Knowledge Certification". This has resulted in a high-quality team of sales staff, design engineers, and installation technicians who are well-equipped to adapt to current and future business changes.

In 2024, the company successfully secured several projects from bidding, such as computer system projects for data centers, the development of electronic permit application systems, the data entry projects, as well as various maintenance projects. Key customers are the Ministry of Interior, the Department of Lands, the Royal Thai Armed Forces Headquarters, and the Bangkok Metropolitan Administration.

2) NetService (Thailand) Co., Ltd. had significant changes as follows:

The company has been certified under ISO/IEC 29110, a standard focused on certifying the quality of software project management or product development. Leveraging its expertise in designing and developing software applications, particularly in the areas of electronic document management systems and data management solutions. The company provides services to both government and private sector customers to support its operations within this Business Group.

In 2024, the company has enhanced the efficiency of its electronic document systems, enabling greater automation and better meeting the needs of its customers. The company also improved the efficiency of its asset registry system and developed systems for client projects, such as data reporting systems and online registration data management systems, among others.

3) SecureInfo Co., Ltd. had significant changes as follows:

The company has maintained high standards of Cyber Security Operation Center (CSOC) services as it has been continually certified the ISO/IEC 27001 standard (Surveillance Annually Audit) in 2024, increasing confidence of customers in its Cyber Security Operations Center (CSOC), Penetration Testing, Vulnerability Assessment, and Security Consultancy services.

The company succeeded in several projects awarded in 2024, such as the development and improvement of processes and cybersecurity testing services, consulting services for establishing an information security management system in accordance with ISO/IEC 27001 standards, and cybersecurity consulting services, among others. Key customers include the Provincial Electricity Authority, Government Savings Bank, and the Islamic Bank of Thailand.

4) Samart Telcoms Public Co., Ltd. had significant changes as follows:

The company has maintained its service standard and constantly improved for readiness in technological knowledge and expertise of employees as well as its quality work processes. The company succeeded in gaining several important projects and services in 2024, for example, projects regarding electronic meters maintenance, rental of CCTV surveillance systems, etc. Key customers are Provincial Electricity Authority and Chonburi Provincial Administration Organization.

5) Smarterware Co., Ltd. had significant changes as follows:

The company brought its expertise in complete services in consultancy, software application development with standard, and specialized services in software engineering to support business of other companies in the Business Group. During the year, the company has developed and maintained the information system for the Department of Lands, the land information center management system, and software to support smart electricity meter systems. Moreover, it has designed and developed Digital Platform Solutions tailored to support customers' organizational transitions toward Digital Transformation. The company continues to leverage technologies such as Low Code, Cloud Native, Big Data, IoT, and Robotics to enhance system development efficiency and respond more quickly to the diverse needs of its customers. Additionally, AI has been utilized to enhance development in areas such as Optical Character Recognition (OCR) and Computer Vision, among others.

These successful projects in the Enhanced Technology Business Group will be the Company's revenue stream in 2025 and will serve as additional revenue sources from services and system maintenance, while also creating opportunities to expand into projects that leverage new technologies to meet increasingly complex demands in the future.

3. Business Application Business Group

1) Samart Telcoms Public Co., Ltd. had significant changes as follows:

The company has provided solutions and services regarding business application to enhance capability and operation efficiency of customers in both government and private sectors in various industries through subsidiaries in this Business Group such as Portalnet Co., Ltd., Posnet Co., Ltd., Thai Trade Net Co., Ltd. and Samart eD Tech Co., Ltd. In 2024, the company has carried out projects regarding banking systems to support Financial Reporting Standard No. 9, projects involving the upgrade, maintenance, and repair services of core systems for Government Housing Bank, as well as the development of various systems provided to customers.

2) Portalnet Co., Ltd. had significant changes as follows:

The company has conducted the business with expertise in design, implementation and outsourcing services for Enterprise Resource Planning (ERP), Enterprise Service Bus (ESB), Human Capital Management (HCM), Analytical System, Enterprise Content Management (ECM), Enterprise Management System (EAM), and Robotic Process Automation (RPA).

In 2024, the company has been certified for ISO 20000 for its IT usage support services and maintained high-quality software development standard at CMMI Level 3, while upholding ISO 9001 certification for quality processes covering design, supply, development, installation, and system maintenance. The company has also maintained certification of "Partner Center of Expertise" by SAP, indicating the company's high standard of operation on SAP system, and the company has provided ongoing development of its personnel's capabilities. Several employees have earned certifications from SAP and IBM, including project management certifications from the Project Management Institute (PMI), ensuring that the company's personnel can deliver services according to international standards.

Furthermore, the company has earned trust from customers for handling various projects and services, for example, the upgrade of the SAP S/4HANA system, the enhancement of system efficiency, and maintenance services for enterprise resource planning systems. The company has also undertaken the maintenance service of Core Business System phase 2. Key clients include the Provincial Electricity Authority, the Metropolitan Electricity Authority, Aeronautical Radio of Thailand Ltd., Walailak University, and the Government Lottery Office, among others.

3) Posnet Co., Ltd. had significant changes as follows:

The company has conducted business regarding business application with the expertise in e-payment systems and serving as a payment solution provider for commercial banks, financial institutions, large retailers.

In 2024, the company enhanced the efficiency of its Payment Connecting Platform by developing the platform to connect payment systems across a broader range of business types, addressing the diverse payment needs in the digital era. Furthermore, the company has imported and developed a new generation of credit card terminals (EDC) with advanced features, supporting the latest operating systems and offering heightened security. Additionally, the company has expanded its product portfolio and solutions to meet the needs of the transportation and food delivery service sectors, while also developing the QR International Payment system to support customers' cross-border payment requirements using QR Code.

4) Thai Trade Net Co., Ltd. had significant changes as follows:

Conducting in business application to support customers' operations with expertise in Electronic Data Interchange (EDI). In 2024, the company implemented the EDI system on the SAFE Cloud platform of Samart Infonet Co., Ltd., enhancing service flexibility and improving cybersecurity measures. Additionally, the company has refined its processes to prepare for the ISO 27001 information security standard.

5) Samart eD Tech Co., Ltd. had significant changes as follows:

The company develops applications to support customers' operations, with expertise in educational technologies, including Learning Management Systems (LMS), courseware development, digital content creation, and mobile application development.

In 2024, the company adopted Generative AI technology to assist in producing e-learning courseware, reducing both production time and costs. Moreover, the company distributed PowerSchool's learning management and educational institution management software to international schools for use in teaching, student data management, and online course registration.

These successful projects in the Business Application Business Group will be the Company's revenue stream in 2025 and will serve as additional revenue sources from services and system maintenance, while also creating opportunities to expand into projects that utilize modern applications to enhance customer efficiency in the future.

Industry and Competition

The similar growth rate of the global economy in 2024 and the signs of recovery in Thailand's economy.

In 2024, the global economy is expected to grow by 3.2%, slightly lower than the 3.3% growth recorded in 2023. The economy continues to be affected by global geopolitical factors, including tensions between the United States and China, which impact global trade and supply chains, as well as ongoing financial volatility, despite easing inflation and interest rates¹. As for Thailand's economy, it is expected to expand by 2.5% in 2024, accelerating from 2.0% in 2023, driven by the recovery in the tourism sector, public consumption, and public investment. While private investment is expected to contract by 1.6%, private consumption will continue to grow at 4.4%, and public investment is expected to grow by 4.8%. Additionally, Thailand's current account surplus has reached 2.3% of GDP, compared to 1.5% in 2023. Furthermore, headline inflation is projected to decrease to 0.4%, compared to 1.2% in 2023².

The stable global economic growth in 2025 and the slightly faster expansion of Thailand's economy

The global economy in 2025 is forecast to grow by 3.3%, with a similar rate of 3.3% anticipated in 2026¹. However, economic growth faces multiple pressures, including high debt burdens due to prolonged high interest rates, economic policies of the United States following the election of a new president, and a slowdown in China's economy. Thailand's economy is expected to grow by 2.8% in 2025 (with a projected range of 2.3% to 3.3%), supported by continued recovery in the tourism sector as well as public and private investments, which are expected to grow by 4.7% and 3.2% respectively. Public and private consumption are expected to grow by 1.3% and 3.3%, respectively. The average headline inflation rate is expected to rise to 1.0 percent².

Global IT spending growth at a rate exceeding the world economic expansion, and the technology trends driving this growth

According to Gartner, global IT spending, including Communications Services, is expected to grow by 7.7% in 2024, reaching a total value of USD 5.11 trillion³. This growth surpasses that of 2023, driven by continuous investment in Digital Transformation, expansion of Generative AI (GenAI), Cloud Computing, and Cybersecurity, despite economic volatility³.

For 2025, Gartner forecasts global IT spending to reach USD 5.62 trillion, representing 9.8% growth³. This is broken down by market segment as follows: IT Services, with a value of USD 1.73 trillion and a growth rate of 9.0%; Communications Services, valued at USD 1.42 trillion, expanding by 3.8%; Software, with a market value of USD 1.25 trillion, growing by 14.2%; Devices, valued at USD 810 billion, increasing by 10.4%; and Data Center Systems, worth USD 400 billion, rising by 23.2%³, making it the segment with the highest growth rate. Gartner notes that while IT spending is increasing, part of this rise is attributed to the higher costs of IT goods and services. Furthermore, GenAI significantly contributes to rising IT spending, especially from hardware upgrades needed to support new processing requirements. However, these upgrades will not yet create a significant difference in terms of functionality, even with the adoption of new system equipment. Additionally, a survey of Chief Information Officers (CIOs) found that their initial overly high expectations for GenAI have been adjusted downwards, although organizations are still moving forward with investments in the technology³. Furthermore, organizations are also expected to migrate more services to the cloud and invest in data security and privacy software. Moreover, the advancement of GenAI will drive Cybersecurity spending to grow by more than 15%⁴.

In addition, Gartner has identified the following strategic technology trends for the world in 2025:

- **Agentic AI:** AI capable of independently planning and executing actions to achieve user-defined goals. This helps create virtual assistants that significantly reduce the workload of humans or existing applications⁵.
- **AI Governance Platforms:** Platforms that help organizations manage the legal, ethical, and performance aspects of AI to ensure responsible AI usage⁵.
- **Disinformation Security:** Technology to detect and filter fake information, which will become crucial in helping organizations distinguish reliable data and reduce manipulation. By 2028, over 50% of organizations are expected to adopt this technology⁶.
- **Energy-Efficient Computing:** Computing that emphasizes energy efficiency, utilizing improved hardware and software designs that incorporate renewable energy sources to reduce greenhouse gas emissions⁶.
- **Spatial Computing:** Technology that merges the physical world with digital systems, such as Augmented Reality (AR) and Virtual Reality (VR), enhancing productivity and efficiency. This market is expected to grow from USD 1.7 trillion in 2023 to USD 110 trillion by 2033⁶.

The IT spending growth rate exceeding that of government and private sector investment and consumption

In Thailand, for the year 2025, Gartner forecasts that IT spending will reach a value of Baht 996 billion, an increase of 7.9% from 2024. Within this, spending on Data Center Systems is projected to expand by nearly 17%, while the software segment will grow by 16.1%⁷. According to Krungsri Research, over the next three years, key technologies supporting new megatrends across various industries include: AI and Generative AI (GenAI), which will be applied across diverse industries; the Internet of Things (IoT), utilized in industrial and transportation sectors; Cloud Computing, which enhances flexibility in data analytics and the development of new applications; Advanced Cybersecurity based on Zero Trust principles to bolster protection against cyber threats; Carbon Capture and Storage (CCS) technology, which captures carbon emissions to prevent their release into the atmosphere and stores them underground; and Energy Transition technologies shifting from fossil fuels to renewable energy sources⁸.

Opportunities for industries with supporting factors and key technologies

Based on the projected value of ICT spending, growth rates, and trends in technologies applied across organizations and industries, Thailand's ICT and digital industries are therefore expected to experience significant growth in 2025. This is driven by socio-cultural changes influencing consumer and user technology consumption behavior, which in turn compels organizations to adapt. Additional support comes from government policies and private sector initiatives. Key government policies include the development of a Digital Government, the Cloud First Policy, Smart City initiatives, AI promotion, and efforts to advance the Bio-Circular-Green (BCG) Economy, as well as policies to drive a digital economy and society. These aim to enhance digital infrastructure and ecosystems, targeting a contribution of 30% from the digital technology industry to the country's GDP by 2030 and positioning Thailand as the ASEAN's digital industry hub⁹. These factors will sustain industry growth.

In the private sector, ongoing Digital Transformation remains a key driver, with organizations adopting technologies to improve efficiency, enhance service delivery, and increase competitiveness. Technologies such as AI and GenAI are being applied in diverse ways, alongside Big Data Analytics, IoT, Robotic Process Automation (RPA), and Immersive Technologies, tailored to business needs. Additionally, Cloud Computing is experiencing robust growth and becoming more environmentally friendly. In 2024 and early 2025, several global providers announced plans to invest in cloud infrastructure in Thailand, utilizing clean energy. Cloud Computing will evolve into Edge Computing and support Anything-as-a-Service (XaaS) models, offering greater speed and flexibility. Cybersecurity and personal data protection technologies will grow in tandem with rising data usage, while Climate Tech, developed to mitigate climate change impacts, will support organizations aiming for net-zero emissions and reduced environmental footprints, increasingly becoming an integral part of corporate operations.

High competition, adaptation, and challenges

Competition in Thailand's ICT and digital industries will remain intense, involving both large and small players, as well as domestic and international service providers and technology owners. Due to this high competition, the government has introduced policies to support smaller providers by offering advantages in public sector bidding. Industry players are striving to adapt due to challenges from evolving customer demands and behaviors, as well as rapid technological advancements. They compete by offering products and services that meet diverse needs, improving quality, fostering innovation, adding value, and adopting flexible business models and marketing strategies. This is to counter competition from existing market players and new entrants from other industries transitioning into technology companies such as banking, retail and e-commerce, transportation and logistics, media, and energy and utilities sectors. These organizations are enhancing internal processes for greater efficiency while balancing responsibilities toward customers, society, and the environment. Furthermore, they are building business networks and ecosystems to strengthen their positions, collaboratively introducing innovations and technology applications to quickly meet customer needs. Moreover, service providers are also developing digital platforms, aiming beyond Super Apps toward Everything Apps that offer even broader services, all to enhance customer experience and satisfaction, enabling long-term customer retention and expansion. This intensifies competition and challenges within Thailand's ICT and digital industries.

Risk factors potentially impacting competition

To address rising competition and accelerating adaptation to changes and challenges, industry players may face a shortage of skilled digital talent and specialized expertise in the market, cybersecurity concerns, and regulatory adjustments affecting their operations. In 2025, additional factors requiring vigilance and potentially affecting industry expansion include trade and tax policies of key trading partners such as the United States and China, geopolitical tensions, and global economic and financial volatility, all of which could impact Thailand's economic growth. If the overall economy experiences slower growth, organizations might delay or reduce ICT investments, negatively affecting the industry and intensifying market competition. The action plans for driving various government ICT policies are also matters that require close monitoring, as does the U.S.-China technology trade war, which could intensify competition among service providers and technology owners, prompting foreign players to enter Thailand's ICT market, either directly or through local partnerships.

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Section
1

Business Operations and Operating Performance

1. Structure and Operation of the Group of Companies
2. Risk Management
3. Driving Business for Sustainability
4. Management Discussion and Analysis
5. General Information and Other Important Information

1. Structure and Operation of the Group of Companies

1.1 Policy and Overview of Business Operation

Background

Samart Telcoms Public Limited Company (“The Company” or “SAMTEL”) with the current registered capital of Baht 721 million and paid-up capital of Baht 618 million was founded on July 18th, 1986 with initial registered capital of Baht 5 million and the business purpose of provision in Satellite Telecommunication Services. The Company has registered in terms of the Public Limited Company and become a listed company of the Stock Exchange of Thailand since 1996. Currently, the Company has been organized into three Business Groups: Network Solutions, Enhanced Technology Solutions and Business Application.

Overview of Business Operation of Subsidiaries and Associate Companies

The Company focuses on conducting business to provide ICT and digital solutions and classify business structure to cover all ranges of advanced solutions and technologies into 3 Business Groups: Network Solutions, Enhanced Technology Solutions, and Business Application. Based on customer needs, subsidiaries provide various service models as:

- System integrator, applying and integrating various technologies and solutions with service ranging from consulting, system design, installation, project management for delivery of quality works meeting the needs, including maintenance services and after-sales service at the international standard level;
- ICT Service Provider, providing network services for both wireline and wireless networks including satellite networks, specialized IT services and software application services for business;
- ICT Outsourcing Provider, providing consulting and system implementation along with team of experts to run the system operation under international standard process to support customers’ tasks or core business efficiently.

Business operations of the Company in 3 business groups

The Company deploys the policy and guidelines in categorizing its business operations into three business groups based on types and characteristics of products and services covering all ranges of solutions and technologies in order to suitably respond to the needs in rapidly changing world, to reach every desire in every industry, and drive values of private sector including state enterprises under social and environmental responsibility. The business operations of each business group are as follows:

1) Network Solutions Business Group

Network Solutions Business Group conducts business in providing total solutions and services regarding advanced technologies in telecommunications and data communication networks, from consulting services, survey, design, installation and implementation including along with management services including professional maintenance services. Trusted by leading organizations in both government and private sectors, the Network Solutions Business Group is versatile in and capable of providing customers turnkey solutions and outsourcing services under expertise and experience of engineers and excellence in project management which ensures quality of project delivery, including high level of service quality complying with ISO 20000 for quality IT service management and ISO 9001 for service quality control, along with 30 service centers nationwide and Network Operation Center (NOC) that always ready for customer supports, problem analysis, and troubleshoots for 24/7 to meet customer satisfaction. Samart Communication Services Co., Ltd is a leading company of this Business Group. Solutions and services are:

Solutions in high-speed wireline technologies:

- Services on complete design, installation, implementation, and maintenance of high-speed fiber optic networks using advanced technologies such as DWDM (Dense Wavelength Division Multiplexing) and FTTX (Fiber to the X)
- Solutions and Services on various types of networks such as Leased Line, MPLS (Multiprotocol Label Switching), DSL (Digital Subscriber Line), Frame Relay, ATM (Asynchronous Transfer Mode), Software-Defined WAN (SD-WAN) and more

Solutions in wireless technologies:

- Solutions for 4G, LTE Technologies and 5G
- Solutions and Services for Digital Trunked Radio System and handset devices
- Satellite Communication services through VSAT (Very Small Aperture Terminal), SCPC (Single Channel Per Carrier) and iPStar technologies

2) Enhanced Technology Solutions Business Group

Enhanced Technology Solutions Business Group conducts business in providing advanced solutions and services, which integrate and apply varieties of information and digital technologies to achieve various customer needs and customer expectations, which become more complex. Solutions and services in this Business Group also include advanced, specialized technology to support customers' critical tasks requiring accuracy, reliability, and stability, customized specifically for each customer for efficiency.

This Business Group ranges its services from consulting, engineering design and software development, implementation under professional project management, including outsourcing services and maintenance services for both government and private clients. This Business Group maintains international standard regarding service quality, ISO 9001. Samart Comtech Co., Ltd is a leading company of this Business Group. Various solutions and services in this Business Group include:

- Automatic Meter Reading (AMR) and Advanced Metering Infrastructure (AMI)
- Multimedia Solutions: IPTV, Video Conference System, etc.
- Security Solutions: CCTV Systems with Video Analytics, Face Verification System
- Cyber Security Solutions and Services: Cyber Security Operations Center (CSOC) Services, Cyber Security Consultant Services, Penetration Testing, Vulnerability Management, Compliance Management, etc.
- Geographic Information System (GIS) and Location-Based Service Solutions
- Airport Solutions
- Digital TV Solutions: Transmission, Media Asset Management, Studio & Control Room System
- Energy Savings: Building Energy Management System (BEMS), Smart Photovoltaic (PV) Solutions
- Intelligent Robotics and Automation System
- Cloud Computing, Data Center and Big Data Analytic Solutions
- Artificial Intelligence (AI) Solutions
- Turnkey Software Application Development
- Digital Platform Solutions
- E-Document and Data Management Solutions

3) Business Application Business Group

Business Application Business Group provides solutions and services regarding advanced software application to enhance capability and operation efficiency through the form of electronic services for government agencies to serve citizens more efficiently, and for corporate clients to gain more competitiveness and increase customer satisfactions. Solutions and services in this Business Group are:

- Enterprise Resource Planning (ERP), Enterprise Asset Management (EAM), and Robotic Process Automation (RPA);
- Core Banking Solutions for banks and finance institutes;
- E-Payment Solutions and Services, Electronic Data Capture (EDC) System, Electronic Signature Capture System, E-Receipt Platform System, Smart Card System, Loyalty Services, QR Payment System, Kiosk Application for selling products and services, and Point of Sales System;
- Electronic Data Interchange (EDI) services, National Single Window services, Supply Chain Financing services, Supply Chain Management System, and Cloud Computing Services.
- e-Learning, e-Courseware, and Digital Content development, including Mobile Application development.

1.1.1 Corporate Vision, Mission, Goals and Strategies

Vision & Mission

Vision

Samart Telcoms Group is committed to professionally offering, with international standards, a comprehensive range of ICT solutions and digital innovation to enhance customers' competency in moving towards digital economy.

Mission

To realize our vision, we have defined a clear set of the following missions to create shared values for all of our stakeholders:

Customers

Constantly develop and customize a strong portfolio of advanced ICT solutions and digital innovation to fully serve demands and requirements of our customers with utmost benefit delivered to users.

Employees

Provide extensive training and development programs to enhance the professionalism, gain new experience and foster the service-minded professionals as well as to improve the quality of life and their career advancement.

Organization

Define a clear set of high standard of how we conduct ourselves in order to ensure transparency, efficiency and fairness and to be organization of innovation with environmental responsibility.

Partners

Strengthen relationships with business partners to create sustainable success for all parties and contribute to the creation of vibrant business environment through knowledge transfer to lift up the service quality.

Shareholders

Ensure a sustainable return on investment for shareholders and investors with stable revenues by expanding customer base and continuously seeking new business opportunities.

Society and Communities

Be a socially responsible organization through implementation of a wide range of social contribution activities and initiatives that promotes "Developing Quality People and Promoting a Moral Society".

Corporate Culture

Think Ahead

Customer Focus

Team of Professionals

Commit to Excellence

Core Value**3S for Success**

Synergy:	Together WE can Succeed
Standard:	Be Professional with Global Standards
Satisfaction:	Customers Satisfaction is Our Success

Business Goals and Strategies

The Company aims to be the leading, complete ICT and digital solution service provider with strategies, based on sustainability development, focusing on providing services to organization of customers and directly to end users in order to generate recurring revenue for sustainability. The Company also emphasizes obtaining challenging, large-scale projects, and expanding customer base in both government and private sectors with innovation in technologies delivered in various business models to customers. With readiness and competency derived from high expertise and experiences, together with strong **Synergy** among subsidiaries in the group and leading global partners, retention of certified international **Standards** such as CMMI and ISO 29110 for quality software development, ISO 20000 for IT service management, ISO 9001 for service quality, and ISO/IEC 27001 Standard for information security management, the Company can be capable of providing advanced and high standard ICT services and digital solutions serving all needs of customers with value added and differentiated products and services to customers, efficiently improving convenience, speed, and operation cost reduction, leading to customer confidence and **Satisfaction**.

Business Goals in 3-5 years

Within the next 3-5 years, rivalry among competitors in domestic and abroad will become more intensive, however, the business opportunities will also increase, supported by Digital Government policy driven by the government and continuous acceleration of Digital Transformation in private enterprises to increase efficiency and support new work styles as well as adoption of data analytics applied in various business models. Communications, information and digital technologies are important to helping businesses survive and compete. Therefore, in the next 3-5 years, investment in such technologies will continue to grow at high rate.

The government continues to promote the digital economy, including the development of a digital government to make public sector digital services accessible to citizens, promoting Digital Inclusion. The government also drives Smart City development, support various industries along with knowledge of citizens, invest in crucial infrastructure, and promote development of Bio-Circular-Green Economy (BCG) incorporating digital technologies. In household sector, the use of digital technology in daily life will become indispensable, including for online transactions, entertainment, learning, and communications through online social networks. Consequently, the overall picture of the industry in ICT and digital technology will continue to grow.

The Company thus has long-term goals in increasing recurring revenue from clients in government sector, private sector clients, and individual as end users, focusing on creating challenging, large-scale projects, new business opportunities, expanding customer base, and collaborating with various strong leading partners with aligned sustainability goals. The aim is to become a leading ICT & Digital Technology Provider that offers quality under good corporate governance.

The Company has a business strategies that leads to the aforementioned goals by enhancing organizational efficiency through transformation, emphasizing the digital service sector for the government, increasingly serving as an Outsourcing & Service Provider, seeking cooperation with partners to jointly push for innovation and new values, and raising the quality standards of products and services across the Company's three comprehensive business groups, delivered with responsibility to customers. This includes complete modern technologies and

solutions, comprising Network Solutions, Enhanced Technology Solutions, and Business Application. The Company also prioritizes reducing environmental impact and fulfilling its social responsibility. These goals and strategies align with the Company's sustainability development goals in order to achieve strong and sustainable growth, in response to the Company's vision and missions.

1.1.2 Important changes and development during the past 3 years

2024

- On 23 December 2024, the Extraordinary General Meeting of Shareholders No. 1/2024 of the Company, has approved the following resolutions:
 - 1) The decrease of the Company's registered capital by canceling 102,999,929 unissued shares, amounting to Baht 102,999,929.00, reducing the registered capital from Baht 721,000,000.00 to Baht 618,000,071.00.
 - 2) The issue and offering of warrants representing the right to purchase the newly issued ordinary shares (SAMTEL-W2) to the existing shareholders proportionate to their respective shareholdings (Right Offering) in the amount of not exceeding 103,000,011 units, without any cost at the ratio of 6 existing issued shares to 1 warrant. The warrants have a period of 2 years from the first issuance date. The exercise ratio is 1 warrant: 1 share, with an exercise price of Baht 8.00 each, which may be adjusted pursuant to the conditions for the adjustment of the rights.

The Company set the date for determining the list of shareholders who are entitled to the allocation of SAMTEL-W2 on 6 January 2025 (Record Date).

- 3) The increase of the Company's registered capital for an additional amount of not exceeding Baht 103,000,011 from the existing amount of Baht 618,000,071 to be the registered capital of Baht 721,000,082, by issuing not exceeding 103,000,011 new ordinary shares at the par value of Baht 1 each, in order to accommodate the exercises of the warrants No. 2 (SAMTEL-W2) to the existing shareholders proportionate to their respective shareholdings (Right Offering).

2023

- On 19 June 2023, the Extraordinary General Meeting of Shareholders No. 1/2023 of Net Service (Thailand) Co., Ltd., a subsidiary of Samart Comtech Co., Ltd., which holds 60 percent of shares, has resolved to an increase in the share capital from Baht 20 million to be the new registered capital of Baht 115 million, by issuing 9,500,000 new ordinary shares at the par value of Baht 10 each to be offered to existing shareholders of the company in proportion to their shareholding at a price of Baht 10 per share. The company paid up the share capital in full in June 2023.
- Subsequently on 29 June 2023, Samart Comtech Co., Ltd. purchased shares from others shareholders of Net Service (Thailand) Co., Ltd. to hold 99.99 percent of the shares of such company for the amount of Baht 1.65 million.
- On 30 October 2023, the Extraordinary General Meeting of Shareholders No. 2/2023 of Net Service (Thailand) Co., Ltd., a subsidiary of Samart Comtech Co., Ltd., has resolved to approve a decrease in the share capital from Baht 115 million, divided into 11,500,000 shares with a par value of Baht 10 per share, the remaining registered capital is Baht 70.71 million, divided into 7,071,000 shares with a par value of Baht 10 per share, by reducing 4,429,000 common shares with a par value of Baht 10 per share and registered the capital reduction with the Ministry of Commerce on 1 December 2023.

2022

The Company has expanded major project in line with the corporate's strategy and has been entrusted with the implementation of Advanced Metering Infrastructure (AMI) System for large electricity users with Provincial Electricity Authority (PEA), in collaboration with "STS Consortium" which comprises the Samart Telcoms Public Company Limited and Samart Communication Services Co., Ltd. (the Subsidiary), a subsidiary with 99.99 percent of total shares held by the Company, with the proportion of 60:40. The total value of the project is THB 2,359.96 million (including VAT), for the service term of 84 months from 1 April 2022 to 31 March 2029. Revenue recognition will be based on the progress of the work completed.

1.1.3 Propose of Fund Raise

The Company has not raised funds from issuing debt or equity instruments during the year 2024.

1.1.4 Obligations Pledged by the Company in the Registration Statement (if any)

-None-

1.1.5 General Information of the Company (Name, Location of the Head Office, Type of Business, Company Registration Number, Telephone Number etc.)

Company	: Samart Telcoms Public Company Limited ("The Company" or "SAMTEL")
Head Office	: 99/7 Moo 4 Software Park, 29 th Floor, Chaengwattana Road, Klong Gluar, Pak-kred, Nonthaburi 11120
Type of Business	: 1. Network Solutions Business Group conducts business in providing total solutions and services regarding advanced technologies in telecommunications and data communication networks, from consulting services, survey, design, installation and implementation including along with management services including professional maintenance services. Trusted by leading organizations in both government and private sectors, the Network Solutions Business Group is versatile in and capable of providing customers turnkey solutions and outsourcing. 2. Enhanced Technology Solutions Business Group conducts business in providing advanced solutions and services, which integrate and apply varieties of information and digital technologies to achieve various customer needs and customer expectations, which become more complex. Solutions and services in this Business Group also include advanced, specialized technology to support customers' critical tasks requiring accuracy, reliability, and stability, customized specifically for each customer for efficiency. 3. Business Application Business Group provides solutions and services regarding advanced software application to enhance capability and operation efficiency through the form of digital services for government agencies to serve citizens more efficiently.
Registration No.	: 0107538000631
Telephone	: 0-2502-6000
Fax.	: 0-2583-8698
Web site	: http://www.samtel.com
Registered Capital	: 721,000,082 Baht (As of 31 December 2024)
Type of share	: Ordinary Share
Number of shares sold	: 618,000,071 Ordinary shares (As of 31 December 2024)
Par Value	: Baht 1 per share

1.2 Nature of Business

1.2.1 The revenue structure of the Company and Subsidiaries as of December 31, 2022-2024

Unit: Million Baht

Business Group	Operated by ⁽¹⁾	% of Holding 2024 ⁽²⁾	2022		2023		2024	
			Revenue ⁽³⁾	%	Revenue ⁽³⁾	%	Revenue ⁽³⁾	%
1. Network Solutions Business Group	SCS	99.99%	488.9	9.9	833.1	18.6	709.9	17.0
	STC	-	389.6	7.9	398.7	8.9	502.9	12.0
	SIF	99.64%	34.8	0.7	33.2	0.7	30.5	0.7
	Other subsidiaries	-	-	-	-	-	-	-
Sub Total			913.3	18.5	1,265.0	28.2	1,243.3	29.7
2. Enhanced Technology Solutions Business Group	SCT	99.99%	1,574.6	31.8	1,180.3	26.3	697.5	16.7
	STC	-	1,265.6	25.6	726.3	16.2	465.9	11.1
	SCS	99.99%	-	-	-	-	329.5	7.9
	SCI	99.99%	251.5	5.1	110.6	2.4	65.7	1.6
	Other subsidiaries	-	3.4	0.1	2.7	0.1	-	-
Sub Total			3,095.1	62.6	2,019.9	45.0	1,558.6	37.3
3. Business Application Business Group	PTN	99.99%	705.5	14.2	910.4	20.3	653.4	15.6
	STC	-	92.9	1.9	102.5	2.3	562.2	13.4
	PN	99.99%	93.5	1.9	148.8	3.3	120.8	2.9
	Other subsidiaries	-	46.7	0.9	42.6	0.9	45.0	1.1
Sub Total			938.6	18.9	1,204.3	26.8	1,381.4	33.0
Total revenues from sales, contract work, services and rental			4,947.0	100.0	4,489.2	100.0	4,183.3	100.0

Remarks: ⁽¹⁾ SCS = Samart Communication Services Co., Ltd. SCT = Samart Comtech Co., Ltd.
 STC = Samart Telcoms Pcl. PTN = Portalnet Co., Ltd.
 SIF = Samart Infonet Co., Ltd. PN = Posnet Co., Ltd.
 SCI = Secureinfo Co., Ltd.

⁽²⁾ Direct & Indirect stakeholdings on December 31, 2024.

⁽³⁾ The above revenues from sales, contract work, services and rental are exclusive of Inter-company transactions.

1.2.2 Nature of Business of each Business Group. The Company can be divided into 3 Business Groups as follows:

1) Network Solutions Business Group

(1) Nature of Products and Services, and Innovation Development

This Business Group operates in areas of telecommunication systems and advanced data communication networks ranging from consulting services, survey, complete design, installation and implementation, management services along with maintenance services. Under professional project management, this Business Group elevates confidence in delivery of work quality and high level of service quality with ISO 20000, the standard for information technology service management; ISO 9001, the standard for service quality control; and 30 service centers nationwide including Network Operation Center (NOC) ready to support incident calls, analysis problems and troubleshoot for customers 24/7. The Company aligns customer support process with Service Tracking System (STS) adopted by service teams for more efficient customer appointment and service tracking. This Business Group provides solutions and services regarding advanced networking infrastructure in Core Network, Access Network, networking equipment and end devices for both high-speed wireline and wireless communications as follows:

- Solutions for high-speed wireline-based network technologies
 - Services on complete design, installation, implementation, and maintenance of high-speed fiber optic networks through the advanced technologies of DWDM (Dense Wavelength Division Multiplexing) and FTTX (Fiber to the X)
 - High-speed solutions and services on various types of technology such as Leased Line, MPLS (Multiprotocol Label Switching), DSL (Digital Subscriber Line), Frame Relay, ATM, Software-Defined WAN (SD-WAN), and more.
- Solutions for wireless technologies
 - Solutions for 4G, LTE, and 5G technologies
 - Solutions and services on Digital Trunked Radio System (DTRS) and handset devices
 - Satellite Communication services through VSAT (Very Small Aperture Terminal), SCPC (Single Channel Per Carrier) and iPStar technologies.

This Business Group offers two major types of services as follows:

- 1) **Turnkey services** by providing complete solutions from consultancy, survey, design, installation, after-sales service as well as preventive maintenance and corrective maintenance under Service Level Agreement
- 2) **Outsourcing services in management, operations and maintenance of telecommunication networks** by providing, other than survey and installation, outsourcing services in management and operations regarding telecommunication networks as well as maintenance for both wireline and wireless networks by service centers (Teleports) nationwide for key customers such as National Telecom Public Company Limited, Ministry of Education, Ministry of Interior, Banks and Financial Institutions, etc.

By having 30 service centers nationwide, the Business Group is able to provide services to customers more conveniently and with centralized Network Operation Center (NOC) ready to support incident calls, analysis problems and troubleshoot for customers 24/7, the Business Group aligns technology with customer support process and service team management using Service Tracking System (STS) to increase flexibility, convenience, and speed to customer services. Call center agencies from neutral party will monitor and survey customer satisfactions after finishing corrective or preventive maintenance or services provided, in order to improve service quality. The company currently has 30 service centers as follows:

Central:	Kanchanaburi, Phetcha Buri, Prachinburi, Nakhon Pathom, Sing Buri and Bangkok
North:	Chiang Mai, Nakhon Sawan, Phitsanulok, Mae Hong Son, Chiang Rai, Phrae, Tak
Northeast:	Nakhon Ratchasima, Ubon Ratchathani, Udon Thani, Khon Kaen, Loei, Buri Ram, Chaiyaphum, Roi Et, Nakhon Phanom
East:	Rayong, Chon Buri
South:	Songkhla, Surat Thani, Phuket, Nakhon Si Thammarat, Samui, Yala

Service centers nationwide help business operations in sales and services for government and private customers more quickly with cost efficiency and improve readiness for other projects in the future.

Moreover, this Business Group provides high-speed Internet services by Samart Infonet Company Limited as the Internet Service Provider (ISP) for small and medium enterprises (SME), large enterprises, government agencies, and state enterprises. Complete Internet services include design, installation, and maintenance as well as hosting services with customer service team to support and troubleshoot for customers 24 hours a day.

For innovation development, the Business Group has policy guidelines to collaborate with technology owners, vendors and other business partners to gather customer requirements and problems emerged to analyze and develop features and specifications of products and services that meet the needs with values differentiating in speed, convenience, and usability. The company also developed communications testing equipment to facilitate testing works and improve efficiency of maintenance services.

For Internet services, the company has integrated Cyber Security services provided by partners and the Company's subsidiary to increase cyber security protection. It also improved its Cloud Infrastructure-as-a-Service (IaaS) for better standard, enhancing performance and information security. Furthermore, the company has collaborated with partners to offer Platform-as-a-Service offerings, aiming to better meet customer needs.

(2) Marketing and Competition

(A) Marketing Policy of Key Products and Services

The policy emphasizes achieving customer requirements and customer satisfactions. Aiming to be the total solution provider, the company focuses on studying requirements, elaboration on design, product selection with quality and eco-friendly products, implementation, and project management with knowledgeable, high ability experts, in order for customers to trust in work quality received under standards and implement efficiently.

Moreover, information technology is brought to apply, especially software application integrating to telecommunication services in order to add values to the service and responds to specialized requirements for customers in each industry. By doing so, the company selects competent partners to synergy in development of innovation and values differentiate, in order to elevate competitiveness.

For after-sales services, the company emphasizes maintenance and operations for highest stability of the system. Strategy in defining Service Level Agreement (SLA) suitable for customers and technology has been deployed through Teleports nationwide with 24x7 service compliant with service quality standard, ISO 9001 and ISO 20000. Business Continuity Plan has also been conducted to ensure continual services with efficiency.

Target Customers are in three key groups: government agencies, state enterprises, and corporate clients, including subsidiaries that need quality solutions with standard from a single complete provider with expertise and experience, capable of providing from consultancy and planning to delivery ensuring project success and work efficiency.

(B) Market Competition

Market competition in projects for government and private sector is high, competing in improving capability to propose products and services with advanced technologies. Price competition is also intense due to an increase in new service providers. Some product owners has turned into service providers themselves. There is an increasing shift toward business models that provide Platform as a Service (PaaS) and other supplementary services to add value and attract customers to use the services. However, this Business Group has competitive advantages by having experts integrating various technologies, efficient project management, remarkable project references, and outstanding services to customers: government agencies and state enterprises, both in the past and at present. Moreover, the companies in this Business Group have expertise in providing complete services ranging from survey, implementation, and maintenance system, covering varieties of solutions.

(3) Product and Service Sourcing

Sourcing of technology and system equipment are mostly from business partners both domestic and abroad, capable of manufacturing and importing of products, and authorized distributors in Thailand. For implementation, project management, and after-sales services, this Business Group has its own workforce with expertise in telecommunication and information system and has partnership with leading technology owners as the following:

Network solutions:	Cisco Systems (Thailand) Company Limited (Cisco), Nokia (Thailand) Company Limited (Nokia), Huawei Technologies (Thailand) Company Limited (Huawei), Motorola Solutions Inc. (Motorola), Fortinet Security Network (Thailand) Company Limited.
Satellite communications:	Thaicom PCL, TC Broadcasting Company Limited.
Network providers:	National Telecom PCL, True Corporation PCL, JasTel Network Company Limited, United Information Highway Company Limited (UIH), Symphony Communication PCL.
Wireless network providers:	Advanced Info Services PCL, True Corporation PCL, Total Access Communication PCL.
Cyber Security:	SecureInfo Company Limited, IBM Thailand Company Limited
Computer system:	IBM Thailand Company Limited, HP Inc (Thailand) Limited, Dell Corporation (Thailand) Company Limited, EMC Information Systems (Thailand) Company Limited, Hitachi Vantara (Thailand) Company Limited, Acer Computer Company Limited.

(4) Projects in progress

Network Solution Business Group has projects in progress regarding installation of microwave radio communications equipment, the expansion of bandwidth in the core transmission network, and ongoing contracted services such as rental of trunked radio equipment, computer system rental for branch offices, as well as maintenance services, satellite communications services, and various data communication services.

2) Enhanced Technology Solution Business Group

(1) Nature of Products and Services, and Innovation Development

Conducting business in providing information and communication technologies including digital solutions that integrate and apply various technologies to serve customer needs, this Business Group provides solutions and advanced, specialized technologies to support customers' critical tasks requiring accuracy, reliability, and stability. For each customer, such solutions are customized specifically for suitability and efficiency, ranging from consulting, engineering design and software development, and implementation under professional project management, including outsourcing services and maintenance services for both government and private customers. This Business Group has maintained international standard regarding service quality, ISO 9001, and SecureInfo Company Limited has also maintained its ISO 27001, international standard for Information Security Management Systems (ISMS). Solutions and services by this Business Group are:

- Automatic Meter Reading (AMR) and Advanced Metering Infrastructure (AMI)
- Multimedia Solutions: IPTV, Video Conference System, and more
- Security Solutions such as CCTV, Video Analytics, Face Verification System

- Cyber Security Solutions and Services: Cyber Security Operations Center (CSOC) Services, Cyber Security Consultant Services, Penetration Testing, Vulnerability Management, Compliance Management Services, etc.
- Geographic Information System (GIS) and Location-Based Service Solutions
- Airport Solutions
- Digital TV Solutions including Transmission system, Media Asset Management, Studio & Control Room
- Energy Savings: Building Energy Management System (BEMS), Smart Photovoltaic (PV) Solutions, etc.
- Intelligent Robotic and Automation System
- Cloud Computing, Data Center, and Big Data Analytic Solutions
- Artificial Intelligence (AI) Solutions
- Turnkey Software Application Development
- Digital Platform Solutions
- E-Document and Data Management Solutions

For innovation development, this Business Group has studied and developed new solutions, including improvement of existing solutions to better respond customers' requirement and higher technological expectation. Such solutions are energy management solutions. This Business Group has developed software application to add values to existing products with differentiation. Moreover, human resources has been added up and increase capabilities in Big Data Analytics, cyber security, and more, in order to apply for value added into existing products and services.

For process in cyber security operations, a subsidiary extended ISO 27001 to its services in Cyber Security Operations Center, Penetration Testing, Vulnerability Assessment, and Security Consultancy to improve efficiency, increase security, and ensure customer trusts.

For research and development of products and services regarding software development, to increase business opportunities and competitiveness, the company has explored the application of Artificial Intelligence from business partners, applying it into both its existing and new products and services to make solutions smarter, more convenient, and increase the operational efficiency of customers. For example, AI has been utilized in solutions for analyzing video images from CCTV systems and used in Big Data Analytics. Moreover, the Company developed systems for increased automation, including development of applications with Low Code technology, making system development faster, more flexible, and more responsive to customer needs.

(2) Marketing and Competition

(A) Marketing Policy of Key Products and Services

The marketing policy aims for development of expertise for consultancy, design, development (including software application development), and implementation in order for gaining trust from customers looking for a single provider capable of providing complete solutions. Additionally, values must be added to products constantly to make differentiation. This Business Group also focuses on selection of high quality equipment and technology from leading product owners with customer safety and environment friendly in consideration. This Business Group emphasizes high standard in IT management and after-sales services to increase competitiveness. Moreover, emphasis is placed on presenting services through diverse business models to align with customers' varied expenditure preferences, which encompasses investing in the system by the Company to offer Outsourcing Services to customers.

For distribution, most products and services are customized for each customer suitable for each requirement with advanced technology. Distribution, therefore, is modification and customization to match customer requirement for direct selling to target customers via the bidding method competing with others. Moreover, the Business Group emphasizes customer relationship in order to understand requirements and roadmap of customers as much as possible. Solutions and services proposed are in price competition within specified budget. This Business Group has developed knowledge in engineering constantly and select business partners ready to support and respond exactly to customer needs.

Target customers are government agencies, state enterprises, and corporate customers. The Business Group also provides consultancy service to other subsidiaries. Customers that need products and service in Cyber Security can also be Critical Information Infrastructure agencies.

(B) Market Competition

Competition in the market of turnkey projects regarding ICT and digital solutions is growing, especially projects for government agencies due to digital economy policy driven. In 2024, changes in government leadership and public policies have led to increased competition among service providers in government project bidding. Several product owners have shifted their business model to become technology providers, increasing competition both in price and quality perspective.

The Cyber Security market, related to services of SecureInfo Company Limited, is continuously growing due to the expansion of digital technology usage, the increasing threat of cyber attacks, and organizations' recognition of the need to protect their critical information. This has led to increased competition in the market, from direct Cyber Security providers to cloud service providers that offer comprehensive security features. The competition extends to improving the performance of technology and tools for monitoring and preventing cyber threats, as well as developing the skills of Cyber Security professionals, which still in short supply in the market. The company actively promotes the continuous development of knowledge and skills among its staff, operates under the ISO/IEC 27001 standard (Surveillance Annually Audit) for information security management, and selects high-performance leading solutions to serve customers.

(3) Product and Service Sourcing

The Business Group sources products in network system, computers, and software application, as parts of products and services proposed to customers, from business partners that are product owners and distributors both domestic and abroad in order to deploy in each project to achieve customers' objectives. Each project normally has different requirements and specification as well as values to deliver. Therefore, the Company selects well-prepared, suitable partners conforming to customer requirements. For advanced and complex system with no domestic manufacturing, the Company has to import them or purchase from authorized distributors. Several projects set specifications and/or qualifications of products and services differently. The purchase orders for products or equipment are thus made only when the project begins.

In the area of Cyber Security, the company has experts with knowledge, skills, experience, and high Security Awareness to ensure cyber security for its clients. The company's staff continuously receive skill development and must operate under essential standards such as ISO 27001. Furthermore, the company partners with the global leaders in security product and technologies to be a distributor, bringing transferred knowledge and experience to efficiently deliver these services to customers.

Furthermore, software application developed for the customers as well as subsidiaries has conducted by Smarterware Company Limited and Net Service (Thailand) Company Limited, specializing in land information system development, electronic document systems, data management solutions, e-Office systems, and digital platform systems. Because most important resource in software industry is personnel, the companies concentrate on staff development in several areas, especially in technology, design, and application development.

For implementation and after-sales services, the Business Group has internal teams to implement, manage projects, and provide services efficiently. These teams' members have been trained extensively and have experiences with expertise in implementation and project management. By qualifying partners and collaborating with them in implementation and providing services, the Company is able to deliver works as planned with quality and satisfying services to customers.

(4) Projects in progress

The Enhanced Technology Solution Business Group has projects in progress regarding Advanced Metering Infrastructure, information data entry, CCTV systems with monitoring features, e-Report systems, electronic permit application systems, cyber threat monitoring and security management, as well as works under service contracts such as maintenance of automatic meter reading system, Cyber Security Operations Center Services, and other system maintenance services.

3) Business Application Business Group

(1) Nature of Products and Services, and Innovation Development

This Business Group provides solutions and services regarding advanced software application to enhance capability and operation efficiency through the form of electronic services for government agencies to serve citizens, and for corporate clients to improve competitiveness and increase satisfactions of customers and end-users. Subsidiaries in this Business Group provide products and services as follows:

- **Samart Telcoms Public Company Limited** provides solutions and software application to drive and support operations of customers in public and private sectors as well as Core Banking & Financial Solutions.
- **Portalnet Company Limited** provides total solutions and services from design to full implementation of Enterprise Resource Planning for large enterprises, especially in utility sector, for public and private customers with partnership and supports from business partners. Moreover, the company provide solutions and services regarding Enterprise Service Bus (ESB), Enterprise Asset Management (EAM), Human Capital Management (HCM), Analytic System, Enterprise Content Management (ECM), and Robotic Process Automation (RPA).
- **Posnet Company Limited**, conducting business regarding electronic payment application development and services, is a distributor and service provider of Electronic Data Capture (EDC) system, both for trading and system rental with network service connecting to banking system. Network services provide secure data transmission in compliance with the standard of Payment Card Industry Data Security Standard (PCI-DSS). Major customers are commercial banks, financial institutes, and large retailers.

For innovation development, Over the past year, the company improved operating systems for the new EDC model to enhance capabilities, efficiency, and security. Additionally, the Payment Connecting Platforms has been upgraded to connect payment systems across a wider variety of business types, and QR International Payment system has been developed to meet the needs of customers requiring cross-border payments via QR Code.

- **Thai Trade Net Company Limited** conducts business with expertise in Electronic Data Interchange (EDI) services compliant with international standards in order to increase accuracy and speed in transaction processing between business as Business-to-Business or between business and government agencies as Business-to-Government. EDI services can be classified in two types: 1) EDI/XML service suitable for large enterprises with high volume of transaction transferred through standard data conversion application, 2) Web EDI service suitable for medium and small enterprises not ready to invest the system, by using Website for transferring EDI document data. Furthermore, the company developed a new service and became an NSW Service Provider (NSP), starting to serve several customers.

The company places a high priority on business innovation and creativity to enhance value, including improving the efficiency of Web EDI and Healthcare EDI systems. There has been development in Robotic Process Automation to enhance service efficiency, and upgraded the cyber security of the EDI system while adding support for new regulations, as well as improvement to the data connectivity services within the National Single Window (NSW) system to meet the needs of software companies for goods declaration documentation and various clients effectively.

- **Samart ed Tech Company Limited** conducts business in providing technologies regarding information and communication in education such as e-Learning system, Learning Management System (LMS) applying for distant learning or remote training including supplementary for in-classroom learning via computers and mobile devices, e-Testing system for online examination management, and Student Information Management. The company also provides e-Testing for electronic examination management. Moreover, the company has expertise in development of electronic courseware (e-Courseware) efficient for learning using Instructional Design, designing for learning fascination and stimulation. The company also develops Digital Content such as e-Books/e-Magazines and Mobile Application.

(2) Marketing and Competition

• Enterprise Software Market

- Marketing Policy of Key Products and Services

The marketing policy for Enterprise Resource Planning products emphasizes quality, expertise and experience of staffs, and insights of the system. The company also focuses on people, process, efficient tools for project management, and operations compliant with ISO 9001 for service quality, ISO 20000 for IT service management, and CMMI, a standard for quality software development. Collaboration with business partners and leading technology owner is also a key focused strategy.

- **Target Customers** are large and medium enterprises, in public and private sectors, experiencing growth and requiring information system to increase business efficiency. Customers seek for a single complete provider that truly meets the requirements and is able to deliver work on time within specified budget.

- **Market Competition** is high in the past year and it is expected to continue increasing in the future. Competitors will be large ICT providers. The company thus focuses on competing in terms of product and service quality, developing the capability to provide consultancy and project management, as well as the quality of its workforce. This is to build customer confidence in quality and success in delivering complex and challenging projects.

• Electronic Data Capture (EDC) Market

- **Marketing Policy of Key Products and Services** focuses on analysis and conducts research in market and products to differentiate products and services increasing competitiveness and advantages with competition strategies considering several factors such as capabilities to meet requirements, quality of products and services, standardized after-sales services, variety of products and service types, high-level security standards, customer satisfactions, and value added creation, along with innovation.

- **Distribution Channels.** The company offers EDC solutions directly to customers or attends bidding with product presentation and demonstration connecting to customers' existing systems. The company also propose new product development useful for customers in the future.
- **Target Customers** are commercial banks that provide automatic credit card authorization services. The secondary target group is non-bank financial service providers that need EDC, membership card system or loyalty cards systems for approving personal credit limits or using installment payment services or for promotional purposes. Another target groups are large retailers such as department stores.
- **Market Competition.** Many service providers that sell Electronic Data Capture (EDC) has increased in the market and providers offer a greater variety of payment services, such as QR Code payment for both debit and credit transaction, payments through e-Wallets, mobile banking application, etc, This has led to continuously heightened competition in the market.
- **EDI Service Market**
 - **Marketing Policy of Key Products and Services.** Thai Trade Net Company Limited has a policy concentrating quality of service and after-sales service for highest customer satisfactions. Selling and distribution channels are set as direct selling to target customers.
 - **Target Customers** are groups of business requiring exchanges of electronic documents with government agencies such as customs broker, large importers and exporters, vessel agents, vessel owners, and groups of business to execute electronic transactions with other business such as retailers with manufacturers / distributors, health care providers with manufacturers / drug and medical suppliers, etc.
 - **Market Competition.** The market can be classified into two types as B2B (Business-to-Business) market that has four EDI providers, and B2G (Business-to-Government) market that has three Gateway providers consisting of Trade Siam Co., Ltd., National Telecom Public Company Limited, and Netbay Public Company Limited, and Value Added Network (VAN) service providers responsible for connecting customers through the provider's Gateway. Currently, there is high market competition from numerous EDI and VAN providers.
- **e-Learning and Digital Content Market**
 - **Marketing Policy of Key Products and Services.** Samart eD Tech Company Limited has a policy to emphasize quality of electronic course (courseware) developed, superior to competitors', efficient for learning using Instructional Design, urging and encouraging users to learn with tricks and fascination. Supported by various devices accessible by enterprises or private companies with more demands for training. The company, with its capabilities, is able to provide complete services from learning design, system infrastructure design, and expertise in courseware development making differentiation.
 - **Target Customers** comprises educational institution in public and private sector, government agencies, state enterprises, independent entities, including private companies that are main customers. Individual users who seek for knowledge improvement are also considered key customers.
 - **Market Competition.** The market of e-Learning and digital content development in fields of education and training are still expanding especially in private sector adopting e-Learning to reduce cost of training and travelling. Organizations increase budget allocation for such system and courseware development. Growth of people joining online social network results in the expansion digital content and related mobile application. Moreover, Covid-19 pandemic has accelerated growth for learning, working and training online. Moreover, technology and tools to develop digital content are available and easier to use, resulting in increasing competition.

(3) Product and Service Sourcing

- **Enterprise Software.** Portalnet Company Limited collaborate with technology partners such as SAP (Thailand) Company Limited and consulting partners, including other subsidiaries to propose solutions and services to target customers.
- **Electronic Data Capture (EDC).** Posnet Company Limited selects products suitable for the market and demands of customer in each segment based on product appearance, features, price, and competitiveness among other service providers, in order to bring products to the market in Thailand. Furthermore, the company develops EDC application in order to support functionalities and create differentiation.
- **EDI Services.** Thai Trade Net Company Limited invested in the system for the service using main application from OpenText GXS Inc., CData Software Inc, and Axway Inc. to provide EDI services to each customer, interfacing application and data conversion application must be developed for that customer. The company has internal development team responsible for development of such application.
- **e-Learning and Digital Content Development.** Samart eD Tech Company Limited has teams of experts comprising Instructional Designers, graphic and animation designer and developers including professional software developers and quality assurance professionals altogether to implement LMS and Courseware that meet customer requirements. The company has partnership with PowerSchool to be a distributor of LMS and Student Information System. Furthermore, support teams can provide consultancy and design ICT infrastructure for the use of e-Learning system for customers.

(4) Projects in progress

The Business Application Business Group has projects in progress and ongoing services under contracts, for example, maintenance of Application Software systems, maintenance of Core Business System Phase 2, and the upgrade, maintenance, and repair services for Core Banking System of the Government Housing Bank.

1.2.3 Business Assets

The Company has business assets consist of main fixed assets, intangible assets and assets lease as details in the topic “Attachment 4 Assets for business undertaking and details of asset appraisal” which is disclosed at the Company’s website www.samtel.com, under the “Investor Relations” section, in the “Financial Information” category, under “Annual Registration Statement / Annual Report (Form 56-1 One Report)”

1.3 Shareholding Structure

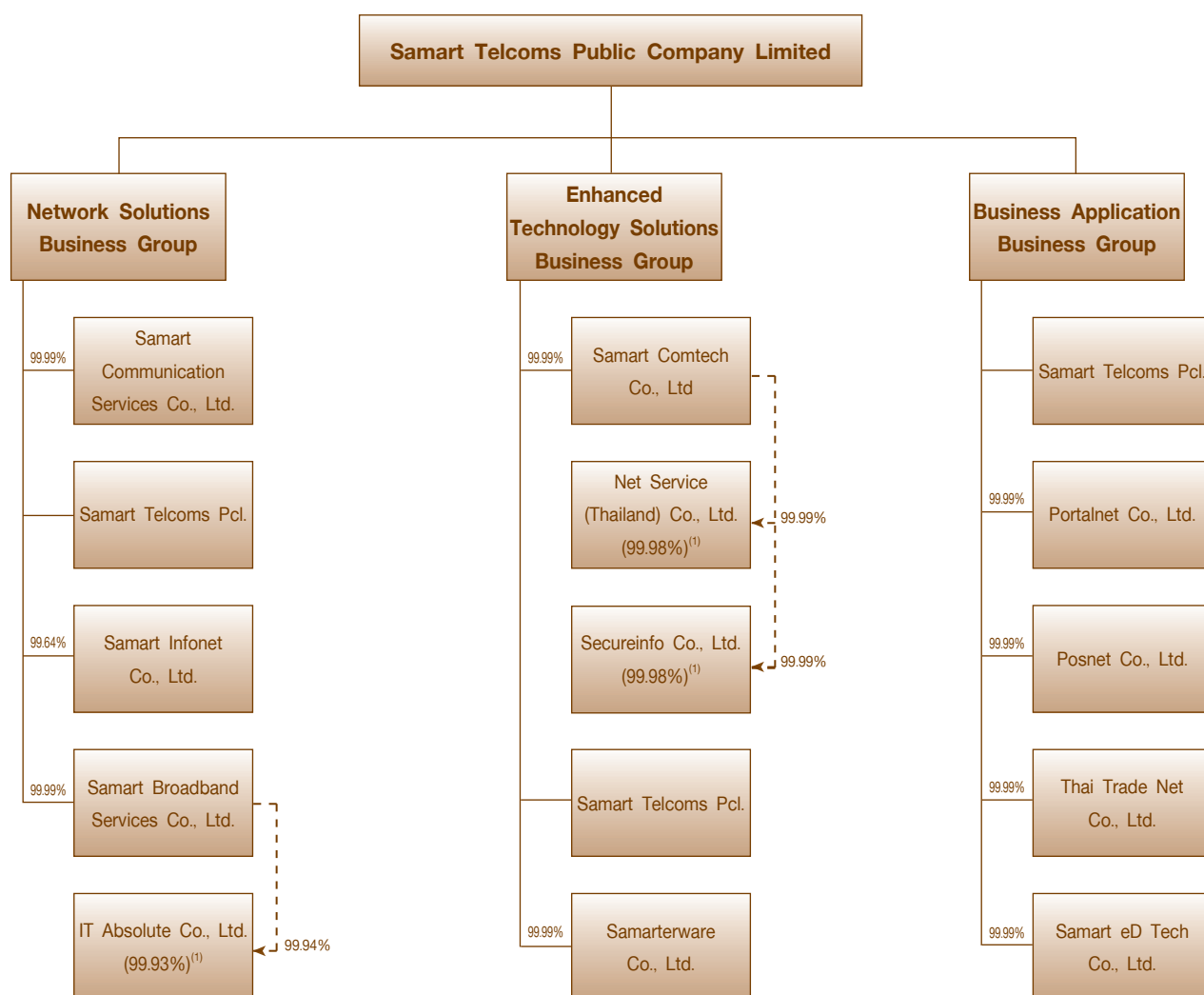
1.3.1 Shareholding Structure of the Company Group

(1) Division of operations of the Company and its subsidiaries

The Company deploys the policy and guidelines in categorizing its business operations into three business groups based on types and characteristics of products and services covering all ranges of technologies and advanced digital solutions in order to suitably respond to the needs of customers in all industries, both government, private sector, including state enterprises are:

1. **Network Solutions Business Group** conducts business in providing total solutions and services regarding telecommunications and advanced communication networks both turnkey solutions and outsourcing services;
2. **Enhanced Technology Solutions Business Group** conducts business in providing information, communications, and digital solutions and services integrating varieties technologies including advanced, specialized technology solutions to achieve various customer needs;
3. **Business Application Business Group** provides solutions and services regarding advanced software application to enhance capability and operation efficiency through the form of digital services for government agencies and increase the competitiveness for the private sector and corporate clients.

(2) Shareholding diagram of the Company Group



Remark: Registered Capital of Samart Telcoms PCL is Baht 721,000,082 and Paid-up Capital as of December 31, 2024 is Baht 618,000,071

⁽¹⁾ (xx.xx%) Direct & Indirect stakeholding as of December 31, 2024.

(3) Juristic person in which the Company holds shares of 10 percent or more

Company	Nature of Business	Registered Capital (Million Baht)	No. of Ordinary Shares	Shares held by the Company	
				No. of shares	%
1. Samart Communication Services Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing telecommunication and data communication network solutions and services including supplying, implementation and maintenance services including repair of telecommunication equipment, working under certified standard of ISO 9001 and ISO 20000, international standard for IT service management.	500	5,000,000	4,999,994	99.99
2. Samart Comtech Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing consulting, design, installation, operation management and maintenance services regarding information technology, communication system including advanced, specialized technologies.	225	2,250,000	2,249,995	99.99
3. Portalnet Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing design, implementation and outsourcing services for Enterprise Resource Planning (ERP) system including analyzing business requirements and offering suitable services as total solution, including Enterprise Asset Management (EAM) System and Robotic Process Automation (RPA) System for customers in government and private sectors.	2,100	21,000,000	20,999,993	99.99
4. Posnet Co., Ltd. 99/4 Moo 4, Software Park, 32 nd Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing total solutions and services for electronic payment system including Electronic Data Capture (EDC), Electronic Signature Capture, E-Receipt Platform, Smart Card System, Services for Loyalty system, QR-Payment System, Kiosk Application for selling products and services, and Point of Sales system.	72	7,200,000	7,199,993	99.99
5. Thai Trade Net Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing trading data communication through Electronic Data Interchange (EDI) services, consulting services on workflow designed for customers to reduce business process with their trading partners, and services of National Single Window Provider (NSP).	53	5,300,000	5,299,993	99.99
6. Smarterware Co., Ltd. 99/17 Moo 4, Software Park, 19 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Conducting business in providing consulting services and complete software development, including Digital Platform Solutions.	10	100,000	99,993	99.99

Company	Nature of Business	Registered Capital (Million Baht)	No. of Ordinary Shares	Shares held by the Company	
				No. of shares	%
7. Samart Infonet Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing high-quality Internet Services for government and corporate organizations with FTTx, G.SHDSL, MPLS, Leased Line, Gigabit Internet and Software-Defined WAN (SD-WAN), including Co-Location and Cloud services.	62	6,200,000	6,177,594	99.64
8. Samart eD Tech Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing services and development of Learning Management System including schools and education institute management platforms and end-to-end education technology as well as courseware development for learning and training. Development of digital content such as e-Magazines and e-Books including mobile application development are also in the scope of services.	20	200,000	199,997	99.99
9. Samart Broadband Services Co., Ltd. 99/7 Moo 4, Software Park, 29 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Ceased its operation since 2008.	55.25	5,525,000	5,524,997	99.99
10. IT Absolute Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Ceased its operation since 2016.	225	22,500,001	22,485,593 ⁽¹⁾	99.94
11. Net Service (Thailand) Co., Ltd. 99/2 Moo 4, Software Park, 34 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing services on development of IT system, including software design and development, and e-Document & Data Management Solutions for government and private sectors.	70.71	7,071,000	7,070,999 ⁽²⁾	99.99
12. Secureinfo Co., Ltd. 99/17 Moo 4, Software Park, 19 th Fl., Chaengwattana Rd., Klong Gluar, Pak-kred, Nonthaburi 11120 Tel. 0-2502-6000 Fax. 0-2583-8698	Providing complete Cyber Security Operations Center (CSOC) services ranging from consultation, professional security training, cyber security risk assessment, threat monitoring and analysis services and incident response.	5	50,000	49,997 ⁽²⁾	99.99

Remarks: ⁽¹⁾ Held by Samart Broadband Services Co., Ltd.

⁽²⁾ Held by Samart Comtech Co., Ltd.

1.3.2 Parties with Conflict of Interest

-None-

1.3.3 Relations with Major Shareholders' Business Group

-None-

1.3.4 Shareholders

The top ten major shareholders of the Company are:

No.	Name of Shareholders	No. of shares held (Shares)	% of Total Shares
1.	Vilailuck Group ⁽¹⁾	442,398,500	71.59
	- Samart Corporation PCL ⁽²⁾	433,464,590	70.140
	- Vilailuck International Holding Co., Ltd.	3,117,300	0.504
	- Mr. Charoenrath Vilailuck ⁽³⁾	2,966,600	0.480
	- Mr. Watchai Vilailuck ⁽³⁾	1,650,010	0.267
	- Mrs. Sukanya Vanichjakvong ⁽³⁾	1,150,000	0.186
	- Mr. Thananan Vilailuck ⁽³⁾	50,000	0.008
2.	Mrs. Charunee Chinwongwarakul	33,199,000	5.37
3.	Bangkok Bank PCL	29,730,560	4.81
4.	Mr. Aphisak Theppadungporn	6,700,200	1.08
5.	Ms. Chomkamol Poompanmoung	6,222,700	1.01
6.	Mr. Santi Kovitchindachai	6,087,400	0.98
7.	Mr. Chittiporn Chantrach	5,730,800	0.93
8.	Thai NVDR Co., Ltd.	4,373,714	0.71
9.	Mr. Parkin Lhaogumnerd	2,000,000	0.32
10.	Glisten Intertrade Co., Ltd.	1,550,000	0.25
Total of top ten Major Shareholders		537,992,874	87.05
Total of the Minority Shareholders		80,007,197	12.95
Total paid up shares		618,000,071	100.00

Remarks: Information based on Thailand Securities Depository on the latest date of closing registration book, December 30, 2024.

⁽¹⁾ Samart Corporation PCL, Vilailuck International Holding Co., Ltd., Mrs. Sukanya Vanichjakvong, Mr. Watchai Vilailuck, Mr. Charoenrath Vilailuck, and Mr. Thananan Vilailuck as acting in concert according to the determination of the relationship or Behavior as an act with another person and the compliance with Section 246 and Section 247;

⁽²⁾ A holding company of which Vilailuck International Holding Co., Ltd. and Vilailuck family hold 14.79% and 26.92% of the total shares respectively;

⁽³⁾ Includes holding by spouse, cohabiting couple and minor child.

1.4 Registered and Paid-up Capital

As of December 31, 2024, the Company has registered capital Baht 721,000,082, divided into ordinary shares 721,000,082 shares, per value of Baht 1 per share, paid-up capital of Baht 618,000,071, total number of shares sold 618,000,071 shares.

1.5 Issuance of Other Securities

1.5.1 Warrants

(1) The warrants to purchase the newly issued ordinary shares of the Company (“SAMTEL-W1”) of the Company by pro rata to their respective shareholdings (Rights Offering)

The Company has issued and offered of not exceeding 103,000,000 units to the existing shareholders of the Company by pro rata to their respective shareholdings (Rights Offering) without charge (offering price of THB 0 per unit) in a ratio of 6 ordinary shares to 1 unit of warrant. According to the resolution of the 2021 Annual General Meeting of Shareholders held on April 27, 2021. The details of the warrants (SAMTEL-W1) are as follows:

Type of Securities	:	Warrants (SAMTEL-W1), In named certificate and transferable
Number of Issued and Offered Warrants	:	103,000,000 units
Number of allocated / Subscribed Warrants	:	102,998,131 units
Price per Unit	:	THB 0.00 per unit (at no cost)
Exercise Ratio ^(*)	:	1 unit of warrant shall be entitled to purchase 1.005 newly issued ordinary share, unless the exercise ratio is adjusted otherwise pursuant to the conditions concerning the rights adjustment.
Exercise Price ^(*)	:	THB 11.936 per share unless the exercise price is adjusted otherwise pursuant to the conditions concerning the rights adjustment.
Issuance Date	:	May 18, 2021
Expiration Date	:	May 17, 2024
Term of Warrants	:	3 years from the Issuance date and allocation of SAMTEL-W1 Warrants, the Company shall not extend the term of the Warrants after the issuance and there shall not be any requirement by the Company to request the Warrant Holders to exercise its rights prior to the Exercise Date.
Allocation Method	:	Issue and allocate to the existing shareholders of the Company by pro rata to their respective shareholdings (Rights Offering) at the allocation ratio of every 6 existing ordinary shares to 1 unit of SAMTEL-W1. The Company will issue and allocate SAMTEL-W1 to the shareholders whose names appear in the share register book on the record date for determining the shareholders entitled to receive SAMTEL-W1 on May 7, 2021. (“Existing Shareholders”) Thus, in the calculation of SAMTEL-W1 allocation for each shareholder, if the result is in fractions, such fraction shall be rounded down.
Exercise Period	:	The Warrant Holders will be entitled to exercise their rights under SAMTEL-W1 Warrants to purchase the newly issued ordinary shares of the Company every 6 months from the Issuance Date of SAMTEL-W1 Warrants throughout the term of the Warrants (“Exercise Date”). The first Exercise Date shall be the last business day of 6 months following the Issuance Date of SAMTEL-W1 which shall fall on November 30, 2021 and the last Exercise Date is on the 3 rd year of Warrants which shall fall on May 17, 2024. In the event that the Exercise Date and the Last Exercise Date is not a Business Day, the Exercise Date and the Last Exercise Date shall be moved up to the Business Day prior to such Exercise Date.
Trading Date	:	June 15, 2021
Last trading Date	:	April 23, 2024

As December 31, 2023, the Company had an outstanding balance of unexercised warrants 102,998,131 units, and on May 17, 2024, which was the last exercise date, there are users exercise warrants on that date as 71 units, resulting in the outstanding balance of warrants that have not been exercised as 102,998,060 units. However, the Extraordinary General Meeting of Shareholders No. 1/2024, held on December 23, 2024, resolved to approve the cancellation of ordinary shares allocated for offering the warrant to purchase newly issued ordinary shares of the Company (SAMTEL-W1), which already expired.

Remark: ^() The price and exercise ratio of the warrants (SAMTEL-W1) was adjusted on March 13, 2024 because the Company's dividend are paid exceeding 90 percent of net profit after deducting legal reserve and corporate income tax for operations.*

(2) The warrants to purchase the newly issued ordinary shares of the Company ("SAMTEL-W2") of the Company by pro rata to their respective shareholdings shareholdings (Rights Offering)

The Company has issued and offered of not exceeding 103,000,011 units to the existing shareholders of the Company by pro rata to their respective shareholdings (Rights Offering) without charge (offering price of THB 0 per unit) in a ratio of 6 ordinary shares to 1 unit of warrant. According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2024 held on December 23, 2024. The details of the warrants (SAMTEL-W2) are as follows:

Type of Securitie	:	Warrants (SAMTEL-W2), In named certificate and transferable
Number of Issued and Offered Warrants	:	103,000,011 units
Number of allocated / Subscribed Warrants	:	102,990,388 units
Price per Unit	:	THB 0.00 per unit (at no cost)
Exercise Ratio	:	One unit of SAMTEL-W2 Warrant shall be entitled to purchase one newly issued ordinary share, unless the exercise ratio is adjusted otherwise pursuant to the conditions concerning the rights adjustment.
Exercise Price	:	THB 8.00 per share unless the exercise price is adjusted otherwise pursuant to the conditions concerning the rights adjustment.
Issuance Date	:	January 16, 2025
Expiration Date	:	January 15, 2027
Term of Warrants	:	2 years from the Issuance date and allocation of SAMTEL-W2 Warrants, the Company shall not extend the term of the Warrants after the issuance and there shall not be any requirement by the Company to request the Warrant Holders to exercise its rights prior to the Exercise Date.
Allocation Method	:	Issue and allocate to the existing shareholders of the Company by pro rata to their respective shareholdings (Rights Offering) at the allocation ratio of every 6 existing ordinary shares to 1 unit of SAMTEL-W2. The Company will issue and allocate SAMTEL-W2 to the shareholders whose names appear in the share register book on the record date for determining the shareholders entitled to receive SAMTEL-W2 on January 6, 2025. ("Existing Shareholders") Thus, in the calculation of SAMTEL-W2 allocation for each shareholder, if the result is in fractions, such fraction shall be rounded down.

Exercise Period	:	The Warrant Holders will be entitled to exercise their rights under SAMTEL-W2 Warrants to purchase the newly issued ordinary shares of the Company every 6 months from the Issuance Date of SAMTEL-W2 Warrants throughout the term of the Warrants (“Exercise Date”). The first Exercise Date shall be the last business day of 6 months following the Issuance Date of SAMTEL-W2 which shall fall on July 31, 2025 and the last Exercise Date is on the 2 nd year of Warrants which shall fall on January 15, 2027. In the event that the Exercise Date and the Last Exercise Date is not a Business Day, the Exercise Date and the Last Exercise Date shall be moved up to the Business Day prior to such Exercise Date.
Trading Date	:	January 28, 2025

1.5.2 Debentures

-No-

1.6 Dividend Policy

On dividend payment, the Company has policy to pay dividend to the shareholders not less than 50% of its consolidate net profit after deduction of all reserves complied with the Company’s Articles of Association and related laws. However, the dividend payment is subject to the Company’s future investment plans and business expansion, including other necessity and suitability.

In addition, payment for dividend will derive from profits from disposal of investments or fixed assets of the Company or its subsidiaries. The management and the Board of Director will decide whether or not to pay dividend or amount to be paid by taking into account the Company’s future investment plans and business expansion, including other necessity and suitability.

The subsidiaries’ dividend payment policy will be the same as that of the Company.

Historical Dividend in 3 consecutive years.

Historical Dividend	2022 (Calculated from Separate financial statements)	2023 (Calculated from Separate financial statements)	2024 (Calculated from Consolidated financial statements)
Net profit per share (Baht)	0.42	0.12	0.19
Dividend per share (Baht)	0.21	0.06	0.11*
Dividend payout ratio (%)	87.93	51.73	58.93

*Remark: * Profit was returned to shareholders as a dividend payment. Dividend for 2024 has been being proposed to the Annual General Meeting of Shareholder at Baht 0.11 per share which has paid interim dividend at Baht 0.03 per share in September 2024 and will pay Baht 0.08 per share of which subject to the approval of the 2025 Annual General Meeting of the Shareholders.*

2. Risk Management

2.1 Risk Management Policy and Plans

Risk Management Committee, comprising the Executive Chairman as the Chairman of the Risk Management Committee and the Company's Directors as the committee members, attach great importance to manage risk systematically using practice and guideline based on internal control and risk management frame work of The Committee of Sponsoring Organizations of the Treadway Commission-Enterprise Risk Management 2017 (COSO-ERM 2017) and monitor various trends in technologies, regulations, financials, outlooks of ICT industry and related industries both internal and external factors addressing environmental, social, and governance (ESG) dimensions.

The Company set up comprehensive Risk Management Policy, focusing on risk factors assessment and potential impact that may affect ability of the Company to achieve its vision, goals, targets, and strategies. The policy includes risk management plan of prevention and mitigation with supervising and monitoring by the Risk Management Committee to ensure that such risk responses have been carried out as planned. Required collaboration and coordination among related departments are as follows:

1. Preparation of risk management plan by each department to follow the Company's master business plan and risks may be happen for business operation in order that the risk management plan consistent with the Company's business goals.
2. Risk management will be carried according to the plan mentioned above. Each responsible department has prioritized the risks by evaluating the overall risk profile and its potential impact to the organization. The appropriate risk mitigation criteria shall be determined and implemented in conjunction with each department whereas Internal Audit Department undertaking role as risk coordinator and reviewer.
3. Risk Management countermeasures shall be implemented and regularly followed up by the Risk Management Committee comprising of each concerning management in a quarterly meeting as outlined in the risk management plan. All countermeasures shall be followed and reviewed by Internal Audit Department to assure that the final outcome is agreeable with the Company's proposed objectives.

In 2024, the Company has specified that each line of business must report its risk management performance 3 times so that the Company could be well-informed about risk issues and in order to evaluate risk factors and impacts affecting achievement of vision, goals, objectives and strategies of the Company. For the propose to make sure that each department can actually and effectively manage risks.

For planning and execution of the plan according to organizational risk management, the Company enhances knowledge of employee and management regarding understanding of risks, risk assessment, impact, and possibility of risks relevant to the Company, subsidiaries, and various stakeholders. It covers current risks and emerging risks in areas such as market, legal, technology, finance, politics, along with strategic risks and sustainability risks (ESG Risks), involving both internal and external factors, which could be from domestic or international sources. Additionally, an efficient risk management plan is in place, capable of defining Key Risk Indicators (KRI) as tools to help identify the likelihood of those risks materializing.

Promotion of risk management culture

To support the implementation of risk management guidelines specified, the Company has taken various operations to create and promote a culture of risk management, so that everyone is aware of their roles and responsibilities and can apply them to achieve the Company's objectives. The Company proceeds as follows:

- **Promotes risk management as part of the Company's core values** in the areas of Synergy and Standard. In terms of Synergy, the Company emphasizes the importance of collaboration and cooperation between risk owners, related departments, and the risk management working group to assess risks, carefully evaluate their likelihood and impact on operations, and implement appropriate responses to mitigate or reduce risks. In terms of Standard, risk management is considered a key topic to be addressed in all projects, contracts, and agreements. It is also a criterion for product and service development and an important factor in business analysis and development.
- **Assigns risk management as a Key Performance Indicator (KPI)** for the risk management working group, including employees and managers in various units that own risks.
- **Encourages suggestions and evaluations of risks** from all levels of employees in all units to gather and screen them for the risk management process.
- **Promotes knowledge of risk management and stimulating the idea** of prudence and awareness of various risks through internal communication channels. Additionally, online risk management courses are served to all employees through the Company's V-Learn platform, and management executives are also trained in risk management. Furthermore, the Company also provides risk management courses that all employees can study online and provides risk management training for management.

2.2 Risk factors on business operation

Corporate risk factors from both internal and external circumstances are mainly from both short-term and long-term changes in technologies, laws and regulations, politics, economy, financials, customer behaviors and demands, corporate governance, society, environment, various incidents affecting the operations of the Company and subsidiaries. Risk factors can be specified as follows:

2.2.1 Risk that might affect the Company's business, including environmental, social and corporate governance issues

1) Strategic and business operation risks

The Company's key strategy is to expand new customer base and create recurring revenue. Thus, economic uncertainty and market competition are significant factors that pose strategic and business risks.

Risks from Economic Uncertainty and Market Competition

The Thai economy in 2024 expanded by 2.5 percent, up from 2.0 percent in 2023, driven by the recovery of the tourism sector, private consumption, and public investment. Despite a contraction in private investment by 2.1 percent, private consumption continued to grow at 3.4 percent, and public investment expanded by 4.8 percent. Meanwhile, the current account surplus reached 2.3 percent of Gross Domestic Product (GDP), compared to a surplus of 1.5 percent in 2023. Additionally, the general inflation rate decreased to 0.4 percent, down from an average of 1.2 percent in 2023¹.

For 2025, the Thai economy is projected to grow further at 2.8 percent (within a forecast range of 2.3–3.3 percent), supported by the continued recovery of the tourism sector, as well as public and private investment, which are expected to expand by 4.7 percent and 3.2 percent, respectively. Public and private consumption are also anticipated to grow by 1.3 percent and 3.3 percent, respectively. Meanwhile, the average general inflation rate is expected to rise to 1.0 percent¹.

Moreover, several risk factors must be closely monitored, as they could lead to economic volatility and impact the market, including fluctuations in the global economy and financial markets, the effects of geopolitical conflicts in various regions, trade-restrictive policies of key trading partners, and domestic government policy implementation, among others. These factors could cause Thailand's economic growth to deviate from projections or affect various sectors, such as a contraction in the export sector and a delayed recovery in the consumption sector, affecting investment in major public sector projects and private sector investments in ICT and digital infrastructure. Additionally, it may affect the debt repayment capacity of the private sector.

In terms of industry competition, Gartner, a leading global research and consulting firm, has released a survey estimating global spending on IT products and services in 2025 at 5.62 trillion US dollars, reflecting a 9.8² percent increase from the previous year. The segment with the highest value is IT services, reaching 1.73 trillion US dollars, while the data center systems segment exhibits the highest growth rate, valued at 400 billion US dollars. Gartner notes that although IT spending is rising, a portion of the increase stems from higher costs of IT goods and services. Generative AI (GenAI) also contributes to elevated IT spending, primarily due to device upgrades needed to support processing demands. However, such upgrades are unlikely to deliver significant functional differentiation, even with the adoption of new system devices. Organizations are steadily shifting toward cloud-based systems, with growing investments in software focused on data security and privacy protection. Furthermore, advancements in GenAI are expected to drive cybersecurity spending growth exceeding 15 percent³.

Spending on the aforementioned areas in Thailand for 2025 is projected to reach a total value of 996 billion baht, marking a 7.9 percent increase from 2024. Expenditure on data center systems is expected to grow by nearly 17 percent, while software spending will rise by 16.1⁴ percent. The ICT and digital industries in Thailand are poised for significant growth in 2025, driven by supportive government policies such as the Digital Government initiative, Cloud First Policy, Smart City projects, AI advancement efforts, the Bio-Circular-Green Economy (BCG) framework, and policies promoting a digital economy and society. Meanwhile, the private sector continues to leverage technology to support ongoing Digital Transformation, adopting various technologies to enhance efficiency, improve capability to serve users, and increase competitiveness. Such technologies are AI, GenAI, Big Data Analytics, IoT, RPA (Robotic Process Automation), and Immersive Technology. Additionally, Investments in Cloud Computing are expanding, alongside the adoption of Climate Tech, technologies developed to reduce environmental impact.

Although the information technology, communications, and digital market is expected to expand, several factors that could impact economic growth and cause uncertainty in the industry need to be monitored. These include changes in customer behavior or demands, technological changes, and intensifying market competition. In addition to ICT providers already adapting to high competition, businesses from diverse industries are transitioning into the technology companies, including banking, retail, transportation and logistics, media, and energy and utilities. Furthermore, the entry of international service providers into the Thai market is increasing, fostering business collaborations and creating strong ecosystems. Service providers in the market are developing their digital platforms with a push towards "Everything Apps" that go beyond being "Super Apps" by offering a broader range of services. All these contribute to continuously heightening competition in the information technology, communications, and digital industry in Thailand.

To mitigate and reduce the impacts of risks from economic uncertainty and market competition, the Company has implemented policies on resource management and technology adoption to control costs and operate efficiently. It also plans to analyze technology and customer needs in line with its mission or business operations. Collaboration with affiliated companies and various business partners strengthens customer relationship management, fostering deeper customer understanding. The focus is on developing innovations and adding value to products and services, alongside upskilling employees with advanced digital expertise. Such efforts support strategies to expand the customer base and prioritize long-term recurring revenue, emphasizing ICT and digital solution services in an Outsourcing & Service Provider model. This commitment to developing quality standards for products and services, enhancing employee capabilities, and introducing new, flexible business models that meet customer needs is conducted within a framework of sustainable development. All these not only result in an improved customer experience and satisfaction with the Company's products and services but also enhance competitive potential and allow the Company to manage business risks efficiently.

Risks from the efficiency of government spending

The efficiency of government budget disbursement remains crucial to stimulating the country's economy. In 2024, a change in government leadership led to policy adjustments and delays in clarifying public investment and spending plans. For the 2025 annual expenditure budget, the government aims to accelerate spending to support national recovery. Negative factors, however, may hinder progress, causing delays in the bidding processes of government agencies. Such delays could prevent the remaining budget utilization and disbursement from meeting targets, potentially causing delays in significant bidding projects for the Company.

The Company manages these risks by closely monitoring and coordinating with customers to ensure readiness and support the acceleration of bidding processes. It has also expanded its customer base to include state enterprises and the private sector, avoiding over-reliance on any single customer. Additionally, the focus is on generating recurring revenue and creating business models for services that reduce dependency on public sector budgets.

Risks associated with Dependence on Large Customers

In 2024, the Company primarily generated revenue from the government sector and state enterprises. If the government or state enterprises decelerate their expenditure on ICT, it would significantly impact the Company's performance and financial position, as currently, a large portion of the Company's revenue comes from state enterprises. However, regarding the public sector, the Company will continue to diversify customer base across various agencies in multiple ministries, avoiding concentration in any single entity, to mitigate the risks of budget cuts from any specific agency.

Risks associated with Dependence on Large Suppliers

In serving customers across various business groups, the Company orders equipment and systems from multiple providers. In most bidding projects, the main equipment meeting the technical specifications comes from more than one supplier, allowing the Company to choose the equipment from the supplier offering the most favorable and suitable conditions. This reduces the risk of dependence on any single supplier. However, for some services with only a few technology owners, risks associated with system procurement, cost, and quality increase. Therefore, the Company must urgently explore alternative technologies, seek other service providers or suppliers, and prepare thorough and secure contracts with both suppliers and customers to minimize impacts in cases of uncertainty in the procurement of systems or services from those suppliers.

2) Management and Operational Risks

Risks in project delivery and interruption of important services and key systems

The Company prioritizes and emphasizes project delivery with quality, and on timely manner or earlier than the time plan, as well as services in accordance with Service Level Agreement (SLA) resulting in key strength of the Company. However, uncertainty factors may affect project delivery and services are, for example, issues in manufacturing supply chain and international logistics resulting in delays of transportation of equipment abroad. Moreover, unexpected natural disasters and incidents may cause project delays and interruption of key operation systems and services to customers, resulting in damages to customers, revenue recognition, and customer trusts.

To alleviate the risk, the Company aims at efficient project management with closely working on products and supply sourcing, on-time implementation and system development, and alternative plan coping with obstacles. Moreover, the Company emphasizes sustainable supply chain management to reduce risks from partners. For risks in interruption of key operating systems, the Company and subsidiaries provide redundant system to support the main system and comply with standard operation guidelines as well as regularly maintaining the system with process to track status and quality of the system in order to promptly solve problems. Moreover, the Company carries out Business Continuity Management responding to key incidents such as case of fire, natural disasters, riots, pandemic, etc. Business Continuity Management will efficiently mitigate impacts from such incidents that affect project delivery and services.

Risks from Cyber Security Threats

Cyber threat is a key risk, considered one of emerging risks, that can substantially affect the Company's business operations and reputation because the Company operates extensively using system and information including several services provided to customers mainly consisting of information and communication system. Cyber security is therefore considered the key issue to the Company's operations and sustainability development. Cyber security threats have grown constantly every year relating to growth of online business and digital transformation of various organizations.

The Company has assessed possibility and impact to the Company and all stakeholders and provided strategies to lower the risks with actions to prevent and respond to cyber threats from internal and external sources. The central unit in information management was assigned with clear duties and responsibilities. The Company has conducted vulnerability scan on its information system as it has provided training to increase awareness in cyber security and promoted related news and information regularly. The Company strictly enforces and complies with the information security policy. Cyber security system has been updated and cyber threat monitoring services have been served 24x7 by Cyber Security Operations Center (CSOC) of SecureInfo Company Limited certifying ISO 27001. Operations are also being expanded to implement Zero Trust, ensuring that every access to systems and data requires consistent verification and authorization.

3) Financial Risks

Credit Risk

The Company has constantly processed a policy to resolve the overdue receivable problems. Management has closely followed up on debt collection. In addition, most of debtors currently are the customers with strong financial status such as state enterprises, government agencies and large corporations. Therefore, bad debt is at a low level. At present, the Company has enough cash reserves and banking facilities to support current operations and growth. In addition, working capital from banks used in operations is offset from project revenue. The Company consequently does not have liquidity problem.

As of 31 December 2024, the Company recorded debts overdue over 12 months for Baht 198 million and set aside an allowance for expected credit losses of Baht 71 million. Such allowance is considered sufficient for potential loss because most debts are from government and state enterprise projects of customers who have strong financial status as mentioned above.

Foreign Exchange Risk

From the Company's income structure, most income is derived from short-term projects and long-term leasing and services, which contracts were made in Thai Baht. Since the Company imports telecommunication equipment from overseas, a foreign exchange risk occurs. To reduce such risks, the Company takes into account this risk when setting prices. After winning a bid, the Company will buy forward contracts to minimize foreign currency position at the low level. In addition, the Company also considers exchange rate trend and overall business performance to determine a total position.

As at December 31, 2024 the Company has foreign currency financial liabilities that were unhedged against foreign exchange risk approximately Chinese Yuan 0.7 million which was 0.08% of total revenue when convert to baht.

4) Compliance Risks

The Company and its subsidiaries adhere to the operation under the enforced laws, including regulations and rules related to regulatory bodies such as the National Broadcasting and Telecommunications Commission, the Securities and Exchange Commission, among others, as well as not complying with organizational binding requirements. Laws, rules, regulations, and related stipulations are always subject to updates and changes. Non-compliance, incomplete compliance, or delays can lead to penalties, fines, and other damages, including damage to the Company's reputation and business opportunities.

The Company has a dedicated department responsible for coordinating and monitoring with business groups and various units to keep them informed about the laws, rules, regulations, and related stipulations that are enforced, changing, or in the process of being enacted. This includes tracking and collaborating with relevant agencies to analyze and discuss unclear practices, reporting, and coordinating with executives and other units to ensure readiness and correct compliance. This also encompasses organizational binding requirements, such as contracts with partners or vendors. Moreover, representatives are sent to participate in public hearings, express opinions on relevant laws, regulations, and stipulations, as well as to provide training through speakers from both inside and outside the organization. They also publicize changes and upcoming practices to various units to ensure all departments update their internal processes for correct implementation, including having internal control processes by relevant departments to inspect, monitor, and manage non-compliance actions, and to take corrective actions as well as to find preventive measures and reduce the chance of recurrence within the organization.

5) Environmental, Social, and Governance Risks

Regarding Environmental, Social, and Governance (ESG) risks, the Company assesses significant sustainability issues annually to identify crucial aspects of the business. This evaluation includes assessing impacts on the Company's operations and stakeholders along the value chain. The Company has established approaches for managing significant sustainability issues by developing policies or plans and reviewing their appropriateness. If risks that could impact critical sustainability issues arise, such risks will be integrated into the Company's risk management process according to its standards. Some key sustainability issues might be prioritized higher and could lead to strategic organizational adjustments to meet sustainability management goals.

While some sustainability risks, particularly in social and environmental aspects, may not be ranked as high priority in terms of their impact on the Company and its stakeholders, they are issues that the Company prioritizes. For example, social aspects include risks related to human rights violations and unfair labor practices in the supply chain, and environmental aspects concern risks from the impacts of climate change. The Company has approaches to manage these risks as follows:

Risks of human rights violation and unfair labor practices in supply chain

Regarded as a significant social risk, if a complaint regarding human rights violation occurs, it may affect the business operations and reputation of the Company. The Company manages such risks by reviewing and improving human rights policy and enforcing it to all subsidiaries. The Company provided knowledge and training to employees and also conducted campaigns on respect for human rights through internal communication channels to increase awareness and lead to strict actions at individual and organizational level. Furthermore, the Company has continually selected and assessed partners in sustainable supply chain by having partners acknowledge the Company's business ethics and sustainable business practices, which address respect for human rights. The Company also encourages partners to conduct sustainability self-evaluation. If any non-compliance issues are discovered, the Company will notify partners to, together, improve and rectify issues according to the Company's criteria, including the exchange of knowledge to improve capabilities and develop operation guidelines for sustainability together.

Moreover, the Company attaches significance to improving the quality of life and prosperity for the community, coupled with preserving the environment by emphasizing building good relationships with the organization both public and private as well as community leaders to coordinate concrete cooperation under the concept of "Creating Quality People and Promoting Moral Society".

Risks from impact of climate change

Climate change is considered the issues that all sectors realized and emphasize the significance of, and it can cause unexpected natural disasters. Collaborating with the international community, Thailand announced the goals to be carbon neutral by 2050 and reach net-zero greenhouse gas emissions by 2065. To align with global community cooperation, there's a tendency for the government to implement policies and enact laws to achieve these objectives. Thus, climate change could potentially lead to risks such as:

- Risks from natural disasters affecting business continuity, resulting in damage to services and important systems as well as possibility of supply chain interruption.
- Risks from policies and regulations from the government and regulators to control greenhouse gas emissions, which may affect the Company's operations and increase operation costs.
- Risks from changes in social behavior and expectation due to the trend of society and consumers becoming more environmentally conscious, resulting in expectations and demands of environmentally friendly products.

The Company has guideline to manage such risks. For natural disasters, the Company follows the business continuity management policy as well as rehearsing various plans to be prepared for natural disasters and able to handle emergency situations, mitigate damages, and recover the operations.

Additionally, the Company is committed to environment preservation and wisely use of resources and set targets to reduce greenhouse gas emissions of both direct and indirect scopes (scope 1 and 2) by efficiently use of energy and resources; promoting re-think, reduce, reuse, and recycle principle; increasing use of alternative energy; and providing knowledge and encouraging employees to be environmentally conscious both at work and in daily life through internal communications and activities regularly. The Company also provided knowledge regarding climate change to customers to realize the benefits from waste reduction from sustainable operations. Collaboration has been established with environmentally conscious partners. The Company selects eco-friendly products and purchase them through sustainable procurement process as well as developing solutions and innovation to increase efficiency of energy consumption and reduce greenhouse gas emissions for customers

2.2.2 Risks affect the rights or investment of securities holders

Risk from major shareholders holding over 50% of the shares

Major shareholder of the Company is Samart Corporation PCL Holding 433,464,590 shares or 70.14% of Company's paid-up capital and Vilailuck International Holding Co., Ltd., held by the Vilailuck family who is the shareholders of Samart Corporation PCL holding 8,933,910 shares or 1.45% of Company's paid-up capital, the shareholders' resolutions of major issues can be almost absolutely controlled, such as the appointment of Committees and the voting for any issues requiring the majority in the Shareholders' meeting, except for the issues required by laws or Company's regulations to receive three-fourth of votes in the Shareholders' Meeting. Therefore, other shareholders may not be able to combine votes to balance out the major shareholders. (Information based on Thailand Securities Depository on the latest date of closing registration book, December 30, 2024).

The Company has 5 independent directors and 3 of them as Audit Committee members to be responsible for review, comment and ensure that all connected transactions and any other conflict of interest transactions have been complied to laws and regulations of SET/SEC as well as to ensure that the transactions are reasonable for utmost benefit for the Company and management of the Company is transparent and can be monitored.

References:

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3. Gartner Forecasts Global Information Security Spending to Grow 15% in 2025. 28 August 2024. Available at: <https://www.gartner.com/en/newsroom/press-releases/2024-08-28-gartner-forecasts-global-information-security-spending-to-grow-15-percent-in-2025>
4. Bangkok Post, Gartner: Thai IT spending gain expected to lag global rate. 5 February 2025. Available at: <https://www.bangkokpost.com/business/general/2954605/gartner-thai-it-spending-gain-expected-to-lag-global-rate>

3. Driving Business for Sustainability

3.1 Sustainability Management Policy and Goals

The Company conducts business with social and environmental responsibility constantly. Due to continuous changes of social and environmental driving forces, the Company is committed to sustainability development with efficiency and in accordance with international practice guideline. The Company has reviewed the policy and adopted United Nations Sustainable Development Goals (UN SDGs) as a framework to develop the Company's sustainability covering dimensions of environment, society, and corporate governance and economy. The Company considers material issues of sustainability relevant to all stakeholders and prioritizes those issues based on their level of significance. The Company also review and update the policy in accordance with the vision and missions toward being a leading provider in complete ICT solutions and digital innovation with social and environmental responsibility to enhance competency of customers both in public and private sectors and elevate life quality of people in society in moving toward digital economy and society sustainably.

The Company defines the sustainability management policy as follows:

1. Commit to developing business under good governance with risk management and response to changes, sustainable value chain management, suitable responses to all stakeholders, value creation and innovation in products and services, and pursuit of business opportunity for sustainable growth.
2. Commit to conducting business operations with responsibility toward consumers, communities, and society; respecting human rights; ensuring fair treatment to labors; concentrating on knowledge and competency development for employees; prioritizing health and safety for people in every segment of business value chain.
3. Prioritize reduction of environment impacts, emphasize wise use of resources with value appreciation, encourage development and deployment of eco-friendly solutions and technologies, and cultivate consciousness of environmental conservation among employees and all stakeholders.









The Company defines sustainability management goals within a goal-setting framework in accordance with the sustainability management policy as follows:






- To be excellent in good corporate governance with efficient risk management, foster creativity and innovation, and achieve sustainable growth
- To be responsible for community and society, increase customer satisfactions, and ensure fair treatment to employees
- To cultivate consciousness of resource conservation, reduce energy and resource consumption, and deliver eco-friendly products and services to consumers
- To bring concept, policies, and strategies into practice guidelines and operations conforming to international standards
- To bring policies and practice guidelines of sustainability development into operations through the entire organization








Sustainability Reporting Guidelines

The Company has incorporated data on driving business for sustainability into this Annual Registration Statement / Annual Report (Form 56-1 One Report) under the section "3. Driving Business for Sustainability." The aim is to present key information on the Company's sustainable development to stakeholders accurately and transparently, covering performance in environmental, social, and governance and economic aspects from 1 January 2024 to 31 December 2024. Additionally, the Company has prepared its 2024 business sustainability data in alignment with the Sustainability Reporting Guide for listed companies issued by the Stock Exchange of Thailand.

Long-term targets for 2027 and performance in 2024 are as follows:

Governance and Economic Dimension 	Assessment Results for Corporate Governance "Excellence" 	 100% New business partners passing self-assessments on sustainability and acknowledge the Company's partner ethics, covering sustainability issues. <i>*Long-Term Goal: All business partners must pass self-assessments, acknowledge, and comply with the Company's partner ethics.</i>
	Business Ethics  New employees complete business ethics training 100% <hr/>  All employees complete business ethics training 100%	 Conducting risk management under established standards.
	0% No instances of operations violating laws, regulations, and requirements.	 All service systems conduct reviews and updates to business continuity plans, with each system rehearsing crisis management plans at least 1 time.
	 No Complaints from customers or related agencies regarding data breaches or unauthorized use of personal information are reported.	

 Greenhouse Gas Emissions (Scope 1 and 2) 1,085.01 TonCO ₂ e, a 7.54% reduction compared to the base year 2022 (Long-term target: Reduce by 5% from the base year)	 Electricity Consumption 548,497 units, down 2.42% compared to the base year 2022 (Long-term target: Reduce by 5% from the base year)	Environmental Dimension 
 Fuel Consumption 280,131 liters, a 9.59% decrease compared to the base year 2022 (Long-term target: Reduce by 5% from the base year)	 Water Consumption 4,781 cubic meters, up 20.78% compared to the base year 2022 (Long-term target: Reduce by 5% from the base year)	

Social Dimension 	 99.94% Customer satisfaction reaches and feedback from customers is utilized to improve and elevate service quality	 No workplace accidents lead to employee work stoppage
		 No complaints are reported regarding human rights issues
	 Employees receive training and skill development for an average of 13.95 hours/person/year (Long-term target: Not less than 12 hours/person/year)	 No complaints arise concerning unfair labor practices
		 No complaints are reported related to safety and occupational health in the operations

3.2 Management of impacts on stakeholders in the business value chain

3.2.1 Business value chain

The Company is committed to offering solutions and services in information, communication and digital technology with social and environmental responsibility, including innovation and values added to customers. The Company therefore prioritizes management of sustainable business value chain with two categories of activities contributed to the value chain as follows:

1. Primary activities

- **Customer insight research**

The Company, with expertise of employees in both business and technological aspects, has studied constant changes in technology, market demand, goals and mission of customers to gain insight of customer requirements in order to solve their problems, increase efficiency in serving end users, and elevating competitiveness. The Company has also researched behavior and expectation of people using technology to lift quality of life in various aspects in order to respond the needs of customers more efficiently.

- **Solution design contributing values**

The Company, with capabilities of engineers and experts in solution design regarding both hardware and software integration or services to deliver, and innovation has extended collaboration with vendors and competent business partners with social and environmental responsibility to create differentiation, efficiency, and values truly contributed customers and end users.

- **Marketing and sales**

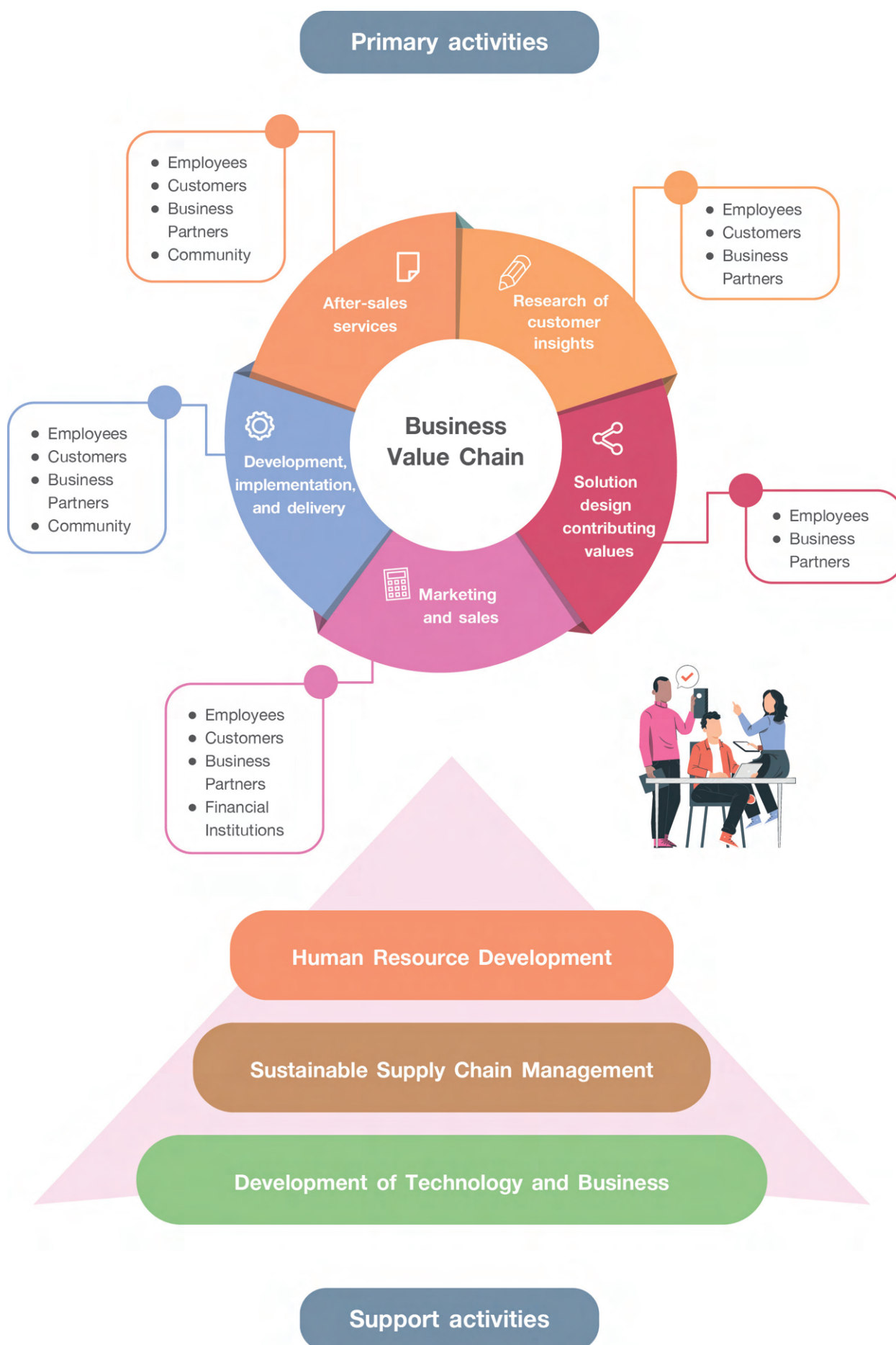
In public and state enterprise sector, customers will announce their requirements of the project and open the competition in various types of tenders. To win tender, the Company collaborates with partners as assigned to be authorized distributor by the product owners. The Company designs solutions to meet the needs with quality and efficiently manages costs within the customer's budget. By conducting aforementioned process, the Company can be trusted and awarded the tender to be the implementor of the project.

- **Procurement, development, implementation, and delivery**

The Company attaches great importance to select high-quality products from technology owners or partners, including considering the use of environmentally friendly and user-safe products, and also develop solutions under standard of quality control with collaboration from competent partners and supports from financial institutions to proceed the project. Furthermore, the Company has developed employee competencies regarding efficient project management and project implementation together with partners to ensure implementation and delivery of quality solutions within time planned and budget set without negative impact to the community.

- **After-sales services**

For utmost customer satisfaction, the Company prioritizes the quality of services with according to ISO 9001 and ISO 20000 for quality and efficiency in IT service management through 30 service centers nationwide, including Network Operation Center (NOC) to support and analyze incident 24x7. The Company aligns customer support process with Service Tracking System (STS) adopted by service teams for more efficient customer appointment and service tracking. The Company also conducts Business Continuity Plan to ensure service availability and operates under practice guidelines for information security management compliant with ISO/IEC 27001. Additionally, the Company has improved internal processes by increasing the use of technology in electronic format to reduce paper usage, minimize travel and energy consumption, streamline processes, and enhance service efficiency. Close coordination takes place with customers, surveys are conducted to assess satisfaction regarding sales processes, product and service usage, as well as after-sales support, to ensure solutions and services meet customer needs, and customer expectations are analyzed to lead to further improvements in solutions and services, while also creating business opportunities.



2. Support activities

To efficiently accomplish business operation in business value chain, from design, procurement of products and service components, to services to customers and end-user utilization, the Company conducts activities to support primary activities as follows:

- Human resource development to ensure employees have knowledge, skills, expertise, responsibility toward society and environment, and operate under good corporate governance, to efficiently support business operations for entire business value chain toward being human capital of the Company in digital age.
- Sustainable supply chain management by collaboration with key business partners in business value chain and managing vendor risks. In collaboration with key partners, the Company together is able to develop products and innovation, and create business opportunities, including development and exchange of employees' knowledge. The Company also consider material issues of partners regarding society and environment such as human rights, business ethics, compliance with laws, rules, and regulations, occupational safety, etc.
- Technology development for products and service and business development. The Company emphasizes research and development to add values to products and services in response to several changes. The Company also aligns technology to analyze, plan, operate, monitor operations, and make decision efficiently in order to increase competitiveness.

3.2.2 Analysis of stakeholders in the business value chain

To ensure business value driven by business operations under social and environmental responsibility according to practice guidelines in sustainable management policy, the Company, in proper response to expectations of stakeholders in the business value chain, has identified seven key stakeholder groups as internal stakeholder: shareholders and employees; and external stakeholders: customers, business partners, government and regulatory agencies, financial institutions, and community and society.

Stakeholders	Expectations	Responses to stakeholders' expectations in 2024	Communication channel and participation
Shareholders	<ul style="list-style-type: none"> • Good performance and business growth • Consistent dividend payments • Good corporate governance and risk management • Equal treatment to all shareholders • Complete, accurate, and timely disclosure of information through a various, easy-to-access channels 	<ul style="list-style-type: none"> • Conducted strategies toward goals of sustainable returns • Analyzed performance, reviewed strategies and actions on a regular basis • Executed dividend payments according to the policy • Conducted operations in accordance with corporate governance, while maintaining standards and implementing risk management • Operated in accordance with guidelines and regulations of SET • Encouraged shareholders to attend AGM and offer meeting agenda including queries and suggestions • Disclosed accurate, complete information transparently and consistently update information through the Company's Website and social media 	<ul style="list-style-type: none"> • Annual General Meeting (AGM) for shareholders • Annual Registration Statement / Annual report (Form 56-1 One Report) • Press releases • Analyst meetings • Investor meetings • Providing information to service providers about corporate credit analysis • The Company's Website and email • The SET's Website • Investor relation via phone and email

Stakeholders	Expectations	Responses to stakeholders' expectations in 2024	Communication channel and participation
Employee	<ul style="list-style-type: none"> • Career stability and advancement • Reasonable remuneration and welfares • Fair treatment • Skills and knowledge enhanced • Hygienic and positive work environment and safe workplace 	<ul style="list-style-type: none"> • Evaluated performance based on knowledge, competency, and actual performance with clear key performance indicator 1-2 time(s) a year • Established individual career plan • Stipulated structures of reasonable remuneration in accordance with actual performance and goal achievement • Provided comprehensive and diverse welfare benefits • Treat employees equally, without discrimination • Provides trainings inside and outside the Company through various channels consistently • Encouraged employee participation in managing of welfare and work-life quality • Provided complaint channels • Strictly operated in accordance with occupational safety and health policy • Enhanced the collaborative work environment with a transparent space, equipped with modern facilities to support quality of life improvement and promote work-life balance 	<ul style="list-style-type: none"> • Email, intranet media, social media such as Line and Facebook • Biennial Employee Engagement Survey • Management site visit for open opinions three times a year • Direct communication from the executives to employees in the auditorium twice a year. • Employee Voice to receive opinion and suggestion via email and dropbox • Communication with employees and their family through Line Group VR Samart • Employee welfare commit meeting twice a year
Customers	<ul style="list-style-type: none"> • Received consultancy and accurate information regarding products and services • Quality product and services responding to the needs • Instalation and delivery with standards • Delivery on timely manner • Reasonable prices • Safety products and services • After-sales services in accordance with service level agreement (SLA) • Cyber security and data protection 	<ul style="list-style-type: none"> • Enhanced employees' knowledge and competency • Provided trainings from partners and technology owner • Operated in accordance with standard of quality control and services • Selected safety products containing hazardous substance not exceeding the standard specified and meet electrical safety standards • Selected and prioritized eco-friendly products • Managed and delivered project on time • Delivered good after-sales service with standard compliant with SLA 	<ul style="list-style-type: none"> • The Company's email, Phone, and Website • Letters • Online social media: Line and Facebook • Proposal documents, specification documents. • Sales personnel • Annual customer satisfaction survey • Seminars • Trainings • Complaint channels

Stakeholders	Expectations	Responses to stakeholders' expectations in 2024	Communication channel and participation
Customers (Cont.)		<ul style="list-style-type: none"> • Conducted corrective actions based on recommendations • Customer satisfaction at 99.94 percent • Complied with the privacy policy • Monitored cyber threats and provided cyber security under international standard 	
Business Partners	<ul style="list-style-type: none"> • Developing and growing together • Collaboration to enhance value and create differentiation to customers • Fair treatment in business operations • Payment on timely fashion • Efficient project management plan • Compliance with terms and conditions in agreement • Confidential information protected 	<ul style="list-style-type: none"> • Collaborated in trainings, seminars, and knowledge exchanges • Collaborated in creativity and innovation development • Provided extensive trainings to employees • Comply with partners' code of conduct and business ethics • Delivered products and services as planned • Made payments on terms and conditions • Complied with contract and non-disclosure agreement 	<ul style="list-style-type: none"> • Email, Phone, and Letters • Procurement system • Trainings and seminars • Marketing activities • Relationship-building activities • Surveys • Business review meeting
Government and regulatory agencies	<ul style="list-style-type: none"> • Compliance with laws, rule, and regulations related • Collaboration and supports of works • Compliance with corporate governance principle • Full payment of taxes and fees • Anti-bribery and anti-corruption 	<ul style="list-style-type: none"> • Monitored laws, rules, and regulations to communicate and create understanding among employees, and to establish standard processes • Strictly conducted business compliant with law, regulations, and rules related • Provided collaboration and supports to regulators and agencies • Reported information accurately and transparently as stipulated • Operated under corporate governance practice • Communicated and enhanced employees' knowledge and understanding to strictly comply with the Company's corruption prevention policy 	<ul style="list-style-type: none"> • Email and telephone • Reports and information published • Meetings • Seminar and public hearings

Stakeholders	Expectations	Responses to stakeholders' expectations in 2024	Communication channel and participation
Financial institutions	<ul style="list-style-type: none"> • Good corporate governance • Ability to pay debts • Transparent and up-to-date information • Proper loan limit and suitable financial products 	<ul style="list-style-type: none"> • Operated with risk management and good corporate governance policy • Comply with conditions and agreement 	<ul style="list-style-type: none"> • Email, telephone, and letters • Information published on the Company's website • Meeting exchanging information
Community and society	<ul style="list-style-type: none"> • Appropriate supports and contribution • Social development activities beneficial to community and society • Operations with safety to lives and properties including hygiene and environment of community • Development of technology increasing quality of life for people in society 	<ul style="list-style-type: none"> • Supported volunteering and social development activities in education, healthcare, sports, and Bhudism • Support communities in times of disaster, such as accidents, floods • Communicate and provide relevant knowledge • Operated under occupational safety and health policy for safety of community • Select safe and environmentally friendly products for users, while developing solutions that help reduce environmental impact • Provided customers with solutions elevating quality of life 	<ul style="list-style-type: none"> • Website, email, and telephone • Online social media • Complaint channels • Annual Registration Statement / Annual report (Form 56-1 One Report) • Press releases • Activities for community and society




3.2.3 Sustainability Materiality

The Company has followed the materiality assessment process to be able to identify issues as the essence of the business and factors in maintaining competitiveness and creating values throughout the value chain in the long term, responding to the Company's stakeholders, to be an important part in driving business for sustainability. The materiality covers environmental, social, and corporate governance and economy aspects with stakeholders' participation, assessment, prioritization, verification and validation. Material issues have been approved by the Board of Directors each year. The materiality process is as follows:

- **A study of the organizational context and identification of material issues**

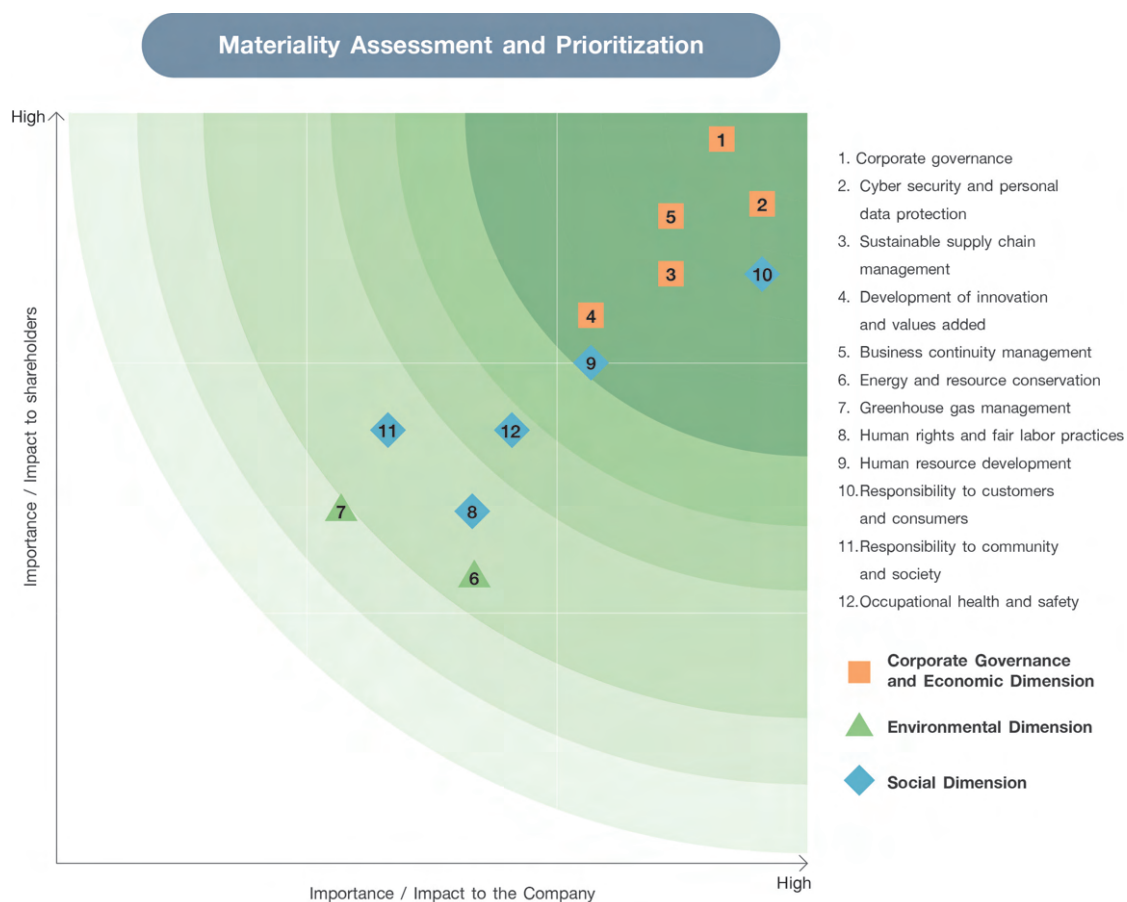
The Company studies and identifies important issues in accordance with the context, vision, mission, strategy, sustainability management of the Company, including the global and domestic trends in technology, society, environment, economy, law, government policy, important issues in related industries, and information on the expectations and concerns of stakeholders in the value chain. The material issues can be identified as follows.
















Corporate Governance and Economic Dimension	Environmental Dimension	Social Dimension
1. Good Corporate governance	6. Energy and resource conservation	8. Human rights and fair labor practices
2. Cyber security and personal data protection	7. Greenhouse gas management	9. Human resource development
3. Sustainable supply chain management		10. Responsibility to customers and consumers
4. Development of innovation and values added		11. Responsibility to community and society
5. Business continuity management		12. Occupational health and safety
		

Assessment and prioritization

The Company assessed the impact of material issues on the Company's operations and stakeholders in the value chain and prioritized those material issues as follows:



For the 2024 materiality assessment, a total of 12 issues were identified, with 6 of them being of high importance. These issues are linked and respond to the United Nations Sustainable Development Goals (UN SDGs) as follows:

Sustainability Materiality	Respond to UN SDGs
1. Good corporate governance	 
2. Cyber security and personal data protection	
3. Responsibility to customers and consumers	    
4. Sustainable supply chain management	 
5. Business continuity management	
6. Development of innovation and value added	  

- **Verification of material issues**

After examining the materiality assessment results together with involving parties, conducting verification and proposing for approval from the Sustainable Development Committee, the Company brought material issues to set management goals as well as important strategies and management approaches. Progress and related actions have been monitored for continuous improvement and development.

Management approach for sustainability material issues

The Company manages sustainability material issues by developing policies or plans that have been reviewed for suitability. Furthermore, committees or responsible units, or collaboration of related working teams have been established to manage related issues according to objectives, targets, and timeframes specified, and report to sustainability development committee, along with monitoring progress of action and evaluating against the set target and reviewing policies and plans regularly.

3.3 Sustainability Management in Corporate Governance and Economic Dimensions

3.3.1 Good Corporate Governance

The Company is committed to conducting its business on the basis of good governance, complying with the law, and unwaveringly operating in accordance with the Company's Corporate Governance Policy and business ethics, as well as regularly monitoring and evaluating its performance. The Corporate Governance Policy is outlined in Section 2 of the Annual Registration Statement / Annual Report (Form 56-1 One Report). In addition, the Company is dedicated to ensuring that its directors, executives, and employees strictly adhere to the Company's business ethics handbook, in order to promote integrity and ethical work practices with high standards of quality and comprehensive care for all stakeholders. The Company aims to be transparent and prevent conflicts of interest. The Company's Corporate Governance Policy and its business ethics are reviewed and updated annually, and are published on the Company's Website at www.samtel.com under the subject of "Corporate Governance".

3.3.2 Sustainable Supply Chain Management

The Company develops solutions and services in the information, communications, and digital technology requiring various components of hardware and software systems from numerous partners or allies. The Company thus places great importance on the supply chain management, which considers social responsibility, environment, and good corporate governance at every step of the supply chain. This altogether is to create efficiency in cost management and the delivery of products and services, promote collaboration in conducting business, create value added, and achieve sustainable growth together.

1) Strict operations in compliance with the trade partner policy

The Company has the trade partner policy to treat partners with equality, disclose information equally, and consider mutual benefits. Guidelines for these practices are outlined in the Company's business ethics. The process of partner selection is transparent, with established systems and standards. The Company has also developed and maintained sustainable relationships with trading and contractual parties. Regular visits are made to exchange ideas and establish mutual trust. All employees must refuse to accept any personal benefits from trading partners and contractual parties and must not perform any false advertising and deceiving partners. The Company refrains from purchasing products and/or services from partners who violate human rights or intellectual properties, and monitors news on whether trading partners violate human rights or intellectual property. If such behavior is discovered, the Company avoids purchasing products and/or services from the partners who behave illegally. The trade partner policy is published on the Company's Website at www.samtel.com under subject of "Corporate Governance" in the "Business Ethics" section.

2) Managing Supplier Risk

- **Supplier analysis and category.** The Company analyzes the importance of products and services, quality and value of the suppliers, purchase value, level of dependence, significance to strategies, and impact on the Company. Suppliers can be categorized into two groups: Critical Suppliers, which include strategic and key suppliers, and Non-Critical Suppliers, which supply non-essential components for products and services, having lower purchase value, level of dependence, and impact on sustainability compared to Critical Suppliers. Categorizing suppliers can lead to risk assessment and appropriate risk management.
- **Risk assessment.** The Company conducts risk assessment involving environmental, social, and corporate governance and economic aspects (ESG Risk Assessment) by regularly assess existing partners and applying criteria for considering new partners, including:
 - Financial risks and financial policies
 - Conforming to the Company's business strategy and direction
 - Business risks, such as capabilities in operations and delivery, technical support, post-sales services, and business continuity management
 - Corporate governance risks including compliance with laws, regulations, rules, intellectual property management, corruption, fair competition, and understanding of the Company's business ethics
 - Social risks, such as respect for human rights, occupational health and safety management, fair labor practices, responsibility to customers, communities, and society
 - Environmental risks, such as the use of raw materials or equipment containing hazardous substances exceeding standard limits, noise pollution, greenhouse gas emissions, wastewater discharge, waste management, and more
- **Partner selection.** The Company has reviewed information from the partner registration form and other information provided by partners, including ESG self-evaluation, as well as the acknowledgement of the Company's business practices and ethics. The purpose is to select partners who meet the standards, and those who meet the criteria will be approved for registration on the Approved Vendor List in the Company's system.

The Company has also created an ESG self-evaluation form for partners to demonstrate that they have standard quality control processes for their products and services, including occupational health and safety, and good working environment. They must have ethical business practices and social and environmental responsibility. The Company had partners to sign acknowledgement to its business ethics and operational guidelines, which address corporate governance, economy, social, and environmental dimensions.

- **Supplier risk reduction**

Sustainable supply chain management can help reduce risks in terms of cost, supply shortages, uninterrupted services, standardized service levels, as well as the Company's reputation. The risk reduction process includes communicating the Company's policies and operational guidelines, providing advice on improving work processes for both parties, evaluating the performance of partners annually to prevent, improve, correct, and reduce risks. This process also involves sustainable procurement practices, building the competency and capabilities of partners, promoting and maintaining relationships with partners, which are social environmental responsible with corporate governance, throughout the supply.

To assess risks, the Company evaluates the annual performance of its critical suppliers using a Vendor Performance Evaluation Form. This assessment covers various issues such as delivering products as required, quality, delivery time, service readiness, technical support, after-sales service, compliance with service agreements, price, financial stability, and performance guarantees, as well as monitoring the partners' sustainability self-evaluation, covering business ethics, social responsibility, and environmental responsibility. Any deficiencies found and suggestions received will be notified to partners for joint improvement and correction according to the Company's criteria.

Performance results in 2024, all new business partners, 100%, passed the Company's partner evaluation and complete a self-assessment on sustainability, while also signing to acknowledge the Company's business ethics and sustainable business practices. Additionally, the Company conducted on-site visits for key partners at their location as well as monitoring relating information through various channels.

3) Sustainable procurement process

The Company has established clear regulations and processes that are systematic and standardized together with fair competition based on equal information and partner selection's evaluation criteria, which includes technical consideration, pricing, and qualifications covering environmental, social, and governance aspects. The Company compares prices and applies criteria using internationally standards before purchasing. Contracts are made to be fair and the Company strictly adheres to the agreed conditions, with confidentiality maintained for the partners. The Company also monitors to ensure the compliance with fraud prevention at every stage, including following up and evaluating partners.

4) Capacity and capability building for partners

The Company collaborates with partners in building capacity and capability for each other through planned and activities, such as setting topics or knowledge to develop; methods and form to use: training, seminars, and demonstrations providing knowledge in diverse format through multiple channels including online ones, at the individual, team, and managerial levels, in both the short and long term, in terms of knowledge and practical guidance that the Company has expertise in, ranging from customer requirement, market trends, solutions and techniques, and standardized installation to post-sales services and maintenance for all types of partners, including service providers, product owners, and subcontractors. Collaboration with partners has been established to develop and improve solutions, products and services, and create value added as well as innovations for the benefit of all parties, including passing on values to customers or end-users, which may contribute to social development and reduce environmental impact.

Performance results in 2024, the The Company organized training to develop quality and communicate best practices to partners, including contractors. This enables collaboration with partners in the timely installation and delivery of challenging projects, ensuring standards and efficiency, including maintenance or troubleshooting. This applies across communication network solutions, applied technology, and business applications, ensuring full compliance with service agreements with customers.

Furthermore, in terms of collaboration with business partners to create value or innovation for products and services has enabled subsidiaries such as Thai Tradnet Co., Ltd. to improve and develop cybersecurity for the EDI system and incorporate support for new requirements, Posnet Co., Ltd. to enhance cross-border payment efficiency through QR Code (QR International Payment), and Samart Comtech Co., Ltd. to upgrade video analysis with AI to introduce new capabilities and improve the efficiency of products and services provided to customers.

3.3.3 Development of innovation and value added

Policy and guidelines to promote innovation

The Company has a policy to promote value creation and innovation for products and services as part of its mission and sustainable development policy to drive and enhance the capabilities of customers, both public and private sectors, delivering benefits to end-users in the digital economy and society, as well as increasing competitiveness, creating values in products and services, and developing new businesses to create sustainable business opportunities for sustainable growth of the Company.

The guidelines for promoting innovation and value creation regard solutions, products and services, work processes, and business models. Types of innovation can be improvement of products and services; enhancement of work process and efficiency; and new development of technologies and new business model that significantly impact users, markets, and industries. The Company have policies and guidelines for promoting innovation as follows:

- 1) Promote development of employees' knowledge, attitudes of creativity, applying knowledge from various sources, sharing and exchanging knowledge, and collaboration for creativity at all levels, in order to encourage culture of learning and innovative organization.
- 2) Foster collaboration at all levels, from individuals and departments to subsidiaries, as well as partners in the value chain, to exchange knowledge and develop innovation and creativity.
- 3) Develop and improve knowledge management system and innovation repository management as the Company's centralized knowledge for collaboratively use to drive innovation.
- 4) Support the creation of an atmosphere, motivation, activities in innovation and creativity, including allocating budgets, tools, and necessary collaborations for innovation, creativity, and value creation, to promote innovation culture in the Company.
- 5) Promote the use of innovative and creative ideas in every process of operations to improve efficiency and develop products, services, and business models, to drive and enhance customers' competency and services to end users, delivering benefits to society and reducing environmental impact creating sustainable business opportunities.

The Company has reviewed the policy and guidelines to promote innovation at least once a year in order to improve and support changes in various factors

Plan and Results of Innovation Development

The Company has a plan to encourage all units and subsidiaries to develop innovation and create values in solutions, products and services, work processes, and business models, to support changes and competition in the industry. This is achieved through studying with technology owners, product owners, or various business partners to analyze customer needs and problems that occur, in order to analyze and develop features of products and service that better meet the needs with value creation and differentiation. New knowledge can also be used to improve processes for efficiency, resulting in good customer experience. In the past year,

- Samart Communication Services Co., Ltd, has improved the efficiency of measurement tools to enhance maintenance effectiveness and upgraded data reading and transmission within the system, reducing on-site repair and maintenance visits at installation sites, resulting in lower fuel consumption for travel in the project.
- Samart Comtech Co., Ltd. in collaboration with technology owners, has strengthened data tampering prevention, enhanced data transmission efficiency, and increased the speed of accurate and precise data display in the pollution online monitoring system.
- Posnet Co., Ltd. has developed the QR International Payment system to meet customer needs for cross-border payments via QR Code.

In addition, the Company has conducted new research and development while improving various solutions to meet customer needs with higher expectation in technologies, in order to increase opportunities and competitiveness, for example, AI adoption in various solutions, Big Data Analytics, Advanced Metering Infrastructure technology, energy management solutions, sustainability solutions, as well as Immersive Technology, among others, to enhance the value of existing products or services.

3.3.4 Business continuity management

Responsibility towards customers and stakeholders is crucial for sustainability. Therefore, the Company has placed importance on preparing for crisis situations from natural disasters and emergency incidents that may affect business operations and services to customers. Consequently, the Company has a business continuity management policy to ensure that all executives and employees are aware of their responsibilities and can respond effectively to crisis situations from disasters and incidents, such as floods, earthquakes, protests, riots, pandemics, etc. without causing interruption or with least effect to business operations. The Company aims to minimize the impact of such crises and quickly recover to normal state to build confidence among stakeholders and comply with good corporate governance.

The Company requires executives and employees to have a stake in business continuity management by conducting Business Impact Analysis (BIA) that affects the Company's work processes and impacts business operations. They are also required to review and revise the Business Continuity Plan and Crisis Management Plan annually to ensure it aligns and can respond to threats that cover potential new threats. Additionally, all systems related to services to customers and critical operations must be rehearsed these plans at least once a year to evaluate accuracy, effectiveness, and identify any shortcomings for improvement, including improvement and review of the Company's business continuity management policy.

Performance results in 2024, the Company and its subsidiaries reviewed and improved their business continuity plan and crisis management plans to stay up-to-date in all systems that serves customers and critical operational systems. They also practiced their business continuity and crisis management plans once per system. For Cyber Security Operations Center, Network Operation Center, and the Data Center, the Company conducted two rehearsals of the business continuity plan.

3.3.5 Cyber security and personal data protection

The Company has established a central department responsible for supervising, managing, and setting guidelines for information security and cyber security management. Cyber threat monitoring and cyber security management has been also arranged. The Company provides training to employees to create awareness of cyber security and it also disseminate related news to all employees and stakeholders regularly. In 2024, the Company has improved operational processes and upgraded the Cyber Security system to be more modern and secure. The Company has arranged cyber threat monitoring and cyber security management through Cyber Security Operations Center services from its subsidiary (SecureInfo Co., Ltd.), which certifies the ISO 27001 standard for information security management.

For the protection of personal data, the Company has a central supervisory department responsible for enforcing the personal data protection policy. It also arranges training, managing risks, evaluating impacts, and reviewing policies according to situations and emerging risks. Additionally, each company is assigned a personal data controller who closely coordinates with the central data protection officers. Personal data protection measures have been put in place, with data access rights allowing only authorized personnel or individuals with delegated authority to access such data only on necessity and for the purposes notified to the owner of the personal data. The Company adheres and strictly comply with its personal data protection measures in accordance with

relevant laws and regulations. Moreover, the Company has established data security measures in compliance with internationally standards both in process and technical aspects, including physical measures. The Company regularly reviews its processes and protection techniques to ensure they remain up to date. Furthermore, when personal data is delivered, transferred, or disclosed to a third party, whether to provide services under a contract or serve any agreements, the Company has established appropriate data security measures and confidentiality measures in compliance with the law, confirming that the personal data kept by the company is always secure. protect personal data and maintain individual confidentiality as mandated by law, including customer confidentiality, to ensure that the personal data held by the company is always secure. Additionally, the company has published a privacy policy on its website, adhering to the Personal Data Protection Act, B.E. 2562, including providing contact and complaint channels through the Company’s data protection officer and detailing the complaint management process regarding personal data on the Company’s Website.

Performance results in 2024, the Company found no complaints from customers or relevant parties regarding data breach and wrongful use of personal data, and no instances of non-compliance with laws, regulations, and rules (Non-Compliance Items) were found.

3.4 Environmental Sustainability Management

3.4.1 Environmental policies and practice guidelines

The Company recognizes that it is important to operate with consideration for preserving the environment and using resources wisely, appreciating its value. The Company is thus committed to management and business operations with minimized impact on the environment and responsibility to community, society, and stakeholders throughout the business value chain by adhering to sustainable development guidelines in environmental, social, and corporate governance dimensions (ESG). The Company, consequently, operates under the concept of “Sustainability for All, focusing on promoting Environment, Society, and Economic Sustainability”. The Company sets policies and guidelines regarding efficient energy consumption and fosters awareness among employees to maximize the use of resources. At the same time, knowledge about environmental management is disseminated to stakeholder groups and environmental conservation activities are continually supported. The environmental policies and practice guidelines set are published on the Company’s website, www.samtel.com under “Corporate Governance”.

The Company has disseminated educational media, public relations, and communications to all employees regarding environmental care, including guidelines for valuable resource utilization, fostering environmental awareness, and sharing updates on the development of energy-efficient products by the Company and its partners. Additionally, the Company has promoted the efficient use of resources and energy within the organization in alignment with the policies and standards of the Ministry of Industry and the government’s BCG (Bio Economy, Circular Economy, Green Economy) policy. These efforts are also linked to and support the United Nations Sustainable Development Goals (UN SDGs), specifically Target 12.5, which aims to reduce waste generation through prevention, reduction, reuse, and recycling by implementing the 4R principles. In 2024, media were distributed through various internal channels such as Facebook, email, and Line, totaling 60 instances, to promote knowledge in line with policies and encourage adherence to the Company’s environmental management practices.

The Company has set long-term targets for environmental management as follows:

Long-term targets by 2027 (5 years)

- To reduce greenhouse gas emissions in both direct and indirect scopes (scope 1 and 2) by 5% compared to 2022
- To reduce power consumption by 5% compared to 2022
- To reduce fuel consumption by 5% compared to 2022
- To reduce water consumption by 5% compared to 2022
- To increase recyclable waste recovery through sorting efforts by 5% compared to 2022

3.4.2 Environment Performance

The Company's environmental performance in 2024 is summarized below.

Performance in energy and other resources conservation efforts

1. Energy and Resource Conservation

Attaching great importance to energy efficiency, appreciating its value, the Company established policies and tangible plans, according to standards, for reducing energy and resources across the value chain. The Company has set a quantitative target to reduce energy use by 5% from 2022, and to maximize efficiency in accordance with the Ministry of Industry standards and the government's BCG (Bio-Circular-Green Economy) policy. The 4Rs principle (Re-Think, Reduce, Reuse, and Recycle) has been put into practice, thereby reducing the cost of energy and resources, while also alleviating the problems and the impact of climate change.

The short-term quantitative targets to reduce consumption of energy and other resources are as follows:

- 2% decrease in power consumption from 2023
- 2% decrease in fuel consumption from 2023
- 2% decrease in water consumption from 2023
- 2% increase in office waste sorted and recycled from 2023
- 2% decrease in the use of office supplies from 2023

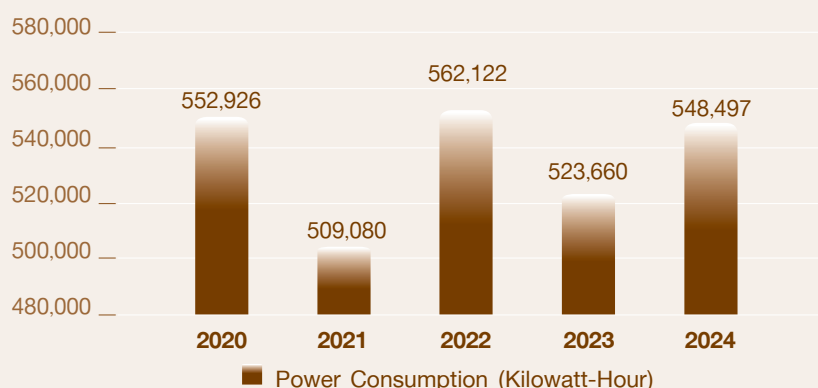
Reduction in consumption of energy and other resources is presented below.

1.1 Electricity

To manage energy consumption both for lighting and air conditioning systems efficiently, the Company has installed and maintained monitoring equipment to control the operation of related electrical systems, in accordance with the energy saving standards of the Energy Policy and Planning Office, Ministry of Energy, B.E. 2560. Campaigns are also run to encourage awareness in employees of smart use of electricity. This includes turning off lights in the office during lunch break and when not in use. In addition, office air conditioners are set to turn on at 8:00 a.m. and turn off at 5:30 p.m.

Performance results in 2024: The Company's power consumption stood at 548,497 kilowatt-hours, an increase of 4.74% from 2023, exceeding the set target, due to the acceleration of nationwide installation projects and the return of employees to the office after completing assignments at the customer's office.

The Company's power consumption from 2020 - 2024



Note: In 2020 and 2021, during the COVID-19 situations, there was a practice of alternating between working from home and working onsite.

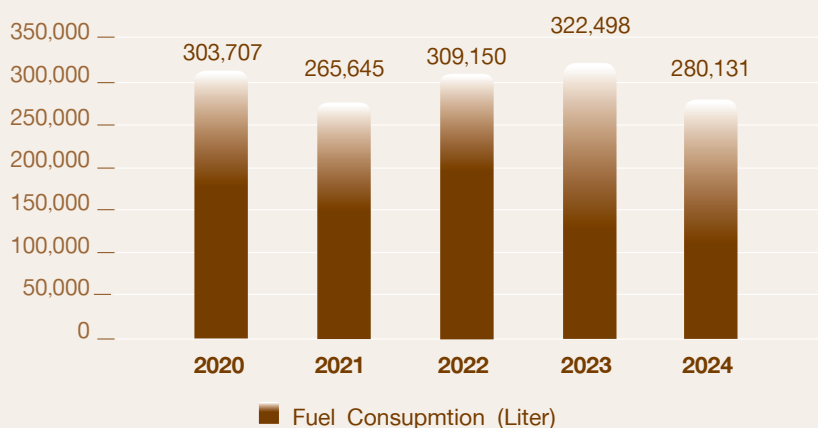
1.2 Fuel

The Company has a practice guideline for maximum efficiency with the aim to reduce vehicle fuel consumption, according to fuel economy standards of the Energy Policy and Planning Office, Ministry of Energy, B.E. 2560. Approaches in reducing vehicle fuel consumption and travel include scheduling routine vehicle maintenance by mileage and using the fuel-saving B7 diesel for the Company's vehicles. Regular training sessions on driving and vehicle maintenance are also held for employees.

To reduce travel, the Company has adopted technologies that align with the digital age and has a policy shift from traveling to customer sites for installations to conducting more meetings via online systems. Additionally, travel planning and design consider factors such as route, duration, traffic conditions, schedule, location, and the choice of vehicle to ensure that travel for installations or customer service is efficient. This not only improves work efficiency but also helps reduce fuel consumption and operational costs. Furthermore, it contributes to reducing air pollution and the greenhouse effect caused by carbon monoxide (CO) and carbon dioxide (CO₂) emissions.

Performance results in 2024: The Company's fuel consumption stood at 280,131 liters, a decrease of 13.14% from 2023, in line with the set target.

The Company's fuel consumption from 2020 - 2024

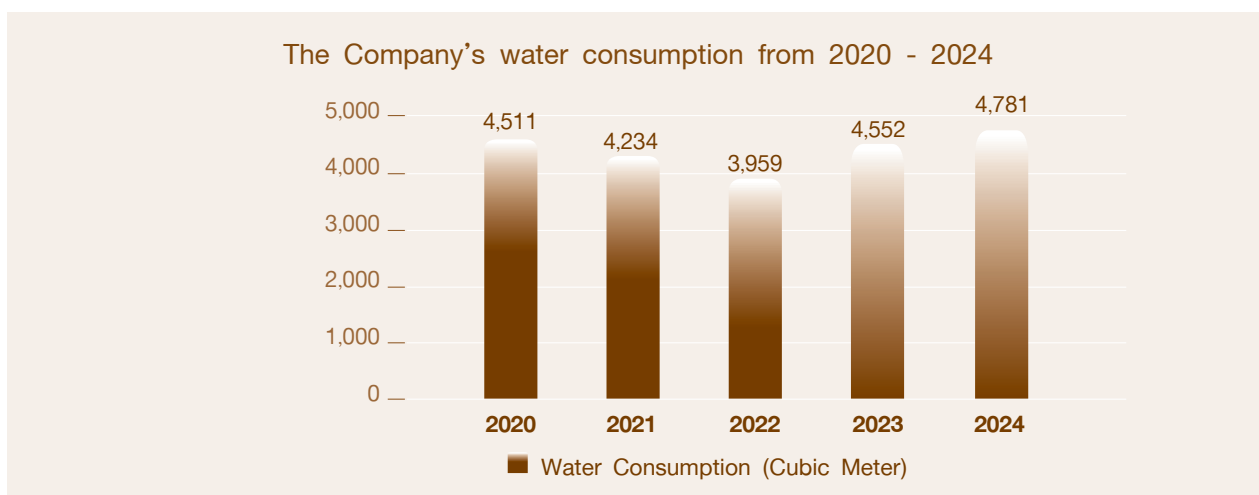


Note: In 2020-2021, during the COVID-19 situations, a practice of alternating between working from home and working onsite was implemented.

1.3 Running water

Ongoing campaigns are run to encourage awareness in employees of the value of water so they use it sparingly. The low-flow water-saving approach and guidelines have also been implemented. Equipment and sanitary ware are regularly checked and maintained. Faults are immediately repaired to avoid unnecessary water loss. Meanwhile, water-saving campaign signs are put up as reminders.

Performance results in 2024: The Company's water consumption stood at 4,781 cubic metres, an increase of 5.04% from 2023, above the set target, due to the expedited delivery of work and the return of employees to their office after completing work at the customer's locations.

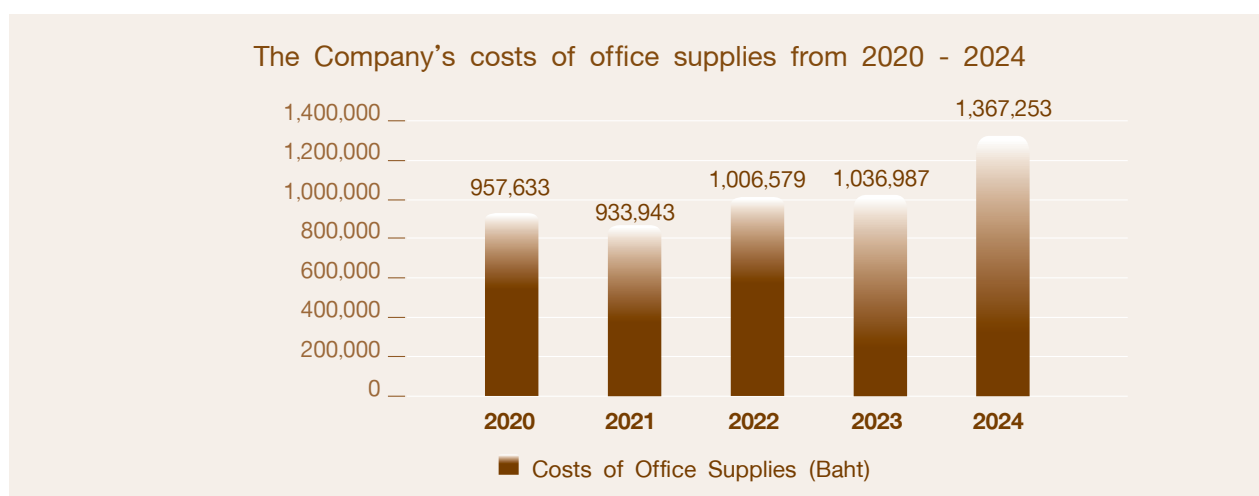


Note: In 2020-2021, during the COVID-19 situations, a practice of alternating between working from home and working onsite was implemented.

1.4 Office supplies

The Company has a policy for management and control of office supplies particularly stationery to reduce wasteful use. The Company prefers environmental-friendly materials, has conducted a campaign for a paperless office, and increasingly uses technology and system such as the ERP, e-Document, and Online requests. A systematic disbursement of office supplies is also implemented with conditions and schedules set. Reuse of items such as files and paper clips as well as use of both sides of paper are encouraged.

Performance results in 2024: The Company's costs of office supplies stood at 1,367,253 baht, an increase of 330,266 baht, or 31.85% from 2023, due to the preparation of project handover documents for projects involving the installation of a large number of devices across the country.



Note: In 2020-2021, during the COVID-19 situations, a practice of alternating between working from home and working onsite was implemented.

2. Creating resource consciousness in employees

Waste management

The Company pays attention to management of waste from operations, in accordance with the standards for waste disposal set by the Pollution Control Department, Ministry of Natural Resources and Environment, to reduce environmental pollution problems. Reuse and recycling are promoted and employees are encouraged to be environmentally conscious both at work and in daily life. The Company promotes knowledge among employees that aligns with the Company's policies and guideline in environmental management. The Company hopes that this concept will be further disseminated to employees' families and the wider community.

Regarding this, the Company practices sorting waste into types as required by law, followed by waste management, including putting up a monthly internal waste management system. Waste is then collected and processed by companies with eligibility standards. The purpose is to keep the offices and nearby areas hygienic, free of pollutants.

The quantitative targets of waste management are as follows:

- To increase recyclable waste recovery through sorting
- To sort our hazardous waste by 100%

In 2024, the Company has operated as follows:

2.1 Grease from wastewater

Grease traps are inspected to ensure normal working condition and cleaned weekly, totaling 52 times a year.

2.2 Waste from operations

In dealing with office waste from operations within the organization to reduce the problem of polluting the environment, reuse is encouraged both in the office and in daily life. Recyclable waste is also recovered through sorting and forwarded to recycling facilities.

Performance results in 2024: The Company was able to separate 6,013 kilograms of recyclable office waste for recycling, a decrease of 1,002 kilograms or 14.28% from 2023.



Note: In 2020-2021, during the COVID-19 situations, a practice of alternating between working from home and working onsite was implemented.

2.3 General Waste (non-hazardous)

- **Paper and Office documents** that are no longer valid or needed are cleared regularly through the 5S methodology (sort, set in order, shine, standardize, and sustain). They are then collected and for recycling. In 2024, 16,083 kilograms of recyclable paper waste was collected.

- **Plastic Bottles**

Campaigns are continually organized every year to educate and raise awareness on proper waste separation and waste management for the purpose of waste reduction, based on the concept of 4Rs principle (Re-Think, Reduce, Reuse, and Recycle) under “SAMART Loves the Earth” project. Executives and employees are encouraged to realize the importance and the impact of waste on the environment in order to reduce the amount of waste from the beginning at its source. They are also invited to participate in waste separation activities. Reusable items are shared with the underprivileged in society. Surplus or expired items are sorted out and properly disposed of so they do not cause pollution to the environment. These efforts are reflected through various activities throughout the year including the following:

Old calendars are valuable; don't throw them away : Forwarded old calendars to be used as teaching and learning materials for the blind, while also sending any excess beyond the need for proper recycling and disposal. There were 200 donors involved, and a total of 1,000 calendars were received.

Love Cycle Recycle : Promoted the use of reusable water cups and reusable snack cups to help reduce the amount of waste from single-use plastic cups and bowls by 1,500 items.

How to dispose of Plastic bottles : Provided education on the proper separation of plastic water bottle waste, along with designated collection points in cooperation with employees from various main branch nationwide, totaling 13 locations. All collected plastic bottles were properly recycled and helped create job opportunities for disadvantaged individuals in society by donating to the “Chara-Recycle” project of the Mirror Foundation.

Over 500 participants joined the activity, enabling the reuse and proper disposal of more than 2,900 plastic bottles (over 79 kilograms), contributing to a reduction in environmental pollution.

Sorting and selling waste : Such as tissue paper rolls, old calendars left over from use, and various activities to send them for recycling and proper disposal with service-providing companies.





2.4 Hazardous waste and electronic waste

- Old and faulty light bulbs and electronic devices are discarded at collection points designated by office buildings and the municipality, thus ensuring zero contamination of other wastes.
- How to Dispose: Dispose of e-Waste = Plant activity: Educated on the proper separation of electronic waste and set up a SAMART E-Waste Drop Point to provide e-Waste collection points for communities, in collaboration with business partners to promote awareness among employees and the general public about the importance of separating electronic waste. This helps in the separation of parts to maximize resource use and ensure proper disposal, reducing environmental pollution problems sustainably. Additionally, the activity extended by distributing saplings obtained from the waste sorting process to employees, government agencies, and nearby communities to promote sustainable and comprehensive environmental conservation.

With over 200 participants, e-Waste can be reused and disposed of properly, helping to reduce environmental pollution.



Performance results of hazardous waste management: In 2024, 100% of hazardous waste was sorted out, aligning with the set target.

3. Climate and greenhouse gas management

Based on the Company's environmental performance as reported above, it can be seen that the Company pays attention to activities in its value chain that affect the climate and greenhouse gas emissions throughout the work process in the organization and in supporting client's operations. Concrete campaigns were carried out to provide knowledge for employees and stakeholders to promote understanding, awareness, and an environmental spirit in working towards the quantitative target of becoming a low-carbon organization.

In 2024, the Company set the target of greenhouse gas (GHG) emission from both direct (Scope 1: Direct GHG Emissions) and indirect (Scope 2: Energy Indirect GHG Emission) emissions not exceeding 1,188.39 tons CO₂ equivalent (tCO₂e).

3.1 Internal operations to reduce impact on climate and greenhouse gas management

The Company's plans for appreciative consumption of energy and resources, considering the impact on greenhouse gas emissions include the following:

- **Fuel consumption and travel**

Regarding this, the Company carried out continuous vehicle maintenance as planned. Also, there's a policy to use Thailand's B7 standard fuel to help stabilize the price of palm oil while also reducing pollution. In addition, car-pooling arrangements for work reduced greenhouse gas emissions by half, with a car's emission rate at 100- 200 grams of CO₂e per kilometer.

However, in 2024, fuel consumption of the Company was 280,131 liters equivalent to direct GHG emission of 756.68 tCO₂e, decreased by 13.52% from 2023, reducing GHG emissions by 118.25 tCO₂e compared to 2023.

- **Electricity consumption and management**

The implementation of scheduled air conditioning operation during the morning, afternoon, and evening, along with energy-saving campaigns, has contributed to reducing greenhouse gas emissions from electricity consumption and management. However, in 2024, power consumption of the Company was 548,497 kilowatts-hours, equivalent to indirect GHG emissions of 328.33 tCO₂e, increased by 4.74% from 2023, raising GHG emissions by 14.87 tCO₂e compared to 2023, due to the acceleration of nationwide installation projects and the return of employees to the office after completing assignments at the customer's office.

Performance results in 2024, the Company's GHG emissions from both direct and indirect sources (Scope 1 and 2) were 1,085.01 tCO₂e, decreased by 8.70% compared to 2023, aligning with the set target to limit GHG emissions no exceeding 1,188.39 tCO₂e.

Additionally, the Company encouraged activities to help decrease GHG emissions and lessen impact to environment such as office waste management, paper management, and waste separation for recycling further reduced overall greenhouse gas emissions by 32,362 kgCO₂e. Such activities were:

- **Office waste management**

With internal operations to reduce the problem of environmental pollution, promotion of reuse both in the office and in daily life, as well as waste separation for recycling, in 2024 office waste was reduced by 6,013 kilograms, or a reduction of 8,171 kgCO₂e in greenhouse gas emissions.

- **Management of paper and office documents**

Paper and office documents are regularly scheduled to be sorted through the 5S project for recycling purposes. In 2024, 16,083 kilograms of paper and documents was sorted out and recycled, resulting in a reduction of 21,855 kgCO₂e in greenhouse gas emissions.

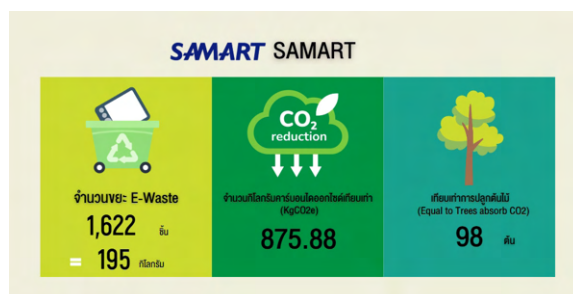
- **Waste management**

Following the concept of "Sustainability for All" under "SAMART Loves the Earth" project, executives and employees are encouraged to separate waste so that to participate in waste separation activities. Reusable items are shared with the underprivileged in society. Surplus or expired items are sorted out and properly disposed of so they do not cause pollution to the environment according to the 4R principles, such as:

- **“How to dispose of: Plastic bottles”:** The activity allowed employees from branches nationwide to join together in separating plastic bottles waste, which was then donated to support elderly employment through the “Chara-Recycle” project of the Mirror Foundation. A total of 2,900 plastic bottles, weighing 79 kilograms, were sorted and sent for recycling, reducing greenhouse gas emissions by 81.45 kgCO₂e.



- **“How to Dispose: Dispose of e-Waste = Plant”:** In collaboration with partners, e-waste sorting points were established for employees and nearby communities, collecting a total of 1,622 e-waste items weighing 195 kilograms, which were dismantled for reuse and recycling purposes and properly disposed of to reduce pollution and environmental impact. This effort helped reduce greenhouse gas emissions by 875.88 kgCO₂e, equivalent to planting 98 trees.



- **“Plant for the Earth”** is an initiative to increase green spaces in the community, which is an extension of the E-Waste = Plant activity, by integrating collaboration between the government sector, private sector, and local communities to raise environmental awareness and donate over 900 seedlings to Pak-Kred Municipality for planting in public areas, including to representatives of 66 communities and employee representatives to plant to increase green spaces in the community sustainably.



- **Old calendars have value, don't throw them away:** Sort and send old calendars to be used as teaching materials for the visually impaired. Additionally, the excess calendars and cores of tissue paper rolls are sorted and sent for recycling and proper disposal. Over 1,000 old calendars were collected in this initiative, and the reduction in CO₂ emissions from this activity was calculated to be 1,378.33 kgCO₂e, equivalent to planting 145 trees.



3.2 Development of products and services with impact on society and the public for corporate clients

The Company focuses on developing products and services, taking into account environmental conservation, upgrading and creating environmental safety standards, offering environmentally conscious telecommunications services, and using energy appreciating its value for stakeholders including clients and partners in government organizations and state enterprises that have the same vision.

Operational Performance

The services provided in 2024 include the following:

- **Polution Online Monitoring System Project**

The Company has provided maintenance services for 233 sets of Pollution Online Monitoring System boxes for the Map Ta Phut Industrial Estate, Industrial Estate Authority of Thailand.

Benefits to the client

1. The system accurately reads pollution levels, and the data cannot be modified during online transmission, allowing immediate awareness of the pollution levels occurring.
2. It can send alerts when pollution levels exceed the standard, ensuring efficient monitoring of pollution levels.
3. The system allows the collected data to be used to create a pollution measurement database for industrial factories, with alerts to take timely corrective actions, reducing complaints and minimizing negative impacts on the people and the environment.

Benefits to the people and surrounding communities

The system enhances effective monitoring and alerts, fostering collaboration to address pollution levels in a timely manner. This reduces the pollution levels that could be harmful to the residents living near factories and industrial zones.

4. Green Procurement

The Company is committed to conducting business with environmental responsibility covering product selections, process improvement, and cultivating environmental mindsets for employees. In 2024, the Company's activities were:

1. **The Company has procurement process for equipment and others working items that encourage environment friendliness.**

- 1) Multifunctional-Copy, Print and Scan
 - 1.1 Rent a copy machine that meets the ENERGY STAR that reassure the machine in certified for 30% save up of production energy usage and avoid the use of hazardous material or use minimally which help to reduce global warming.
 - 1.2 All printer and copy machines in the Company can be used with 70 gram paper to reduce the amount of pulp and weight in transportation.
 - 1.3 All printers and copy machines in the Company can be used with recyclable paper.
 - 1.4 Employees are trained to use copy machine properly in order to avoid and reduce paper wastage.
- 2) ICT equipment includes personal computers (PC Desktops), laptops (Notebooks), networking equipment, servers and storage systems, peripherals, communication systems, uninterruptible power supplies (UPS), and other related devices:

- 2.1 Must meet quality standards such as Thai Industrial Standard (TIS), ISO 9000, or ISO 14000, or be certified with the Energy Star label for energy efficiency, or have an environmental certification label from the country of manufacture, or the Green Label from Thailand.
- 2.2 Must be certified with the RoHS (Restriction of Hazardous Substances) standard to ensure that hazardous substances do not exceed the regulated limits, ensuring user safety from potential contamination and reducing environmental impacts in the management of electronic waste.

Additionally, if the product uses recycled materials and is designed to be environmentally friendly, as well as if the product owner has an electronic waste take-back program, the Company will consider these attributes in the evaluation process.

3) Paper (A4) 70/80 gram

- 3.1 Must be certified on quality standard by Thai Industrial Standard Institute or ISO 9000 or ISO 14000 certification otherwise must be certified for environmental friendly labeling.
- 3.2 Paper used must be produced from virgin pulp from sustainable forests or from recycled pulp.

4) Air Conditioner Systems

The Company uses air conditioner systems that have energy saving labels ENERGY STAR and use R32 refrigerants that reduce greenhouse gas emissions and reduce the destruction of the ozone layer. Additionally, the Company uses inverter air conditioning systems, where the compressor operates continuously with low electrical current.

2. The Company always selects its supplies and business partner who have been certified on Environment and Social Standard Quality Certification as key criteria for selection, including:

- Huawei with ISO 50001 (Energy Management System), ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 14064 (Carbon Footprint Management), Eco-Friendly Certification by CEC for Network Firewalls, CQC Certification for Energy-Efficient Products.
- Cisco with ISO 9001, ISO 14001, ISO 27001, TL 9000 (Quality Management System for the Telecommunications Industry).
- HP (Hewlett-Packard) with ISO 14001, ISO 50001, ISO 9001, ISO 27001.
- Nokia with ISO 9001, ISO 14001, ISO 22301, ISO 45001.
- Fujitsu with ISO 9001, ISO 14001, ISO 26000 (Social Responsibility).

3. The Company has environmentally friendly working systems

- 1) Use the online system to process documents related to procurement to reduce paper usage, such as the Purchase Request (PR) Online system, the AVL Online registration system, the electronic delivery note system, etc.
- 2) Encourage meeting online with partners in order to reduce travel which will help reducing the use of oil resources and air pollution.
- 3) Consolidation the purchase of office supplies, stationery and consumables once a month to reduce working process and reduce the number of shipments.
- 4) Change to use water filtration machine to supply drinking water instead of buying bottled water to save transportation oil and reduce plastic bottles usage.
- 5) Chooses to use BPA-free thermal paper in project work to ensure user health safety and environmental friendliness.

3.5 Social Sustainability Management

3.5.1 Social policies and practice guidelines

The Company is committed to conducting business with responsibility toward consumers, communities, and society, upholding human rights and fair labor practices. The Company also focus on enhancing the knowledge and skills of its workforce, prioritizing their health and safety across the business value chain, while promoting the development and adoption of solutions and technologies that deliver value and address the needs of customers and society.

Particularly, respect for human rights is considered a key principle under good corporate governance and is essential to conducting business. The Company adheres to and complies with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights by respecting the human rights of all individuals, treating everyone equally without discrimination, encouraging employees to express their opinions, eliminating of child labor and forced labor, and strictly complying with laws related to employment, remuneration, and the determination of holidays and working hours, vacation days, leaves, and others.

The Company has determined policies and practice guidelines related to social management within its business ethics, which are disclosed on the Company's website www.samtel.com under the topic "Corporate Governance".

3.5.2 Social operating results

In 2024, the Company has achieved social performance compared to goals based on the following results:

1. Employees and Labors

1) Respect for Human Rights

Respect for Human Rights is one of the key principles within good corporate governance and is essential to business operations. Samart Telcoms Group has thus continuously promoted both employees' and suppliers' understanding in human rights and respective guiding principles. The latter of which is in accordance with Universal Declaration of Human Rights. Promotion of human rights has long served as part of the corporate culture.

Employees acknowledge the Company's policies and practices regarding human rights



Goals
80%



Employees acknowledge the policies and practices **100%**

The Company has also adjusted Human Rights Policy, which is effective in every company it operates and consistent with the Universal Declaration of Human Rights (UDHR) and other requirements. This policy requires respect for human rights of every individual, equitable treatment without discrimination, conducting dialogues to obtain and suggestion from employees, the elimination of child labor and forced labor, as well as strict compliance with laws related to employment, remuneration, the determination of holidays and working hours, vacation days, leaves, and others. Details regarding welfare of employees were disclosed on the Company's website www.samtel.com under the topic "Corporate Governance".

The Company has channels for complaints, opinion surveys, and satisfaction on human rights issues on www.samtel.com under the topic "Contact Us".



In 2024, No complaints regarding human rights violations from both within the organization and other areas have been received.

Human Rights Risk Assessment

The Company is committed to a continuous human rights management effort. Human Rights Risk Assessments (HRRRA) have been conducted, while a review of preventive and impact mitigation measures on human rights risks is conducted every year. Regular monitoring and review of human rights performance with relevant units are conducted to track progress and identify opportunities to improve preventive and impact mitigation measures that are appropriate and adequate for the changing circumstances.

In 2024, the Company set a goal to conduct human rights risk assessments for 3 main groups: employees, customers, and partners/suppliers.

Performance Results

The Company has complied with human rights policies and monitored adherence to regulations to ensure respect and effective protection of human rights across the organization. In 2024, there were no incidents of human rights violations in the Company.

2) Human Resource Management

Employees are the heart of the Company and a key engine towards sustainable business growth. It consequently assures them of equitable and fair treatment. Employees are also encouraged to uphold the Company's norms, values, regulations, as well as legal and regulatory requirements, to unite their forces in leading the organization towards its vision "to become the leading technology provider possible to support our important clients' sustainable growth". Employee stewardship principle and the framework for employee by establishing employee policy within the Company's business ethics and human resources management and development policies, which are disclosed on the Company's website www.samtel.com under the topic "Corporate Governance" which can be summarized as follows:

2.1) Employment, compensation and welfare

The Company is committed to respecting the labor rights and fair practice of employees, in alignment with various laws and policies under the Thai Labor Protection Act and other international standards. This is achieved through establishing appropriate employment conditions, wages, working hours, holidays, and welfare, in addition to ensuring a good and safe working environment. Specifically, the Company provides the following welfare:

- The medical treatment welfare for the employees (in case of outpatient) who are treated at the government and private hospitals. Employees shall be entitled to the annual medical treatment fee pursuant to their level.



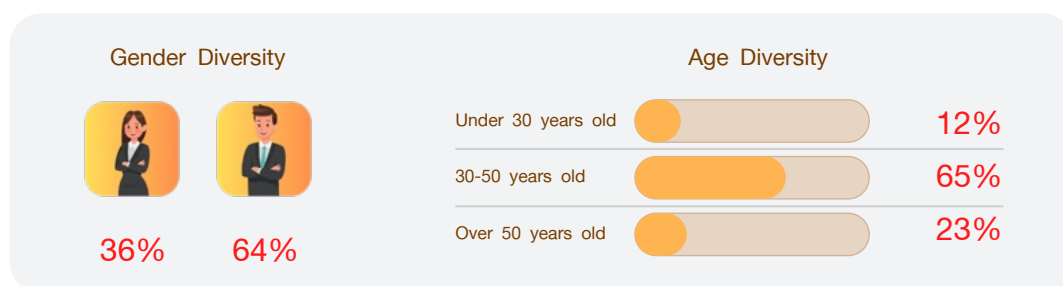
In 2024, total amount of medical treatment fee 2,248,426 Baht

- Group health insurance (in case of inpatient) for employees.
- Annual health check-up
- Social security fund
- Group life insurance for employees, covering all causes of death with additional coverage for employees working in risky areas
- Provident fund to secure their working life security
- Provision of loans in case of the accident or sickness
- Loans for employees.

2.2) Equal Opportunity and Diversity Promotion

The Company is committed to respecting the diversity of its employees by striving for equal treatment of all employees, regardless of race, nationality, color, religion, gender, sexual preferences, age, including those of people with disabilities, and the fundamental human rights.

The Company also respects and supports the equality among its women and male employees by creating equal career improvement opportunities, fostering mutual respect, and not discriminating. This has also included hearing diverse viewpoints from various genders to move the business forward.



Supporting the Rights Role of Female Employees in the Organization

Female Share of Total Employee	36%
Females in All Management Positions	31%
Females in Senior Management Positions	20%
Remuneration Ratio of Female Employees to Male Employees	3.4:6.6

Information about the disabled

The Company hires people with disabilities and complies with the Empowerment of Persons with Disabilities Act, Article 33, by employing one full-time employee with disabilities and annually supporting money to the promotion and development for disabled people's quality of life fund. The Company is determined to continuously employ people with disabilities forever.

2.3) Freedom of Association

The Company provides freedom of expression for opinions and concerns through various channels such as emails, corporate online media, and a Suggestion Box, among others, including through the Welfare Committees in the Workplace Affairs, set up in compliance with the Labor Protection Act of 1998. In 2024, the Welfare Committees held two meetings.

2.4) Safety and Occupational Health Management

The Company develops a policy and system of safety and occupational health of employees in accordance with the requirements of law, and performs all necessary measures to ensure the safety of life and health of employees as well as health activities to enhance healthy life of the employees.

For safety, the Company has appointed an Occupational Safety, Health, and Environment Committee. It conducts training and cultivates consciousness of safety, occupational health and working environment for the employees. The Company also arranges the annual fire evacuation drills, has implemented the fingerprint scanning system, provides medical examinations and basic medical services, and offer modern medicine.

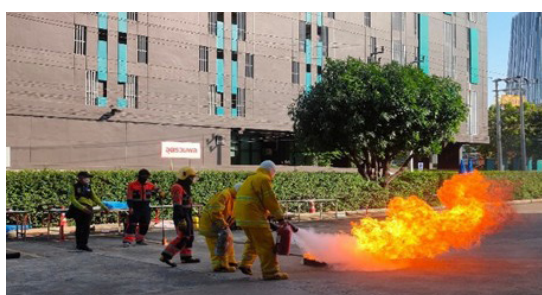
Records on occupational accidents of the Company and its subsidiaries are as follows:

Number of Lost Time Accidents (Times)	2022	2023	2024
	-None-	-None-	-None-

The Occupational Safety, Health and Environment Committee

The Company regularly reviews and monitors its performance to ensure compliance with the Company's safety policy, allocates both budget, personnel, and related resources appropriately for the implementation of the Occupational Safety, Health and Environment Act of 2011 for risk assessment and effective risk management by defining the action plan as follows:

- 1. Establish Occupational Health Safety Policy and Working Environment policies** to reduce work-related accidents and ensure that the operations conform to all regulations and laws, including prevention and control of risks arising from work.
- 2. Appoint Committees and Safety Personnel at Various Levels of the Operations**
Committees and safety personnel are embedded in every level of the organization, including management, supervisory, and professional levels. The personnel at all levels must undergo training to develop capability, according to the corporate standards to monitor, prepare action plans for safety, occupational health and work environment, prepare a fire evacuation plan, and various emergency plans including monthly monitoring of policy compliance.
- 3. Encourage Employees to Attend Safety Training Courses**
All employees must attend training courses on Occupational Safety, Health and Environment, Basic Firefighting, and fire evacuation.
- 4. Provide Employee Training and Emergency Preparedness Drills** to prevent, prepare for, and respond to emergencies, including conducting fire drills and evacuations once a year as required by law.



5. **Submit Safety, Occupational Health, and Environment data sheets as required by law** such as the report on the performance of professional-level safety officers.
6. **Communicate, Promote, and Provide Knowledge Regarding Workplace Safety to Employees.**



7. **Implement a Safety Plan and Maintenance of Related Systems** by regularly inspecting and testing the operation of systems, tools or equipment, especially emergency alarm systems and firefighting equipment.
8. **Review Reports and Investigate Incidents** to find ways to solve problems with emergency notification procedures.

2.5) Competency Development and Career Advancement for Employees

The essential resources to drive sustainable business growth, success, and goal achievement, are the personnel within the organization. The Company places great importance on developing its workforce in an equitable and non-discriminatory manner. To prepare the organization for future changes, employees must develop essential skills, and develop new skills. Both development planning and analytical tools are paramount to the Company to assess personnel competency and needs. It enables the organization to analyze personnel data, essential skills, design employee engagement programs, and employee well-being for the Company's sustainable growth and preparedness in the future.

The Company has developed the potential of employees in various dimensions as follows:

2.5.1 Competency-Based Development

• Leadership and Managerial Competency Development

Managerial Competency is crucial for leaders develop their leadership abilities that enable them to be a role model including lead and build cohesive and high performing team. The Training programs i.e. Security Management and Leadership for Executives Program, Top Executive Program in Commerce and Trade.

- **Functional Competency Development**

The development of employees' technical skills related to their jobs in order to work efficiently, which have been categorized into 4 courses;

1. Sales Capabilities Development, such as Selling Skill and e-Bidding.
2. Finance, Accounting Capabilities Development, for example, Cost management, Financial analysis, Ethics of accounting professionals, Strategies for Minimizing Errors in Accounting and Tax Compliance, Comprehensive Preparation for Key Changes in TFRS.
3. Information Technology Capabilities Development, such as Big Data, ISMS Awareness for user, Personnel Data Protection Act B.E. 2562, CCNA, Software Development Management with Jira.
4. Safety and Working efficiency Development to increase knowledges and effective execution toward safety and working efficiency, such as Safety, Occupational Health, and Working Environment, Safety Work At Height Training.

- **Core Competency Development**

The development for basic skills of employees at all levels in important areas such as communication skills, Computer skills, English skill, ISMS Awareness for user.

2.5.2 Development for embrace changes

The Company places importance on expanding new skills and continually enhancing existing skills among employees. In 2024, training programs were designed to align with business operations and changes, incorporating Digital Literacy and other relevant topics. Additionally, the Company has promoted employee learning through online media, in order to help employees continuously learn and develop themselves anywhere, anytime, while maintaining high learning efficiency.

Results of employee potential development

The Company has developed potential of employees in various dimensions as follows:

1. Leadership Development

The Company established this program to prepare talented leaders on the necessary knowledge, skills, and competencies needed in the future such as Security Management and Leadership for Executives Program, Top Executive Program in Commerce and Trade.

2. Business and Human Rights Training Program

Promoting respect for human rights equality within the organization is a matter that the organization has continuously focused on. This effort emphasizes effective communication to ensure that all employees, at every level, adhere to the principles of human rights under the business operations of Samart Telcoms Group. Furthermore, the Company encourages business partners, suppliers, and contractors to maintain operational standards that align with Samart Telcoms Group's human rights practices.

Employees acknowledge the Company's policies and practices regarding human rights



Goals
80%



Employees acknowledge the policies and practices **100%**

The overall development makes the program be various and interesting, receiving positive feedback from trainees. In 2024, Samart Telcoms Group has number of training hours:



Number of training hours: **12,336** hours

Number of training hours per employee **13.95** hours/person/year



Targets

- Management **10** hours/person/year
- Staff **6** hours/person/year



Number of hours training per employee

- Management **16.85** hours/person/year
- Staff **12.99** hours/person/year

Additionally, in 2024, the Company offered a total of 83 knowledge and skill development courses as follows:



Public Training **55** courses

In house Training **28** courses

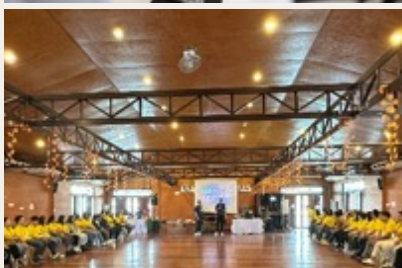
Training Expenses	Average Employee Development Expenses per Person
2,888,859 Baht	3,268 Baht

In-house Training Courses

- Awareness of Information Security for Employees
- Personal Data Protection Act (PDPA)
- Everyday English with Kru Mye
- The Art of Presentation
- Contract Management
- Cisco Certified Network Associate (CCNA)
- Using Jira Software for Software Project Management
- Introduction to AWS Serverless
- Network Systems
- Database Systems
- Data Analytics
- Operating Systems for Servers
- Installation of AMI Meters and Related Equipment
- Safe Driving Techniques

External Training Courses

- Security Management and Leadership for Executives Program
- Top Executive Program in Commerce and Trade
- Leadership: Driving Change
- Financial and Fiscal Management Program for Senior Executives
- DevSecOps: Secure CI/CD Pipeline
- Solar Cell Technicians
- Working at Heights on Signal Towers
- Kubernetes for Web Developers
- ATDD with Robot Framework
- NIST Cybersecurity Framework Implementation Training Course
- Corporate Secretary Professional Development Program
- Construction Contract Management Training Program
- Key Highlights of TFRS for NPAEs
- Generative AI
- Intensive Project Management Professional (PMP)
- ROPA Revision and PDPA Implementation
- Professional Payroll and Compensation Management
- Advancing as an HRD Manager in the Era of Disruption
- Updates on the Labor Protection Act
- Certified Internal Audit Department Executive Program
- Offensive Security Certified Professional
- Problems and Solutions in Procurement under the Public Procurement Act and Regulations



2.6) Type of Performance Appraisal

The Company has a policy to fairly evaluate employee performance by using Key Performance Indicators (KPIs) from the organization's goals down to the departmental and individual levels in alignment with the business plan. Additionally, the Company has adopted modern and standardized performance management systems to enable control, monitoring, and management of the performance of managements and employees at all levels. The results are utilized for continuous personnel development to the achievement of the organization's mission sustainably.

In 2024, the Company set a target for all employee to have KPIs and accomplished 100% performance evaluation.

Performance Results

100% of employees had KPIs and accomplished performance evaluation.

2.7) Development of Employees' Quality of Life

The Company always recognizes employees as most valuable asset and therefore encourages development of quality of life and support Work-Life Balance in order to make employees work happily in Happy Work Place. In 2024, several activities had been conducted, such as Health Food that encourages everyone to maintain good health, Move for FUN, Happy Birthday for you to employees participation and the purpose to make happiness at work. Those activities were:

- **Line@ VR Samart**

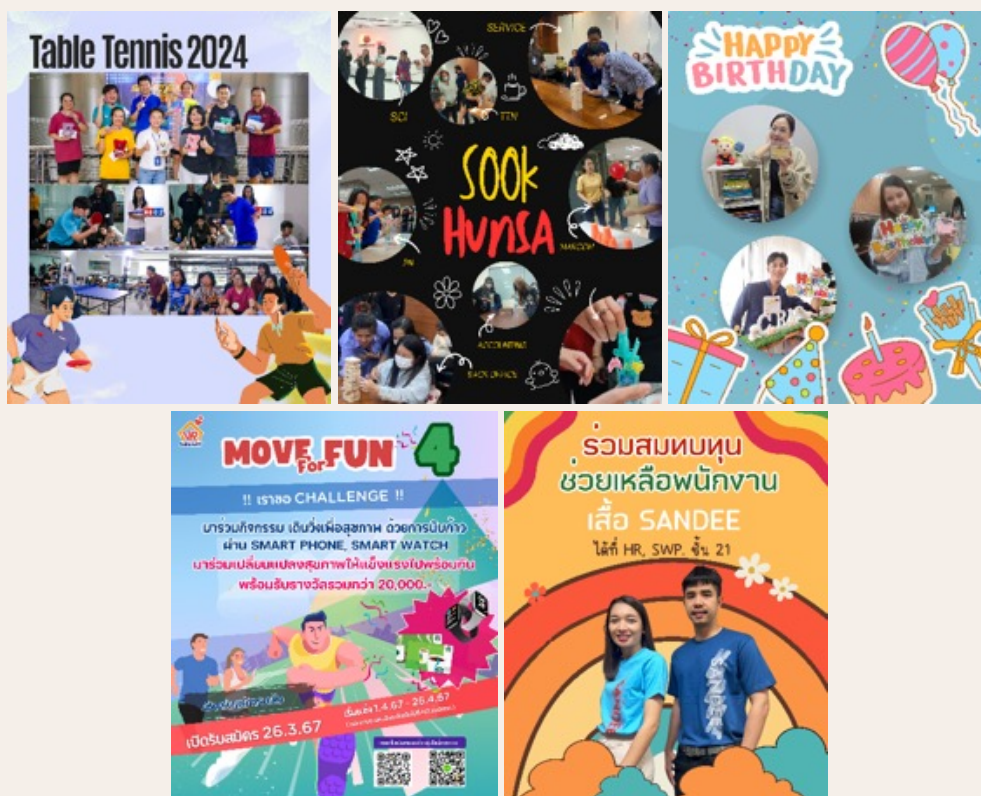
The Company created Line@ VR Samart for employee learning and development, to employee can learn knowledge at all time and keep up with the situation for learning to occur quickly and to facilitate employees to search for information about work, regulations, welfare, including requests for leave, etc and activities promote participation and good relationship within the Company.

- **Share Kan Aeng** is an activity that management leaders share their knowledge with other management leaders. Moreover, beginning level management will participate in this activity by creating their short introduction vdo clip which help to strengthen their presentation skill and practicing on interesting content building.

- **Happy Workplace**

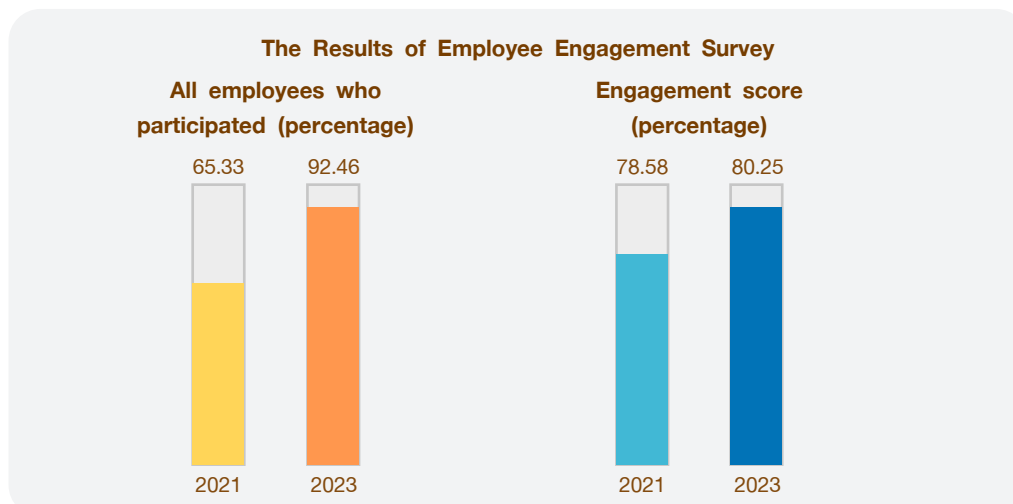
The Company strives to be an organization that encourages employees to enjoy working. Happy Workplace activities through activities such as

- **Happy Birthday for you** event is an activity that aim to build good working relationship in the Company. All Employees will receive birthday souvenir and card from the Company on their birthday.



- **Employee Engagement Survey**

Company considers employees as its most valuable resource, driving the organization toward success and sustainability development. The Company, thereby, surveyed employee's engagement to gather employee feedback and utilize data to enhance organizational development and employee care standards, aligning with industry benchmarks. The Company has established a survey cycle every two years to allow sufficient time for effectively implementing the survey results before the next assessment. The survey focuses on key topics related to employee engagement and the factors influencing their commitment and satisfaction, such as pride in the organization, career advancement opportunities, and quality of work life, among others.



In 2023, the number of employees participating in the survey accounted for 92.46 percent, and the results of Employee Engagement Survey indicated that 80.25% felt engaged and connected to the organization, exceeding the national average of 72%. The results were shared with employees through HR representatives to enhance and align workplace practices with employee needs.

The Company has implemented several initiatives to promote employee engagement, including:

1. Creating organizational value to attract talented individuals to join the company.
2. Enhancing employee skills and knowledge to meet business competitiveness, foster happiness at work, and improve teamwork efficiency.
3. Supporting learning through a Learning Management System (LMS) by developing the Company's platform to better meet the needs of employees.
4. Organizing engagement-building activities such as Happy Birthday for You and Lunch & Learn sessions to strengthen team collaboration and relationships.

Overall Employee Turnover Rate		
2022	2023	2024
13.28%	11.81%	9.99%

2. Customers

The Company places strong emphasis on its customers, key stakeholders, by addressing issues related to customer and consumer responsibility, which are considered significant sustainability issues. The Company therefore strives to ensure that customers receive the highest level of satisfaction and good experience from the company, from consultation to after-sales service. The Company set a customer policy and practices in its business ethics, disclosed on its website at www.samtel.com under the heading "Corporate Governance". The Company aims to source, develop, and deliver quality and up-to-date products; select environmentally friendly products and equipment manufactured by factories or product owners certified for quality manufacturing according to international standards at fair prices; provide accurate information to customers; and provide channels and processes for reporting problems to be resolved quickly. All employees are required to place great importance on the confidentiality of customer information, supported by systems and processes helping protect important data, preventing cyber threats, and complying with personal data protection policies to ensure continuous customer trust. In 2024, the Company undertook the following operations.

1) Personal data protection

The Company recognizes the importance of personal data and has updated its policy to comply with the Personal Data Protection Act BE. 2562. The Company has announced a privacy policy for customers and comply with personal data protection measures by restricting the rights to access the data allowing only the authorized personnel only on necessity and only for the purposes notified to the owner of the personal data. The Company has established a data access audit and data security measures in compliance with internationally standards both in process and technical aspects. A central supervisory department was established responsible for enforcing the personal data protection policy, arranges training, managing risks, evaluating impacts, improving practices, and reviewing policies according to situations and emerging risks.

2) Cyber security

The Company provides regular annual training to raise awareness among employees regarding information security and consistently disseminates relevant news to employees and stakeholders. In 2024, the Company enhanced its processes and upgraded its cyber security systems to be more modern and secure. The Company also arranges Cyber Threat Monitoring 24 hours a day from the Cyber Security Operations Center of SecureInfo Co., Ltd. continuously certifying ISO/IEC 27001 (Surveillance Annually Audit) in 2024.

3) Product development and quality improvement

With responsibility towards customers, the Company is committed to continuously developing and improving quality of its products and services. In 2024, the Company and subsidiaries undertook activities to enhance efficiency and increase customer confidence, including:

- Samart Communication Services Co., Ltd. has maintained ISO 20000, standard for quality management and efficiency in IT service, as well as ISO 9001 standard for quality operations and service delivery. Additionally, the company has enhanced its measurement tools to accelerate maintenance processes. All these efforts aim to ensure high-quality service and customer satisfaction.
- Samart Comtech Co., Ltd. has maintained ISO 9001 while improving security management solutions, AI-powered video analytics, and expertise in alternative energy solutions, among others, to integrate and add value to products and services.
- Samart Infonet Co., Ltd. elevated network security system and cyber security to strengthen the safety of its services for customers and improved its cloud backup services to enhance efficiency.
- Net Service (Thailand) Co., Ltd. has upgraded its information systems to be more modern and functional, particularly by enhancing automation capabilities to improve operational efficiency of the services provided to customers.
- Smarterware Co., Ltd. has enhanced the efficiency and capability of its Incident Management System to better support problem resolution for customers, while also exploring and developing AI applications to integrate with group company solutions and create future solutions for customers.
- Secureinfo Co., Ltd. has provided services under the continuous ISO/IEC 27001 standard for information security management throughout 2024. This includes Cyber Security Operations Center services, Penetration Testing, Vulnerability Assessment, and Security Consulting services. Additionally, the company has enhanced cybersecurity processes and testing to further strengthen customer confidence.
- Posnet Co., Ltd. has maintained the Payment Card Industry Data Security Standard (PCI-DSS) for information security while providing auditing and network payment system verification services and maintaining ISO 9001 standard. Additionally, the company has enhanced the efficiency of its Payment Connecting Platform, a centralized system that integrates various payment solutions across different industries, and has improved cross-border payments via QR Code (QR International Payment).
- Portalnet Co., Ltd. has operated under the CMMI Level 3 standard for high-quality software development and adheres to the ISO 9001 standard for its operations. Additionally, the company has achieved ISO 20000 certification for IT service management support. Furthermore, it has expanded employee expertise, with an increasing number of personnel obtaining certifications from SAP and IBM, as well as project management certifications from the Project Management Institute (PMI).
- Thai Trade Net Co., Ltd. has enhanced its cybersecurity systems and measures while improving the EDI system to comply with new regulatory requirements, ensuring it meets customer needs and reinforces trust.

4) Development of safety products and services

The Company focuses on delivering high-quality products and services that meet the needs of customers, while placing importance on selecting environmentally-friendly products. The Company also prioritizes developing products and services that are safe for the health of customers and users. This is accomplished by ensuring that:

- All equipment installed and delivered to customers must meet electrical safety standards and must be installed safely passing electrical safety test.
- All equipment installed and delivered must be RoHS (Restriction of Hazardous Substances) certified, with hazardous substances not exceeding the specified standards. This is to ensure the safety of users from hazardous substances, and to reduce the impact on the environment from electronic waste.
- All radio communication equipment that uses radio frequency must meet the safety standards for human health from the use of radio communication equipment, according to the regulation specified by the National Broadcasting and Telecommunications Commission.

5) Customer Relationship Management

The Company has conducted business with customer responsibility, one of the key sustainability issues. The Company management customer relationship to response to customer expectation and to deliver excellent experience leading to customer satisfactions. Customers expect the Company to deliver quality products and services that meet their requirements, delivered under standards, on timely manner, and with great after-sales services. Additionally, they expect the Company to be capable of providing knowledge and consultancy in technology areas. As a business partner and ally, the Company has developed and implemented plans for sustainable customer relationship management by:

- Studying customers operations, industry of customers, market, technologies, and more to gain insight of customer needs supporting to persistent changes in order to seek solutions and services satisfying the needs efficiently.
- Regularly arranging training, seminar, and demonstration to present new knowledge in technologies and solutions in various formats and channels, including online channels, facilitating customers access for training and knowledge.
- Meeting for discussion and providing advices in aligning technologies or solutions to elevate services and improve efficiency of customers' organization.
- Improving, testing, researching and developing to increase quality and values in products and services delivered to customers.
- Maintaining standards in delivery of products and services with efficient project management.
- Visiting customers to see feedback on implementation, delivery, and usage of the Company's solution to gather recommendations and suggestions for quality improvement.
- Preserving operations and services in compliant with international standards for after-sales service quality.

The Company has managed customer relationship using 3S guideline by synergizing subsidiaries and partners (Synergy) to study requirements and providing training and knowledge beneficial to customers as well as improving products and services, conducting with Standards for all operations from consultancy, design, implementation, delivery, to after-sales services to achieve customer Satisfactions. The Company conducted survey and measured customer satisfactions, and provides channels for customers to send beneficial suggestions and complaints by direct mail or email. All suggestions and complaints will be collected to verify and analyze leading to improving quality of products and services. Additionally, all operations are conducted adhering to data protection policy and privacy policy for customers.

6) Results of Customer Satisfaction Survey

The Company places great importance on the services delivered to customers under international quality standards, making customer satisfaction a key objective. The Company conducted customer satisfaction surveys to obtain genuine results, carried out by an impartial external service provider to design questionnaire and conduct the surveys. The results were brought into analysis and utilized to improve identified deficiencies, while maintaining and elevating strengths valued by customers. Conducting customer satisfaction surveys and implementing subsequent corrective actions are procedures required by the ISO 9001 standard, which subsidiaries have been certified consistently. The Company has set a target for customer satisfaction score at no less than 90 percent of total customers surveyed.

In 2024, the external, neutral party conducted surveys by interviewing customers every time after-sales services were delivered by service teams. Customers rated their satisfaction of the services received, ranging from Excellent, Good, Fair, Need Improvement and Must Improve with score of 5, 4, 3, 2, 1 respectively.

The Company's customer satisfaction survey, based on 637 responses in 2024, found that the overall score was at a high level with average score of 4.997 out of 5, or 99.94 percent (an increase from 2023, which had an average score of 4.99 or 99.83 percent). Rated by customers, 99.68 percent of total number of responses were "Excellent" (higher from 99.13 percent in 2023), 0.31 percent were "Good", and no responses were "Fair", "Need Improvement", and "Must Improve" in 2024.

The Company has acknowledged the evaluations and suggestions from customers, creating analytical reports presented to management every month to incorporate the identified issues into continual improvement process and to implement preventive measures to avoid recurring deficiencies, thereby further elevating quality of customer services.

Target and results

Target: Overall customer satisfaction of not less than 90.00 percent					
	2020	2021	2022	2023	2024
Results of Customer Satisfaction Survey (%)	93.00	95.68	98.46	99.83	99.94

3. Communities and Society

1) Enhancing and improving quality of life through Information Technology and digital services

The Samart Telcoms Group is committed to enhancing the quality of life and promoting knowledge of and access to information technology and digital services for people in society. Products and services developed to achieve these goals include the following:

- **Smart Meter System Projects:** These initiatives enable electricity users to plan their energy consumption more efficiently while reducing fuel usage for meter reading and maintenance visits by staff.
- **Land Information Management System Projects:** These enhance the efficiency of government agencies in delivering accurate, convenient, and rapid services to the public.
- **CCTV Security System Projects:** These support surveillance and safety measures for communities and various areas.
- **Comprehensive Cloud-Based Education Software Services:** These allow parents to closely monitor students' progress and enable school administrators to gain a holistic view, managing teaching and learning with greater efficiency.
- **Digital Banking System Projects:** These support financial transactions via online platforms, offering consumers convenience and speed across various channels, accessible 24/7.
- **Cyber Threat Monitoring Center Services:** These provide vigilance and protection against cyber threats, including analysis to prevent future attacks, fostering confidence among users, consumers, and the public.
- **Telemedicine Systems:** These promote easier and more equitable access to medical services for communities, while also reducing travel costs.
- **Electronic Document and Service Systems (e-Document & e-Service):** These enable users to store and manage documents electronically with convenience, speed, and efficiency, alongside digital services that allow access anytime, anywhere, saving time and reducing the burden of travel.

2) Community and social activities under the concept of “Developing Quality People, Promoting a Moral Society”

The Company places importance on improving the quality of life as well as participating in the development of prosperity for the community and society by establishing policies and guidelines under the concept of “Developing Quality People, Promoting a Moral Society”.

“Developing Quality People”

Human resources are the key driving force behind the progress of society, economy and the nation. The Company therefore focuses on “Developing Quality People” both within and outside the organization, providing support of several kinds through various projects and activities as follows:

1. Upleveling people's technological capabilities

The Samart Telcoms Group recognizes the importance of promoting learning and fostering technology skills among youth. Therefore, it has organized the “ICT Smart Camp” activity with the objective of enhancing experiences and preparing Thai youth for future careers as technology professional.

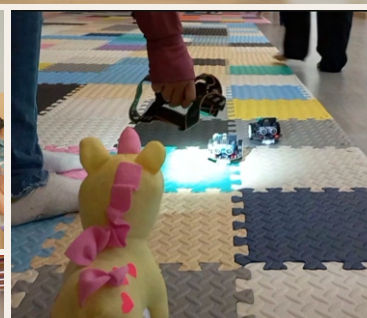
- The “ICT Smart Camp” is an activity designed to promote knowledge and understanding of technology and digital services under the Samart Telcom Group. It focuses on helping children understand the connection between technology and the natural surroundings, as well as living alongside technology. The activity begins by introducing participants to computer languages and operational mechanisms, using a process that helps them understand through playing games. This knowledge is then applied to coding real robots toward the end of the event. Throughout the activity, participants gain knowledge alongside enjoyment. A total of 30 youths aged 6-12 years, who are children of employees, participated in this event.

Benefits gained from the activity evaluation by parents

1. Tried coding a robot
2. Collaborated with teammates to create a project
3. Learned about AI robot language
4. Learned about senses: touching, smelling, seeing, and distinguishing objects

What parents liked about this activity

- Learning: Children gained experience with AI and developed analytical thinking skills.
- Socialization: Children joined teams, made new friends, gained confidence to express themselves, and learned to coexist with others.



2. Promoting knowledge and understanding of information technology and digital services

• Dissemination of articles and technology-related news

The Company provides interesting knowledge and information regarding technology and digital services through articles and video clips on a regular basis, with the aim to promote awareness and better understanding of information technology and digital services among Thai people. These articles are published on the Company's facebook page, www.facebook.com/SamartCompany, which has over 6,800 followers.

• Technology Knowledge Support

➤ The “SAMART CAREER DAY” project is a collaboration between the Samart Group and leading educational institutions and universities specializing in IT. Its objectives are to enhance students' skills, knowledge, and abilities, and to provide opportunities for them to be selected for internships, project work, or innovation development in partnership with the Samart Group, thereby enriching the future experiences of the participants.

- At Panyapiwat Institute of Management, executives and staff from the Samart Group organized a knowledge-sharing lecture activity for students of the Faculty of Engineering and Technology at Panyapiwat Institute of Management, preparing them career paths in fields such as Developer, AI, Data Scientist, Cybersecurity, and ERP.



- At the University of the Thai Chamber of Commerce, executives and staff from Portalnet Co., Ltd., a subsidiary of the Samart Telcoms Group, organized an educational session to provide valuable knowledge for 3rd and 4th-year students from the Faculty of Accountancy, equipping them for future careers in ERP systems.



➤ **Portalnet Co., Ltd.**, a provider of comprehensive consulting, design, and implementation services for large-scale enterprise management systems using digital technologies within the Samart Telcoms Group, in collaboration with IBM Thailand Co., Ltd., arranged a seminar titled “The Power of AI & Sustainability”. The event aimed to present insights on leveraging MAXIMO systems and IBM Generative AI to enhance utility industry in Thailand. The event took place at The Residence 305, Grand Hyatt Erawan Bangkok.



- **Samart Telcoms PCL**, in collaboration with the Mariewit School Network, conducted a demonstration of the Schoology system by PowerSchool, a system that supports holistic management of teaching and learning, at the Catholic Education Council's academic seminar. The event, attended by representatives from over 160 schools, received significant interest from school owners and educational administrators who observed the demonstration in large numbers, held at the Asia Pattaya Hotel.



- **Samart Telcoms PCL**, partnering with PowerSchool USA, hosted an online seminar titled “Transforming Thai Education with AI” (Reimage Education with AI & PowerSchool AI). The event featured engaging content on applying AI technology to benefit classrooms, including the design of Smart Classrooms in the 5G era for Thai schools to enhance systematic development. It also included a demonstration of how AI can be adapted to improve education, aimed at educational personnel and interested participants, with free admission.
- **Samart Telcoms PCL**, together with its subsidiaries, welcomed a delegation of executives from the Department of Medical Sciences, under the Ministry of Public Health, on the occasion of their visit to the Cyber Security Operations Center (CSOC). The visit included a presentation on technologies related to the Electronic Payment System and data storage on the Cloud, aimed at studying techniques and further developing cybersecurity practices.



- **SecureInfo Co., Ltd.**, a comprehensive cybersecurity service provider under the Samart Telcoms Group, led a team of cybersecurity specialists to deliver a lecture titled “Enhancing Security Operations with Isolation Technology”, providing knowledge to participants at the RED X BLUE PILL 2024 event.



- **SecureInfo Co., Ltd.**, a complete cybersecurity service provider within the Samart Telcoms Group, was honored by QAD (Thailand) Co., Ltd., to participate in a seminar to deliver a lecture aimed at raising awareness and understanding about cybersecurity threats to industrial factory customers at the Grande Centre Point Terminal 21 Hotel.



- **Samart eD Tech Co., Ltd.**, a comprehensive provider of educational technology and management services within the Samart Telcom Group, participated in providing information and demonstrating the use of PowerSchool, a leading U.S.-based platform for managing teaching and learning. This included showcasing the Schoology Learning system, a network-based Learning Management System (LMS), and the Student Information System (SIS), a comprehensive student data management system. The demonstration was presented as a guideline for educational personnel interested in technology for managing teaching and learning in digital-era schools, at the “didacta asia 2024” event held at the BITEC Bangna Convention Center, Bangkok.



3. Development of quality people within the organization

• Smart Talk

➤ Organizing Knowledge-Sharing Activities to Enrich Minds

The Company organized activities by inviting expert speakers with specialized expertise in various fields to share their knowledge and experiences to employees. These activities also provide opportunities for them to exchange ideas and ask questions throughout the year. Such activities include:

- **“Quantum Technology” by Dr. Thanapat Disuwarn:** Taking employees on a journey to explore Quantum Technology, updating them on cutting-edge tech trends, and studying its impact while sparking ideas for new business opportunities.
- **“How to Change... to Survive and Grow Sustainably” by Ms. Supajee Suthummaphan:** Sharing insights, experiences, and innovative business ideas that executives and employees can adapt and apply.

➤ Supporting Employee Well-being for Enhanced Work Efficiency

- **“Money Fitness” by Ms. Sirattaya Isarapakdee:** Strengthening financial skills, providing knowledge on financial planning and management for salaried employees.
- **“Mind Fitness” by Ms. Napaporn Traiwareekun (DJ P’Aoi):** Strengthening mental resilience with techniques to ignite motivation, boost work enthusiasm, and cope with workplace challenges.



“Promoting a Moral Society”

The Company is committed to encouraging employees to take the initiative in creating benefits for society by fostering a volunteer spirit, promoting assistance, sharing, and spreading goodness to the community through the “Dee Club,” a group formed by volunteer employees. Additionally, it supports various charitable activities through the “Samart Foundation” and continuously organizes activities that benefit society, including:

1. Volunteer Power for Community Development

- **The blood donation project “Give Blood, Save More Lives, Happiness to All”,** in collaboration with the Thai Red Cross Society, set up blood donation stations at the Software Park building annually on a regular basis. In 2024, the activity was held three times, in March, July, and November, respectively, with employees and nearby community members participating, donating a total of over 148,000 cc of blood.

In 2024, Her Majesty Queen Sirikit, the Queen Mother, President of the Thai Red Cross Society, graciously issued a royal decree recognizing the Samart Group with a third-class certificate of honor from the Thai Red Cross Society. This accolade acknowledges the Company as an institution that has consistently collaborated in organizing group blood donations to help fellow humans for over seven years, contributing more than 3,000 units, or over 1,200,000 cc, of blood.



- **Project to Provide Assistance to the Underprivileged in Society**

The Samart Foundation provides essential consumer goods, medicines, and necessary items to people in communities facing difficulties in their daily lives, such as bedridden patients, the elderly, people with disabilities, and other socially disadvantaged individuals. This activity aims to improve their quality of life by coordinating with state agencies namely, the Pak Kret City Municipality and the Lak Hok Subdistrict Municipality, to obtain information and deliver assistance.





- **The “Knitting Merit” Project**

Now in its 10th consecutive year, in 2024, the Company, together with its employees, donated rice, educational supplies, and scholarships. Additionally, they provided over 50 woolen hats, hand-knitted by employees, to offer assistance to underprivileged youth affected by cold weather at Ban Chiang Khan School in Chiang Rai Province.



- **Collaborating with government agencies for charity activities, contributions were made as follows:**

- Joined in congratulations on the occasion of the 57th anniversary of the establishment of the Metropolitan Waterworks Authority (MWA), along with contributing a donation to the Phra Mae Thorani Fund for public welfare.



- Congratulated on the 66th Anniversary of the Metropolitan Electricity Authority (MEA), along with a donation for charitable purposes to the Mae Fah Luang Foundation under Royal Patronage and the Seub Nakhasathien Foundation.



- Extended congratulations to the Provincial Electricity Authority (PEA) on its 64th anniversary, accompanied by charitable donations to the Neuroscience Research Foundation under Royal Patronage, the Pid Thong Lang Phra Foundation for continuing royal initiatives, and the Saiyai Electricity Foundation.



- Expressed congratulations on the 13th Anniversary of the National Broadcasting and Telecommunications Commission (NBTC) and contributed a charitable donation to support the “Emergency Disaster Relief Funds, Thai Red Cross Society” for charitable purposes.



- Extended congratulations on the 71st Anniversary of the Government Housing Bank (GHB), along with a donation for public charity for the “Siriraj Foundation”.



- Congratulated on the 91st anniversary of the Department of Airports, along with a donation to support the Department of Airports’ Welfare Fund, public benefit initiatives, and charitable activities of the Department of Airports.



- Supported the training program for the “Leadership for Change” project by donating to the Samatchiv Foundation.

2. Support for sports and other charitable activities

- Joined in support of the 13th “PEA Mini Marathon 2024” walk-run event, aimed at promoting a love for exercise and healthy living among employees and the general public, held at the Provincial Electricity Authority Headquarters, and donated the proceeds, after expenses, to the Sirindhorn National Medical Rehabilitation Institute.



- Participated in the “THE 3rd RUNWAY SUVARNABHUMI CHARITY RUN” walk-run charity event organized by Airports of Thailand Public Company Limited (AOT), and donated to support the purchase of medical equipment for hospitals in remote areas.



- Supported the organization of the “PEA-Partner Basketball 2024” basketball competition, organized by the Basketball and Netball Club of the Provincial Electricity Authority Club (PEA Club), promoted exercise, and fostered unity between the Provincial Electricity Authority and private sector partners.



- Supported and participated in the “PEA OPEN” petanque competition in 2024, organized by the Provincial Electricity Authority, preserved the aspiration of Her Royal Highness Princess Srinagarindra Boromarajajonani to promote and popularize petanque in Thai society, and allocated proceeds from the event to purchase petanque equipment for schools in remote areas.



- Supported and participated in the “PEA 3x3 Amateur 2024” basketball competition, organized by the Basketball and Netball Club of the Provincial Electricity Authority Club to promote exercise, foster unity, and strengthen relationships between the Provincial Electricity Authority and private sector partners.



- Worked with the Department of Medical Sciences, delivered 20 sets of well-functioning computers to Pha Khwang Wittaya School, Mae Yao Subdistrict, Mueang District, Chiang Rai Province, expanded technological opportunities, and promoted education for Thai youth.



3. Promotion of Buddhism

- Contributed as a sponsor of the Kathina offering ceremony at Wat Sri Udom and Wat Thammawong, Lopburi Province
- Contributed as a sponsor of the Kathina offering ceremony at Wat Chai, Phra Nakhon Si Ayutthaya Province



4. Management Discussion and Analysis

4.1 Operating Results Overview

In 2024, the Company conducted business under sustainability development practice with good corporate governance and prioritized three dimensions of sustainability: governance and economy, society, and environment. The Company operated business with enterprise risk management and business continuity under efficient standards, elevated cyber security measures and personal data protection, conducted business with responsibility of customers, society, and stakeholders together with reduction of environmental impact. In the past year, the Company gained customers' trust and signed new several projects, resulting in total revenue of Baht 4,249 million and net profit of Baht 115 million.

2024 Operating Results Overview

In 2024, the Company reported the consolidated total revenues of Baht 4,249 million, decreased from 2023 by Baht 338 million or 7.4%. Revenue from sales, contract work, services and rental was Baht 4,183 million, decreased by Baht 306 million or 6.8% comparing to 2023. Other income was Baht 66 million, decreased by Baht 33 million from 2023.

Cost of sales, contract work, services was Baht 3,622 million, decreased from 2023 by Baht 206 million or 6.8%. Gross profit was Baht 561 million, decreased by Baht 40 million or 6.6%. Gross profit margin was 13.4%, the same as in 2023.

Selling expenses, administrative expenses, and other expenses were Baht 467 million, decreased from 2023 by Baht 80 million or 14.6%, mainly due to the decrease in depreciation and legal expenses.

Finance income was Baht 6 million, decreased by Baht 2 million or 26.5%. Finance cost was Baht 28 million, decreased from 2023 by Baht 42 million or 60.1%.

Corporate income tax expense was Baht 23 million, decreased by Baht 2 million.

As a result, the consolidated net profit attributable to equity holders of the Company was Baht 115 million, increased by Baht 44 million or 60.9% from 2023. Net profit was 2.7%, increase from 1.6 in 2023.

Operating Results of the Company and its Subsidiaries

The revenues from sales, contract work, services and rental structure breakdown by Business Group as of December 31, 2023 and 2024 are as follows:

Business Group	Revenues from Sales, Contract Work, Services and Rental (Million Baht)		Growth Rate
	Y2023	Y2024	
1. Network Solutions	1,265.0	1,243.3	-1.7%
2. Enhanced Technology Solutions	2,019.9	1,558.6	-22.8%
3. Business Application	1,204.3	1,381.4	14.7%
Total revenues from sales, contract work, services and rental	4,489.2	4,183.3	-6.8%

Remark: The above revenues from sales, contract work, services and rental are exclusive of Inter-company transactions.

Network Solutions Business Group

In 2024, revenue were Baht 1,243.3 million, decreased by Baht 21.7 million or 1.7% compared to Baht 1,265.0 million in 2023. The decrease was mainly resulted from revenue recognition of contract work.

Enhanced Technology Solutions Business Group

In 2024, revenue were Baht 1,558.6 million, decreased by Baht 461.3 million or 22.8% compared to Baht 2,019.9 million in 2023. The decrease was mainly resulted from revenue recognition of contract work.

Business Application Business Group

In 2024, revenue were Baht 1,381.4 million, increased by Baht 177.1 million or 14.7% compared to Baht 1,204.3 million in 2023. The increase was mainly resulted from revenue recognition of contract work.

Financial Statement**Assets**

As of December 31 2024, total assets were Baht 6,515 million, decreased by Baht 1,142 million or 14.9% from the end of 2023, mainly resulted from the decreased in trade and other receivables.

Total assets consist of current assets of Baht 4,737 million, representing 72.7% of total assets, decreased by Baht 1,028 million compared with Baht 5,765 million, representing 75.3% of total assets in 2023. The major current assets were accrued revenue and trade and other receivables, representing 32.1% and 15.0% of total assets respectively.

Non-current assets were Baht 1,778 million, representing 27.3% of total assets, decreased by Baht 114 million compared with Baht 1,892 million, representing 24.7% of total assets in 2023. The major non-current assets were project equipment, representing 17.1% of total assets.

Trade Account Receivable and Inventory

The Company had net trade receivable of Baht 932 million, an decrease of Baht 1,113 million or 54.4%, compared with Baht 2,044 million at the end of 2023. The allowance for expected credit losses is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences, analysis of debt aging and forecast economic condition. As of 31 December 2024, the allowance for expected credit losses was set up by Baht 71 million. The Company believes that such allowance for doubtful debts is adequate, provided that most account receivable are project debtors and have strong financial status.

At the end of 2024, the net inventory was Baht 110 million, an decrease of Baht 8 million compared with Baht 118 million at the end of 2023.

Liquidity

The current ratio in 2024 was 1.84, which increased from 2023. The Company's policy is to match payment term of major suppliers and repayment of loan from bank with payment from customers by requesting for back to back condition from major suppliers. Using this condition, the Company can guarantee sufficiency liquidity and the Company has been able to repay its debt and interest on time.

As of December 31, 2024, cash and cash equivalents were Baht 886 million, decreased by Baht 65 million, or 6.9 from the end of 2023. The detail of sources and uses of fund are as follows:

- Cash flow from operating activities was Baht 1,418 million, mainly resulted from cash received from in trade and other receivables.
- Cash flow used in investing activities was Baht 488 million, mainly resulted from capital invested to support project.
- Cash flow used from financing activities was Baht 996 million, mainly resulted from repayment loans from financial institutions.

Sources of Fund

As of December 31 2024, total liabilities were Baht 2,891 million decreased by Baht 1,219 million or 29.7 from the end of 2023, mainly due to a decrease in short-term loans from banks and accrued project cost.

The shareholders' equity as at 31 December 2024 equals to Baht 3,624 million, increased by Baht 77 million or 2.2% from the end of 2023.

Regarding the above liabilities and shareholders' equity, the Company's debt to equity ratio as at 31 December 2024 was 0.8 times decreased from 1.16 times at the end of 2023.

As of December 31, 2024, debt service coverage ratio was 3.63 times, which higher than condition of issuing short term debenture that the Company must maintain debt service coverage ratio not lower than 1.1 times.

4.2 Factors Affecting Financial Status or Performance Significantly in the Future

The Company plan to bid many large projects in year 2024, which would generate impressive revenue recognitions in the future, nevertheless the project also needed a large amount of working capital, therefore the Company has been strictly and cautiously negotiated and agreed with financial institutions and business partners to ensure that a cash cycle have been match and have least affects the Company's liquidity.

For supporting operation of the large projects, there would be an issue about the Company's debt-to-equity ratio that could be gone temporally high over a short period of time. However if the Company's debt-to-equity ratio been high over a long period of time, the Company may have to consider a capital increasing as an alternative to reduce risks from having a relatively high D/E ratio.

4.3 Financial Ratios

4.3.1 Financial Positions and Operating Results of Samart Telcoms PCL and its Subsidiaries

Unit: Baht Thousand

Transaction	As of December 31		
	2022	2023	2024
Cash and cash equivalents	490,833	951,171	885,715
Trade Account receivables - net	1,207,994	2,044,103	931,572
Inventories	26,899	118,085	110,391
Property, plant and equipment - net	1,299,568	1,177,092	1,114,527
Intangible asset	36,812	65,675	51,158
Total assets	7,470,910	7,656,999	6,514,799
Overdrafts and short-term loans from banks	1,351,851	1,475,024	562,900
Trade Account payables	587,912	491,744	536,562
Current portion of long - term loans from banks	-	-	-
Long-term loans from banks - net of current portion	-	-	-
Debentures	-	-	-
Total liabilities	3,908,233	4,109,242	2,890,527
Paid up capital	618,000	618,000	618,000
Retained earnings	2,431,455	2,385,722	2,462,217
Shareholders' equity	3,562,677	3,547,757	3,624,272
Revenue from sales, contract work, services and rental	4,946,994	4,489,150	4,183,347
Total revenues	5,267,072	4,587,525	4,249,193
Cost of sales, contract work, services and rental	4,315,270	3,887,994	3,622,072
Selling and admin expenses	526,460	520,703	476,145
Finance income	7,729	8,574	6,300
Finance cost	65,855	70,182	27,977
Loss on impairment loss on financial assets (reversal)	(1,718)	12,412	8,786
Total costs and expenses	4,874,987	4,447,447	4,098,216
Net profit (loss)	260,561	71,686	115,356
Net profit (loss) per share (Baht / share)	0.42	0.12	0.19
Cash flow from operating activities	1,072,147	770,570	1,418,014
Cash flow from investing activities	(486,864)	(293,517)	(487,588)
Cash flow from financing activities	(556,948)	(16,715)	(995,882)
Par value (Baht / share)	1	1	1
Common shares outstanding (Thousand shares)	618,000	618,000	618,000
Weighted average number of shares (Thousand shares)	618,000	618,000	618,000
Book value (Baht / share)	5.81	5.74	5.86
Dividend per share (Baht / share)	0.21	0.06	0.11

4.3.2 Financial Ratios of Samart Telcoms PCL and its Subsidiaries

Financial Ratio		Samart Telcoms PCL and its Subsidiaries		
		2022	2023	2024
<u>LIQUIDITY RATIO</u>				
Current ratio	(Times)	1.49	1.52	1.84
Acid test ratio	(Times)	0.48	0.79	0.71
Cash turnover	(Times)	0.31	0.21	0.45
Receivable turnover ratio	(Times)	3.75	2.64	2.68
Average collection period	(Days)	96	137	134
Inventory turnover ratio	(Times)	36.83	30.99	15.20
Days sales outstanding	(Days)	10	12	24
Payable turnover ratio	(Times)	8.31	7.20	7.04
Payment period	(Days)	43	50	51
Cash cycle	(Days)	63	99	108
<u>PROFITABILITY RATIO</u>				
Gross profit margin	(%)	12.77	13.39	13.42
Net profit margin	(%)	4.95	1.56	2.71
Return on equity	(%)	7.45	2.01	3.22
<u>EFFICIENCY RATIO</u>				
Return on assets	(%)	3.57	0.95	1.63
Return on fixed assets ⁽¹⁾	(%)	48.88	37.17	48.61
Asset turnover	(Times)	0.72	0.61	0.60
<u>FINANCIAL POLICY RATIO</u>				
Debt to equity	(Times)	1.10	1.16	0.80
Interest coverage	(Times)	6.02	2.23	5.89
Debt serviceability	(Times)	1.87	1.80	2.79
Dividend payout ratio	(%)	87.93 ⁽²⁾	51.73 ⁽³⁾	58.93 ⁽³⁾

Remarks: ⁽¹⁾ Including the rights to use communications equipment;

⁽²⁾ % of separate company net profit after deduction of all reserves complied with the company's Articles of Association and related laws;

⁽³⁾ % of consolidated net profit after deduction of all reserves complied with the Company's Articles of Association and related laws (Board of Directors Committee meeting 4/2023 on August 10, 2023 had resolution to approve to change the dividend policy from pay dividends not less than 50% of separate company net profit to pay dividends not less than 50% of consolidated net profit).

5. General Information and Other Important Information

5.1 General Information

References

Registrar	:	Thailand Securities Depository Co., Ltd.
Head Office	:	93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng, Bangkok 10400 Telephone 0-2009-9000 Fax. 0-2009-9991
Auditor	:	Miss Siriwan Suratepin Certified Public Accountant (Thailand) No. 4604
Head Office	:	EY Office Limited 193/136-137 33 rd Floor, Lake Rajada Office Complex Rajadapisek Road, Klongtoey, Bangkok 10110 Telephone 0-2264-9090 Fax. 0-2264-0789-90

5.2 Other Important Information

5.2.1 Investors can find other information of the Company from the Company's website (www.samtel.com)

5.2.2 Restrictions of foreign shareholders

The Company's shares are freely transferable except in the case such transfer causes the non-Thai person to hold more than 49 percent of the Company's total issued share.

5.3 Legal Dispute

Legal disputes in which the Company is the party or litigant in the court without the end of the lawsuit and a case that may have a negative impact on the assets of the Company and its subsidiaries more than 5% of the shareholders' equity as of December 31, 2024. There is one case, and the details are as follows:

On 23th January 2019, the Company together with other 2 private companies, as members of the STSL Consortium (the "Consortium"), entered into the core business process system purchase and installation agreement with a state enterprise, with the total contract price of 579 million Baht (including value added tax). The agreement stipulates a duration of 730 days from the date of signing. Subsequently, the state enterprise to the aforementioned agreement agreed to extend the duration as stipulated in the agreement for an additional 7 months due to the prevailing situation of the COVID-19 pandemic, with the new deadline set on 22nd August 2021. In which, the Consortium has fulfilled its obligations under the Agreement and has successfully delivered the completed work for phase 1. However, such state enterprise has rejected the inspection and refused to make payment for the corresponding service in that particular phase. In addition, the state enterprise has made changes to delivery terms beyond those stated in the agreed-upon agreement. The Consortium has attempted to adjust and rectify the delivery in accordance with the revised terms set by the state enterprise, and has sent several letters explaining the delivery and requesting payment for work done, the state enterprise, nonetheless, has consistently refused to inspect and accept the work in that specific phase. This has resulted in a delay in the overall agreement, impacting other aspects of the project in accordance with the agreed-upon terms.

Later on 24th August 2021, the state enterprise terminated the agreement with the Consortium and expressed the intention to call on the performance bond for the work stipulated in the agreement, which involved a letter of guarantee issued by a bank. On 25th August 2021, the Consortium issued a letter of objection to the agreement termination, arguing that the reasons provided by the state enterprise for the termination were unfair. The termination occurred amid the severe outbreak of the COVID-19 pandemic, and the government had a policy to extend agreements without imposing penalties on private entities affected. Hence, the termination was not abided by the contractual and legal terms. The Consortium, moreover, demanded that the state enterprise pay for all completed work and sought compensation for damages resulting from the agreement termination.

Subsequently, on 28th October 2021, the state enterprise invoked the performance bond for the work stipulated in the agreement, as per the guarantee letter issued by a bank on behalf of the Company, amounting to 20 million Baht. The Company, consequently, recorded the project's damages in the amount of 20 million Baht in its accounts. On 7th December 2021, the Consortium instructed a law firm to file a lawsuit against the state enterprise in a civil court. The lawsuit aimed to compel the state enterprise to settle the outstanding payment for services as per the agreement, claim damages resulting from the agreement termination, and seek the return of the performance bond with interest to the Consortium as part of its total asset, totaling 874.8 million Baht with an annual interest rate of 5% from the filing date until the complete payment. The civil court has accepted the lawsuit. On 25th July 2023, the state enterprise counterclaimed in a civil court to claim damages and fines in the total amount of 700.4 million Baht, along with an annual interest rate of 5% from the filing date until complete payment. After that, on 16th October 2023, both cases were ordered to be consolidated for joint consideration by the court. This decision was made as all parties involved are the same, and the two cases are interconnected. The majority of evidence is also shared between the two cases, making it more convenient for a combined assessment.

The management and legal advisors of the Company believe that the termination of the agreement was unjust and lacked reasonable grounds as it resulted from external factors beyond the Consortium's control and was not a fault on the part of the Consortium. They are confident that ultimately, the civil court will rule in favor of the Consortium, absolving them from the obligation to pay damages as contested by the state enterprise. They, additionally, anticipate that the court will order the state enterprise to settle the outstanding payment for services as per the disputed agreement, compensate for damages, and return the performance bond with interest to the Consortium, given that the Consortium has fulfilled its contractual obligations.

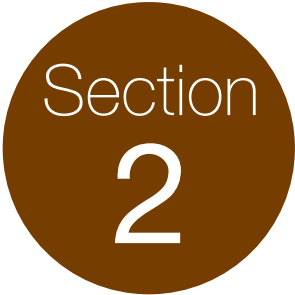
As of now, the case is still under consideration by the civil court.

5.4 Secondary Market

-None-

5.5 Regularly Contacted Financial Institutions

1. Krungthai Bank Public Company Limited
35 Sukhumvit Road, Klong Toei Nuea Subdistrict, Watthana District, Bangkok 10110
2. Kasikornthai Bank Public Company Limited
400/22 Phahon Yothin Road, Sam Sen Nai Sub-district, Phaya Thai District, Bangkok 10400
3. Bangkok Bank Public Company Limited
333 Silom Road, Silom Subdistrict, Silom District, Bangkok 10500
4. TMBThanachart Bank Public Company Limited
3000 Phahonyothin Road, Chomphon, Chatuchak, Bangkok 10900
5. Siam Commercial Bank Public Company Limited
9 Ratchadaphisek Road, Chatuchak District, Bangkok 10900
6. Land and Houses Bank Public Company Limited
1 Q.House Lumpini Building G, 1st, 5th, 6th and 32nd Floor, South Sathon Rd., Thungmahamek, Sathon, Bangkok 10120
7. Export-Import Bank of Thailand
1193 Phahonyothin Rd, Samsen Nai, Phaya Thai, Bangkok 10400



Section 2

Corporate Governance

- 6. Corporate Governance Policy
- 7. Corporate Governance Structure and Significant Information about
the Board of Directors, the Committees,
the Management, Employees and Others
- 8. Report on the Significant Activities on Corporate Governance
- 9. Internal Control and Connected Transactions

6. Corporate Governance Policy

The Board of Directors of the Company realized on the importance of the good Corporate Governance which will be is the fundamental factor for improving standard of business operation to create more transparency, competitiveness and strengthen the confidence of all shareholders, investors and other related parties. The Board of Directors emphasized and strived to the Company and its subsidiaries operate their business by strictly adhering to the corporate governance policy and business ethics of the Company. The Board of Directors assigned the Corporate Governance Committee to monitor, supervise and encourage the Company's operations to according with the good corporate governance principles as well as constantly follow-up and performance appraisal. The Company has the Corporate Secretary Division which is the Compliance Unit to supervise and oversee the operations of the Company, the directors and the managements to ensure that they have been correctly complied with the regulations of SET, SEC and the Public Company Limited Act including other relevant laws.

The Board of Directors has established a written Policy of Corporate Governance and Business Ethics both in Thai and English have been set and approved by the Board since 2005, which have also been posted on the Company's website www.samtel.com under the "Corporate Governance" section to ensure that Company employees and outsider are informed of the Company's good corporate governance policy. This policy emphasizes internal control and audit systems, as well as overseeing management to effectively implement the policy with transparency and a focus on the long-term interests of shareholders, under the law and Business Ethics. The CG Policy will be annually reviewed and revised to comply with new regulations. The latest revision which complied with the Principles of Good Corporate Governance for Listed Companies 2017 (CG Code) of The Securities and Exchange Commission (SEC) and the Principles of Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD), including the survey result of the Annual General Meeting of Shareholder (AGM Checklist) by the Thai Investors Association which has been reviewed by the Board of Directors Meeting held on November 12, 2024.

Corporate Governance Policy of the Company's divided into 5 categories as follows:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Disclosure and Transparency
5. Roles and Responsibilities of the Board

6.1 Overview on CG Policy and Guidelines

6.1.1 Policy and Guidelines for the Board

The Board is the key role for corporate governance matter for the highest benefits of the Company, the Company set policies relating to roles and responsibilities of the Board i.e. composition of the Board of Directors, qualifications of director and role and responsibilities of the Board. Details are as follows:

1. The Board of Directors

The Board of Directors comprise of directors who have various knowledge, experience, transparent working background, nobility and integrity and have occupational diversification. In addition, they have the skills that advantage to the Company's business, such as accounting & finance, management, strategic planning, laws, corporate governance and other without sexual discrimination to carry on the Company's business and achieve its objective. The Company has 9 directors who complied with the qualification of the Company's directors as described in the topic "7. Governance Structure and Key Data on the Board of Directors, Committee, Management, Employees and Others" under the subject "7.2 Information on the Board of Directors"

2. Nomination and appointments of Directors and Managements

Nomination of Directors

The Nominating and Compensation Committee has been appointed by the Board of Directors in order to select, and nominate appropriate candidates for positions of Chairman of the Boards, members of the Boards, other committees and Executive Chairman as well as consider the appropriate remuneration for such directors and management with the following criteria and procedures:

1. The Nominating and Compensation Committee will select and nominate the appropriate candidate with regard to qualifications, experience, knowledge, ability that will be beneficial to the Company and consider the diversification in the board's structure, including gender, age, ethnicity and nationality. The Nominating and Compensation Committee will also consider the necessary skills that are still lacking to achieve the Company's business strategy and using the database of IOD. The appropriate candidates, who have qualifications as specified by the relevant laws, will propose to the Board of Directors' or the Shareholders' Meeting for approval in accordance with the Company's Articles and Association.
2. For election of independent directors, the Nominating and Compensation Committee will nominate any person who is fully complied with the qualifications of Independent Directors under the Company's policy and requirements of the SEC and the SET to propose to the Board of Directors' and/or the Shareholders' Meeting for approval in case of rotation or others.
3. Determining whether to recommend a director for re-election, the Nomination and Compensation Committee will consider relevant factors such as past performance, directors' dedication, history of attendance and participation in meeting, number of listed companies that each director holds tenure in of not exceeding five listed companies, and other contributions to the activities undertaken by the Board of Directors. In the case of independent directors, their respective independent qualifications shall also be considered.
4. The appointment of the Board members shall comply with the Company's Articles of Association and all relevant laws. Selection of the directors shall be transparent and clear through initially consider of the Nomination and Compensation Committee with the following criteria and procedures in the shareholders' meeting:
 - (1) Each shareholder shall have one vote on each share.
 - (2) In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person.
 - (3) The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the Chairman of the meeting shall have a casting vote.

The Company proposed shareholders to elect the directors on an individual basis to allow shareholders to elect the desirable directors.

In case a directorship becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under the relevant laws as a replacing director at the Board of Directors' Meeting, unless the remaining term of such director is less than two months. The replacing director shall hold office only for the remaining term of the replaced director. The resolution of the Board of Directors' Meeting must be passed by votes of not less than three-fourths of the remaining directors.

5. For nomination of sub-committee, the Nominating and Compensation Committee will consider appropriate knowledge and ability, composition of the entire committees, criteria of directorship and independence of director prior to propose to the Board of Directors for approval.

Nomination of Managements

The Company has criteria and procedures for nomination of the Executive Chairman who is the top management of the Company with the process start from recruiting internal and external persons who have leadership skills, ability to manage the organization and good understanding of company's products and services and propose to the Nominating and Compensation Committee consider favor of person to be Top Management to propose to the Board of Directors for approval. For recruiting of senior management, the Board of Directors assigns the Executive Board to consider qualified persons to appoint as senior management and report to the Board of Directors for acknowledgment.

Managements Succession Plan

The Company is aware of the importance of management succession for top management and senior management positions. In case any position is vacant, apart from the appointment of the Nominating and Compensation Committee to select and nominate appropriate candidates for directors and top management, the Company also provides managements succession plan for top management and senior management positions. The managements succession included the specifying key positions in the Company's business and determining criteria for selecting of the successors by considering knowledge, ability, experience, potential of each position and management vision in order to select the qualified managements as specified in the criteria. In addition, the Company also set up a development plan to prepare them to be able to support their positions in the future. This is to build confidence among investors, shareholders and employees that the Company's operations will be carried out in a timely manner. The Company reviews the succession plan for top management and senior management on an annual basis.

In addition, the Company should encourage the Executive Chairman to invite senior management to attend the Board of Directors' meetings and/or the Executive Board meetings to present details on the agenda items related to matters that they are directly responsible for, and to allow the board to gain familiarity with key management and assist succession planning.

3. Remuneration of Directors and Management

Directors' Remuneration Policy

Policy of Directors' Remuneration have been clearly and transparently set to be comparable to the general practice in same industry, consistent with the Company's strategies and objectives, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any sub Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders.

Senior Management's Remuneration Policy

Remuneration of the senior managements shall be in accordance with principles and policies specified by the Nominating & Compensation Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each senior management. In addition, it must be able to motivate and retain the qualified and capable personnel.

Annual remuneration and bonus of the senior managements shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and performance of each senior managements. These criteria shall be explained in advance before they can be used for the assessment at the end of the year. The Nominating and Compensation Committee shall consider prior propose to the Board of Directors for approval.

Executive Chairman's Remuneration Policy

Remuneration of the Executive Chairman, who is the top management of the Company, is not only consideration in accordance with Management's Remuneration Policy, but the Board of Directors also set the performance evaluation of Executive Chairman annually by each Director in order to be a reference for remuneration consideration.

The policy of remuneration are as follows:

Category		The purpose & link to the principle of remuneration
Fixed Pay	Salary & other benefits, such as, Provident fund	To motivate and retain the competent Executive Chairman.
Short Term Incentive	Annual bonus	To reward for the success of achieving the goals as defined for each year.
Long Term Incentive	Compensation according to Stock Option* & provident fund in the part that the Company contributes and increases according to year of work experience	<ul style="list-style-type: none"> To motivate and retain the competent Executive Chairman. To ensure alignment between interests of Executive Chairman and shareholder. To promote the growth and value to shareholders in long term.

*Remark: * The Stock Option will depend on the Board of Directors' consideration which will be based on the appropriate time and situation.*

4. The Independent of the Board of Directors

Separation of Chairman and Executive Chairman

For best benefit of the shareholders and to strike a balance of power within the Company, the positions of Chairman of the Board of Directors and Executive Chairman must not be attained by the same person. The Company's Chairman of the Board of Directors an Independent Directors who has the qualifications of independent director in accordance with SET's notification and has no business relation with any management of the Company.

Separate Roles and Responsibilities of the Board of Directors and Executive Chairman

The Company has clearly set the separate roles and responsibilities of the Board of Directors and Executive Chairman. The Board of Directors will focus and ensure that the Company's business will achieve its target and in the direction that create value and best benefit to the shareholders as well as all stakeholders. Any conflict of interest with the Company and its subsidiaries will be prohibited. They have to operate the business with accountability, duty of care, duty of loyalty and also comply with the Company's Ethics to ensure all Company's businesses are run under Company's objectives, Articles of Association, resolutions of the Board of Directors and shareholders' meeting, laws and regulations of SEC/SET and other related laws. At the same time, Executive Chairman who is the management's leader will focus on general management of the Company.

Balance of Power

More than half of the members of the Board of Directors are not a part of executive team. Within this half, one third of the directors at least 3 members are independent and have no relations, business or personal, with the Company's executives. Free from executives' influences, they oversee the Company's direction with neutrality and pay careful attention to the rights of shareholder and stakeholder. To strike a balance of power within the Company, the positions of Chairman of Board of Directors and Executive Chairman must not be attained by the same person. The Chairman of Board of Directors should be an independent member.

Being Director in other Listed Companies

- **Policy for directors on being director in other listed companies**

For efficiency of being the director, the Board of Directors of the Company has set the policy for all directors to be the director in any listed companies not exceeding 5 companies.

- **Policy for the top management and senior managements on being director in other listed companies**

The top management and senior managements of the Company will also be obtained approval from the Executive Board prior to be a director in any companies of which are not have either similar business or being the Company's competitors.

5. Development of Directors

The Company will provide Directors' Manual and orientation program to new directors. Information on Company's business and directions as well as Corporate Governance Policy of the Company will be advised. The Directors' Manual will comprise of:

- Related Laws and Regulations
- Company's Businesses
- Roles and Responsibilities of Directors of Listed Companies
- Corporate Governance Policy and Business Ethics

In addition to support and increase knowledgeable of directors, the Company also encourages all directors to strengthen their skills and knowledge for performing their duties including knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the Company's business environment. The board should receive accurate, timely and clear information, including timely and regular updates.

6. The Performance Evaluation of Directors

Board Self-assessment and Directors Self-assessment

The Corporate Governance Committee is responsible for Self-assessment of the Board of directors and individual Directors once a year to review and evaluate directors' performance to comply with Corporate Governance of the Company. Comments and recommendations from the assessments are further considered in the Board of Directors' meeting for improvement.

Sub-committee Self-assessment

The Corporate Governance Committee conducts the self-assessment of sub-committees annually; Executive committee, Corporate Governance Committee, Nominating and Compensation Committee, Risk Management Committee, and Sustainable Development Committee in subject of Structure and Qualification, Meeting, Role & Responsibilities, and Self-Development. For topics for the self-assessment of the Audit Committee are consisted of Structure and Qualification, Meeting, Role & Responsibilities, Development & Training, the activities of the Audit Committee, and the relationship among the head of internal audit, auditors and the management team. Results of the self-assessment of each sub-committee will use to develop working performance of them for more efficiency and to be in line with the responsibilities assigned from the Board of Directors.

Executive Chairman Assessment

The Corporate Governance Committee conducts Executive Chairman assessment annually in subjects of leadership, strategic formulation, financial planning and performance, board relations, risk management and internal control, human resources management, succession, product and service knowledge including good corporate governance and code of business conduct for consideration of his remuneration.

7. Supervision on Operation of the Subsidiary and the Associated Company

The Company has supervised on operations of its subsidiaries and associated companies which have the Board of Directors as the direction leader and the overall strategic goals of the business group. The operating procedures are as follows:

1. Before establishment of any new company, the Executive Committee shall propose such matter to the meeting of the Board of Directors for consideration and approval before the registration of the new company is arranged. The Board of Directors shall consider on appointment of the managements who shall hold positions of director and management of such subsidiaries and the associated companies including scope of authority and responsibility of the directors and the management who shall be the Company's representatives in such company.
2. An additional new director appointment or the director whose position is vacant because of any other reason except the retirement, the Board of Directors has assigned to the Executive Board to consider the appointment properly and report to the Board of Directors for further acknowledgment.
3. The management of the subsidiaries and associated companies shall report business performance of the Company they are responsible to the Executive Board every month. Any investments or substantial operations as per specified in the delegation of authorities must be performed pursuant to the policies specified and they must be presented to the meeting of the Executive Board as well.
4. The management of the subsidiaries and associated companies must present the annual business plan to the meeting of Executive Board and the Board of Directors for consideration and approval every year. If performance of any company has not achieved as per the targeted plan, the management must clarify to the meeting of Executive Board. In case business operation encountered a lot of problems, the management is required to clarify to the Executive Board as the watch list so that precaution and corrective measures can be closely monitored and taken.

5. The subsidiaries and associated companies must have the internal control system or measure that the Company's Internal Audit Department can audit and report to the Audit Committee and the Executive Committee. If internal control system of any company is defective which may likely cause risks and damage to the Company, the Executive Committee shall order such company to make good and rectify defects in such internal control system immediately. In addition, if the subsidiary has to conduct any transaction which is required to comply with the regulations of the Company or of the relevant laws and which is required to be approved from the shareholders' meeting of such subsidiary, i.e. capital increase, capital decrease or dissolution of subsidiary and etc., such transaction shall be proposed for the Executive Committee's consideration and approval on voting guideline during the shareholders' meeting of such subsidiary.
6. Establishment of a new company or investing in significant portion in other businesses between 20% and 50% of shares with voting rights, and the amount of investment or may have to more invest significantly, the Board of Directors should ensure that shareholder agreements or other agreements are in place to enable the Company's performance monitoring and participation in management, including for approval of significant transactions and decisions. This is to ensure that the Company has sufficient, accurate, and timely information for the preparation of its financial statements that conform to the relevant standards.
7. In the event where the subsidiary performs any transaction about acquisition or disposal of assets, the Company shall treat the same way as criteria on acquisition and disposal of assets of its own which must be pursuant to criteria on undertaking the significant transaction on asset acquisition or disposal as per specified by the Capital Market Supervisory Board. In case the subsidiary has performed any transaction with its related persons, the Company shall not involve in such matter, except the subsidiary has performed any transaction with the related person of the Company, then the Company shall comply with the criteria on related transaction announced by the Capital Market Supervisory Board.

6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders

1. Rights of Shareholders

The Company emphasizes and recognizes the importance of the rights of all shareholders equitably; no matter such shareholder is a minority shareholder, a major shareholder, an institute investor or a foreigner. All rights that the Company's shareholders obtained in 2024 were as follows:

- **Rights to get share certificate, sell, purchase or transfer the Company's shares**

Thailand Securities Depository Co., Ltd. ("TSD") has been appointed as the Company's registrar to provide all services for all transactions related to registration of the Company's shares.

- **Rights to propose agenda and enquiries for the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to the shareholders under the good corporate governance and to comply with laws. It's the Company policy to allow the shareholders to propose matter(s) for consideration of the Board of Directors as agenda of the shareholders' meeting starting from 2009 Annual General Meeting of shareholders. The shareholders have been granted an opportunity to submit the enquiries for consideration prior the meeting since 2011 provided that they must comply with criteria on proposing of meeting agenda for shareholders' meeting as per specified by the Company's Board of Directors.

In 2024 Annual General Meeting of Shareholders, the Company allowed the minority shareholders to propose the matter for consideration as agenda and submit the enquiries at least 3 months in advance prior the ending date of the fiscal year and notify the announcement via the website of the Stock Exchange of Thailand since September 30, 2023 onward. For the meeting agenda proposal ended on January 31, 2024 and enquiries proposal ended prior to the meeting date of 2024 Annual General Meeting of the Shareholders. And explain the detailed procedures on proposing the matter for consideration as agenda including an advance submission of the enquiries in the Company's website (www.samtel.com), in the "Investor Relations" section, under the topic "Proposal of additional agenda and question prior to the Annual General Meeting of Shareholders". However, no shareholders proposed any matter to be an additional agenda.

- **Participation in the Shareholders' Meeting**

The Company is aware of the shareholders' rights and equitable treatment to participate in the shareholders' meeting, be informed conditions and procedures of meeting as well as having proxy to vote and comment in the meeting on behalf of the shareholder. With realize on convenience to shareholders and to encourage them to attend the shareholders' meeting.

In 2024, the Company held two shareholder meetings: the 2024 Annual General Meeting of Shareholders on April 25, 2024, and the Extraordinary General Meeting of Shareholders No. 1/2024 on December 23, 2024. Both meetings were held at Company Meeting Room, 16th Floor, Software Park Building, Chaengwattana Rd., Klong Gluar, Pak-Kred, Nonthaburi where is convenience for transportation and capability to cover with number of shareholders. The Company is prior to notify and specify date, time and place that comfort the shareholders to participate in the meeting. The rights of shareholder to participate in the meeting are as follows:

Before the Meeting Date

In the 2024 Annual General Meeting of Shareholders, the shareholders have been informed on the date and agenda of the meeting via SET's communication system 63 days prior to the meeting date. At the same time, the Company also disclosed the invitation letter as well as related documents in both languages, Thai and English, on the Company's website (www.samtel.com), in the "Investor Relations" section, under the topic "Shareholders Meeting" 31 days before meeting date for the shareholders to have sufficient time for consideration. The invitation letter contained fact, rationale, opinions from the Board of Directors for each agenda, conditions and procedures of meeting, as well as the Annual Registration Statement/Annual Report (Form 56-1 One Report), proxy form, and any other related document with sufficient information for shareholders' consideration. After that, the Company assigned Thailand Securities Depository Co., Ltd., its securities registrar, to distribute the meeting invitations to shareholders 24 days before the meeting date of which better than what has been required by law. Additionally, the invitation letter was published in compliance with the Public Limited Companies Act and other relevant laws for three consecutive days, at 24 days prior to the meeting, as required by law.

For the Extraordinary General Meeting of Shareholders No. 1/2024, the shareholders have been informed on the date and agenda of the meeting via SET's communication system 41 days prior to the meeting date. At the same time, the Company also disclosed the invitation letter as well as related documents in both languages, Thai and English, on the Company's website (www.samtel.com), in the "Investor Relations" section, under the topic "Shareholders Meeting" 24 days before meeting date for the shareholders to have sufficient time for consideration. The invitation letter contained fact, rationale, opinions from the Board of Directors for each agenda, conditions and procedures of meeting, as well as the Annual Registration Statement/Annual Report (Form 56-1 One Report), proxy form, and any other related document with

sufficient information for shareholders' consideration. After that, the Company assigned Thailand Securities Depository Co., Ltd., its securities registrar, to distribute the meeting invitations to shareholders 17 days before the meeting date of which better than what has been required by law. Additionally, the invitation letter was published in compliance with the Public Limited Companies Act and other relevant laws for three consecutive days, at 12 days prior to the meeting, as required by law.

To facilitate the institutional investors to participate in the shareholders' meeting, the Company tries to contact them in advance to assist them in proxy preparation and registration.

On the Meeting Date

Meeting procedures has been set to conform to regulations and considering on shareholders' convenience. The Company is aware of the equitable of shareholders' right and their comfort to participate in the shareholders' meeting. Appropriated technology and equipment are sufficient for registration reviewed on required documents more than one hour prior to commencement of the meeting by arrangement of Barcode system in vote counting for faster voting result.

In the 2024 Annual General Meeting of Shareholders, there were 9 directors participated the meeting, representing 100%. In addition, Chairman, Chairman of the Audit Committee and Chairman of all committees including the Company's managements, external auditors and investor relations also presented in the meeting. Chairman of the Board of Directors who was Chairman of the meeting introduced all Board members and the managements to the shareholders, declared to the meeting that there were 34 shareholders who attended the meeting either in person 21 shareholders and by proxies 13 shareholders with voting rights attended for the 2024 Annual General Meeting of Shareholders.

For the Extraordinary General Meeting of Shareholders No. 1/2024, there were 8 directors participated the meeting, representing 88.89%. In addition, Chairman, Chairman of the Audit Committee and Chairman of all committees including the Company's managements, financial advisor, external auditors and investor relations also presented in the meeting. Chairman of the Board of Directors who was Chairman of the meeting introduced all Board members and the managements to the shareholders, declared to the meeting that there were 34 shareholders who attended the meeting either in person 22 shareholders and by proxies 12 shareholders with voting rights attended for the Extraordinary General Meeting of Shareholders No. 1/2024.

Moreover, for transparency on counting the vote in the meeting, the Company has invited volunteers from shareholders attending the meeting in person to be the vote inspector in the meeting. The Chairman had declared to the shareholders how to exercise their right and vote before commencement conducted the meeting including the results of an invitation to propose agenda of the 2024 AGM and sending question prior to the 2024 AGM. Then, the Chairman proceeded the meeting to be in line with the agenda without any additional topic from what have been expressed in the invitation letter. Voting cards were provided for significant agenda. Voting result in term of approval, disapproval or abstain for each agenda were transparently presented to the meeting. The shareholders were encouraged to express their opinions and raise any questions, either in the agenda or any other questions related to the Company's business, at the meeting. All questions had been answered and taken in the minutes of meeting as well as the opinions from the shareholders. Moreover, after the completion of the meeting, the Chairman has announced to the shareholders to return the voting card to the Company's staffs for keeping as the evidence.

After the Shareholders' Meeting

Resolutions of the meeting were disclosed to SET with voting details, approved, disapproved, abstained, and invalid ballots, of each agenda on the next day after the meeting date. Full minutes of meeting of which contained the attendance record of the directors, summary of questions and answers during the meeting in both Thai & English had been sent to SET and related parties within 14 days after the meeting date as well as posted on the Company's website www.samtel.com, in the "Investor Relations" section, under the topic "Shareholders Meeting" for verification.

- **Appointment / Dismission of Directors of the Company and Approve their Remuneration**

According to the Company's Articles of Association, at the Annual General Meeting of Shareholders, one third (1/3) of the Directors has to be retired by rotation. Election for replacement is required. The retired directors are eligible to be re-elected for another term.

The election of the Board of Directors shall be in accordance with the rules and procedures as follows:

- Each shareholder shall have one vote on each share.
- In voting, a shareholder shall vote in accordance with the number of votes each shareholder has under (1) for one or several directors. The said shareholder may not allot any number of his votes to any person.
- The person obtaining the highest and higher votes respectively shall be elected as directors equal to the number of directors required or ought to be elected at such a meeting. In the event that persons receiving votes in respective orders receive equal votes and the number of directors exceeds the positions required or ought to be, the chairman of the meeting shall have a casting vote.

Apart from the appointment of Directors, the shareholders also have rights to remove any director from the office before the expiration of his term of office by having votes of not less than three quarters (3/4) of the number of shareholders attending the meeting and having the rights to vote and the aggregate number of shares shall be not less than one half (1/2) of the shares held by all the shareholders attending the meeting and having the rights to vote.

In every Annual General Meeting of Shareholders, the shareholders have the rights to consider and approve the remuneration for all directors and members of committees. Adequate Information of all candidates for being considered and appointed as directors or members of committees was also delivered for shareholders' consideration.

- **Appointment of Auditors and approval of their remuneration**

In every Annual General Meeting of Shareholders, one of the agendas is the appointment of Company's auditors and consideration of their remuneration. The Company will propose name of the auditors with sufficient details and remuneration for consideration of the shareholders.

- **Regularly and timely obtained adequate information, business performance and management policy**

The Company concerns on Shareholders' rights and not only disclosed Company's information via SET's communication system but also posted all significant and updated information on the Company's website (www.samtel.com), in the "Investor Relations" section, under the topic "SET Disclosure".

- **Getting profit**

The Company pays back to shareholders in the form of dividends. (Details of dividend payment are shown in the Section 1, Business Operations and Operating Results, in the topic "1.6 Dividend Policy").

In addition, the rights of shareholders aforementioned. The Company does not obstruct or build obstacle to allow shareholders to communicate.

2. Equitable Treatment of Shareholders

The Company realizes to protect and due care for the interests of all major and minor shareholders as fairly basis. In addition, the Company sets policy for equitably treatment to all shareholders for attending and vote in the shareholders' meetings, sharing in profits, regularly and timely obtained adequate information, business performance and management policy. In the shareholders' meeting, each shareholder shall have one vote on each ordinary share. Proxy form requiring documents were delivered together with the invitation letter for shareholders who would like to appoint a proxy. Proxy form, which contains detail of voting as approve, disapprove or abstain, as well as details of 5 independent directors also are attached for shareholders consideration as alternative proxy in both Thai & English to facilitate the shareholders.

In the 2024 Annual General Meeting of Shareholders and the Extraordinary General Meeting No. 1/2024, there were 7 and 6 shareholders, respectively assigned the Company's independent directors to be their proxy to attend and vote in the meeting. In addition, voting cards were provided for each agenda, especially, the agenda of appointment of directors of which been appointed by individual. In every shareholders' meeting, the meetings were conducted to be in line with the agenda without any additional topic from what have been expressed in the invitation letter otherwise rights of the shareholders who could not participate in the meeting by themselves will be deprived. In addition, the Company set criteria about Inside Information Monitoring of which details is shown in the topic "6. Corporate Governance Policy" under the subject "6. Inside Information Control"

3. Roles for Stakeholders

The Company is aware of the support from each stakeholder should increase the competitiveness and ability to generate more benefit for long-term succession and realized the importance of all stakeholders i.e. shareholders, employees of the Company and its subsidiaries, customers, competitors, lenders, societies and environment as well as providing more channels for the stakeholders to contact directly to the Company in order to provide either comments or recommendations which will be benefit to the Company. Thus, general rules and practices have been set for directors, management and employees in the Company's Business Ethics to cover rights and equitable benefits to all stakeholders and posted on the Company's website www.samtel.com under the "Corporate Governance" section.

Shareholders

The Company aware of its role to protect and due care for the interests of all major and minor shareholders by granting rights to every shareholders to attend, vote and have comments in the shareholders' meeting, to share in profits, to propose agenda and send a question in advance of the Shareholders' Meeting, regularly and timely obtained adequate information, business performance and management policy. Details of shareholders' rights are descried under "6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders" in the topic "1. Rights of Shareholders" and "2. Equitable Treatment of Shareholders".

Employees

The Company highly regards all of the employees as valuable resources and is a major factor to drive the business performance to achieve its goals. As a result, it is the Company's policy to treat employees fairly in all respects, employment opportunity, reasonable remuneration, promotion and appropriate welfare.

In 2024, the Company has operated as follows:

- 1) Operate in accordance with the policy and guidelines on the Employee policies as indicated in the Company's Business Ethics. Provide appropriate compensation based on the position's responsibilities and aligned with the Company's performances, while giving importance to taking care of employee welfare in the forms of salaries, bonuses, and other benefits (such as overtime, special allowances, and commissions) that are suitable. The Company have also established the provident fund for all

employees as disclosed in the section “7. Corporate Governance Structure and Significant Information about the Board of Directors, the Committees, the Management, Employees, and Others” in the topic “7.5 Information on Employees”

- 2) The Company has established a human resources development policy with a focus on continuously developing the knowledge and abilities of all level employees to be suitable for their positions. The Company disclosed the average training hour of the employee in “3. Driving Business for Sustainability” under the topic “3.5.2 Social operating results”. In addition, the Company has provided educational support by awarding scholarship to employees with aims to enhance their knowledge and skills.
- 3) Operate in accordance with the policy and guidelines on the safety of life and health of employee policy by promoting knowledge and understanding of workplace safety. The Company disclosed the statistics on workplace accidents in “3. Driving Business for Sustainability” under the topic “3.5.2 Social operating results”.
- 4) The Company respect and protect human rights by establishing a human rights policy in its business ethics to guide its operations. Additionally, the Company has disclosed information regarding its human rights in “3. Driving Business for Sustainability” under the topic “3.5.2 Social operating results” which reflects its commitment to promoting and protecting the fundamental rights of employees and all stakeholders.
- 5) The Company encourages employees to express their opinions and concerns through its feedback channels, including the Workplace Welfare Committee (WWC) established under the Labour Protection Act B.E. 2541, which acts as a mechanism for listening to employees and improving the work environment.

Customers

The Company is committed to continuously ensuring customer satisfaction and trust by implementing policies and operational guidelines based on business ethics. These emphasize the procurement, development, and production of high-quality, modern products and services that effectively meet customer needs at fair prices. To ensure that customers have confidence in the highest standards of products and services, the Company selects products and equipment from manufacturers or product owners that are certified according to international quality standards. Additionally, the Company provides accurate and comprehensive information through various channels, such as websites, emails, promotional materials, proposals, product and service specification documents, as well as supporting documents from manufacturers offered to customers.

Furthermore, the Company provides channels for customers to report issues related to the use of products and services, enabling fast problem resolution and contributing to the continuous improvement and enhancement of product and service quality. In addition to, the Company conducts customer satisfaction surveys and analyzes the results to address weaknesses and reinforce strengths based on customer feedback. This is an integral part of the Company’s ongoing process to enhance product and service quality.

Operations related to customers have been disclosed under “3. Driving Business for Sustainability”, in the section “3.5.2 Social operating results”.

Counterpart/Competitor

The Company has policy to conducts all business affairs under fair competition and free trade, operating under business ethics guidelines that emphasize transparency and integrity. The Company does not seek confidential information about competitors through dishonest means, nor does it distort or damage their reputation. Additionally, it refrains from any covert actions that may negatively impact counterparts/competitors.

Furthermore, the Company respects intellectual property rights of others and its competitors, ensuring that no violations or improper exploitation occur. This commitment fosters a fair and constructive competition, ultimately contributing to sustainable business growth.

In 2024, the Company and its subsidiaries had no disputes or lawsuits with their competitors.

Trade partners

The Company has policy to equitably and fairly treat its trade partners by taking into consideration of the Company's interest and on mutual benefits basis and such practices have been disclosed in the Company's Business Ethics. The Company conducts the selection of business partners with transparency, a systematic approach, and established standards as well as developing and maintaining sustainable relationships with its partners and contractors. This includes conducting regular visits to exchange insights. The Company establishes mutual trust and strictly prohibits accepting personal benefits from business partners and contractors. Additionally, it ensures that false or misleading advertising is not used to deceive partners. The Company also avoids purchasing products and/or services from partners that violate human rights or infringe on intellectual property rights. The company monitors partner activities and if it found that any partner has behaviors involving in human rights violations, intellectual property infringement, or any unlawful activities, the Company shall not purchase the product and/or service from such partner who is deemed to have an illegal behavior.

Moreover, the Company has strictly complied with the business partner treatment policy by selecting the qualified business partner to enter into the Approved Vendor List and prices have been compared before the purchase order has been made. The business partner has been evaluated by using the auditable standard criteria pursuant to the international standards. The Company also has the policy not to corrupt, extort, embezzle or not tolerate such action. The business partner must not propose or take bribery or any illegal reward from the Company and the business partner must not give the reward or propose personal benefit in whatsoever form to the employee as a result of business undertaking. Such policy has been inspected by the management under the document and the supporting particulars and it also has been audited by the neutral auditor both from the inside and outside the organization.

Furthermore, the Company has also required partners to conduct self-evaluation on sustainability, including in the dimensions of environment, society, and governance, as well as standards for controlling the quality of products and services. This demonstrates that the Company's partners, besides having standards for product and service quality, also prioritize safety, occupational health, and good environmental conditions in the workplace, uphold business ethics, and bear responsibility towards society and the environment. In 2024, all new business partners passed the screening and self-assessment process regarding sustainability and signed an acknowledgment of the Company's business ethics and sustainable business practices. The Company, in addition, conducted site visits for key partners at their location as well as verifying related information and news through various channels, including Internet searches.

The Company set procurement process, with system, standard, criteria, and clear regulations and procedures specified, for fair competition on the same information given to suppliers. With criteria deployed for partner assessment and selection, the Company also formulates fair agreements and strictly comply with conditions specified in the agreements as well as protecting confidentiality of partners. The Company has guideline for process monitoring to ensure full compliance of the contract and prevent corruptions in all processes.

According to the partners policy, the Company develops sustainable relationship with partners by encouraging partners in value chain to comply with the Company's sustainable operations guidelines and avoid purchasing products and services from suppliers violating human rights or intellectual properties or illegal behaviors. Collaborating with partners to mutually elevate capabilities of other, the Company, in short term and long term, has plans and conducts trainings, seminars, and demonstrations to provide knowledge through various channels both online and offline, to individual, teams, and management. Such knowledge shared to trade

partners, providers, product owners, including subcontractors can be expertise of the Company's operations ranging from customer requirements, market trends, solutions and techniques, standardized implementation, to after-sales services and maintenance. Collaboration in improvement and development of solutions, products, and services as well as increasing values added and innovation, is to create benefits for all partners and deliver values to customers and eventually end-users, taking part in social development and impact reduction to environment.

By elevating knowledge and developing capabilities with partners, in 2024, the Company was able to propose solutions and develop projects that met customer needs while also competing in various bidding projects. Additionally, the Company collaborated with its partners to implement and deliver challenging projects on a timely manner, maintaining standards, and ensuring efficient after-sales service in compliance with the service level agreements made with customers. Furthermore, the Company continues to adhere to cooperation with partners to create innovations and add value to products and services for various companies in the group consistently.

Creditor

The Company is conforming to its Principle of Business Operation in order to the respect and admission of the Creditors and strictly, transparently and equally complied with terms and conditions agreed upon in the agreements. In case of the contract cannot be fulfilled or tend to be unable to pay the debt or having financial problems, the Company will prior inform to the creditors and seeking mutual accepted solution. The Company formulates a financial solution plan with regard to fairness of stakeholders, including creditors, as well as, monitoring the problem solving by requiring the management to report to the Executive Board, regularly, consider and resolve the financial problems of the Company carefully and reasonably.

Societies, Communities and Environment

The Company recognizes to the sustainable development of business that it has to develop together with realize to social and environment responsibilities and corporate governance, the Company has established Sustainability Development Policy for the Board of directors, managements, and all employees to adhere as the same practices.

The operations regarding social, community, and environment have been disclosed under "3. Driving Business for Sustainability".

4) Disclosure and Transparency

The Company has strong determination to reveal accurate complete, consistent and updated information, both financial and general information that related to Company's business. The Complete, consistent and updated information will truly reflect Company's financial performance and future business direction. The Company has a disclosure policy to disclose information of any significant and future business operation directions, so that the shareholders and the stakeholders to access information conveniently and speedily for

- To submit the financial report and the Management Discussion and Analysis (MD&A) to the Stock Exchange of Thailand ("SET") and the Securities and Exchange Commission Thailand ("SEC") within the specified timeframe. The financial report did not have any transactions where the auditor opined with qualified, the financial statement has also never been revised under the order of the SET and SEC. In order to make the investors are more well informed and understand the changes occurred to the financial position and operating results of the Company in each quarter, the Company has been published the Management Discussion and Analysis (MD&A) every quarter on the Company's website and via SET's Communication system.

- Criteria on provision of remuneration to the directors and the managements have been clearly disclosed. For more details, please see in the topic “6. Corporate Governance Policy” under the subject “6.1.1 Policy and Guidelines for the Board”.
- Shareholding information of the directors and the managements has been disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report). In addition, the Company has a policy requiring the directors and the managements to report a change in their securities holding within 3 business days from the date the securities’ change, except in cases the value of each transaction is less than Baht 3 million, it can be reported within 3 business days from the cumulative transaction value reaches Baht 3 million or reaches 6 months from the date of the first transaction, whichever comes first. The Company Secretary’s unit shall coordinate on submission of such report to SET and SEC. Moreover, the Board of Directors also specified that any change of such securities holding of the directors and the managements shall be reported to the Board of Directors’ meeting every time.
- Details on connected transactions have been clearly disclosed to prevent a conflict of interest (see more details in the topic “9. Internal Control and Connection Transactions” under the subject “9.2 Connected Transactions”).

Furthermore, the Company also has a policy on the report of transaction which has conflict of interest of the directors and the managements as follows:

- 1) The director and the management shall submit the first report on transaction with interest within 30 days from the date he/she is appointed to be the director or the management pursuant to the specified report form.
- 2) The Director and the management shall report a change of transaction with interest within 30 days from the date of such change pursuant to the specified report form.
- 3) Report on transaction with interest shall be kept at the Company Secretary and the Company Secretary shall arrange to submit a copy of such report to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the Company received such report.

The Company were disclosed to shareholders, investors and any related parties via SET’s Communication system, Company’s website (www.samtel.com), in the “Investor Relations” section, under the topic “SET Disclosure”, the Annual Registration Statement / Annual Report (Form 56-1 One Report), press release, and participated in the “Opportunity Day” which arranged by SET.

The Board of Directors has supervised to ensure that any person involved in the preparation and disclosure of any information of the Company has relevant knowledge, appropriate skills and experience needed for their responsibilities, and sufficient resources as well as ensure that the Company’s disclosures are transparency and strictly complied by laws, the Company’s and any related regulations. The Board has major concerned on transparency and disclosure in the following area:

- **Information Disclosure Policy**

The Company appreciates on management and business operations in accordance with the principles of good corporate governance. In order to ensure that the information disclosure is accurate, complete transparency and equal, complied with laws and the relevant regulations. Therefore, the Company has established information disclosure policy to be a guideline for directors and employees as follows:

1. Information disclosure in both financial and non-financial should be accurate, complete, sufficient, reliable and on time to ensure that shareholders and stakeholders of the Company receive the information equally.

2. Information disclosure of the Company must be prepared carefully, clearly, accurately and transparently.
3. Be careful to disclose important information that affects the price or value of the Company's securities and complying with the regulations and announcement of the SET.
4. Clearly appoint a responsible person to disclose the Company's information to public.

The persons who have the right to disclose important information not yet disclosed to the public are as follows:

1. Executive Chairman
2. Chief Executive Officer (CEO) or President
3. Manager of Investor Relation of the Company
4. Authorized person from Executive Chairman or Chief Executive Officer or President

Those who do not relevant or assigned duties cannot provide information or interview to the media or public about the Company's business.

• **Provide multi channels for disclosure of information apart from SET's communication system**

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

The Board of Directors has to ensure that Annual Registration Statement / Annual Report (Form 56-1 One Report) contained adequate information with accuracy, clarity and could create understanding to the shareholders and related parties on the Company's operation and its performance for the previous year as well as the management structure, performance of the Board of Directors and all Committees.

- Company's website

The Board of Directors is aware of the efficiency of website disclosure to the shareholders and related persons as well as equitably and easily of getting information. The Board of Directors therefore ensure the Company not only provide all significant information of the Company in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report) but also on the Company's website (www.samtel.com) in both languages, Thai and English. The disclosed information comprised of Corporate Governance Policy, Business Ethics, General News, Financial Statement as well as Annual Report and the Annual Registration Statement / Annual Report (Form 56-1 One Report), etc.

- Investors Relation

The Company has also set up an Investors Relation section to provide Company's information and activities for investors, shareholders, analysis and general public via Company's website, Road Shows, analysis meetings and conference calls etc. The Company's Investor Relations could be contacted at phone number 0-2502-6628 or sending your question via the Company's website at www.samtel.com in the "Investor Relations" section, under the topic "Investor Relations Contact", or sending the e-mail to Dhilokpat.N@samtel.com. The Company has specified the investor relation ethics to practice follow:

The investor relations ethics

1. Conduct duties with integrity.
2. Disclose necessary information completely and fairly to all relevant groups equally.
3. Allow all relevant groups to access and enquire the information.
4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders.

5. Preserve confidential information of the Company and must not use inside information for personal gain.
6. Perform duties at his/her best and professionally.
7. Keep on studying to develop efficiency of the work.
8. Observe the principle on not accepting the appointment during the period close to financial statement announcement and the practical guidelines on securities trading specified by the Company.

In addition to above, the announcement on the Company's financial performance have been arranged for public, investors and analysis by quarterly basis with participation of the managements.

Meetings with investors and analysis in 2024 were summarized as follows:

- One on One Meeting with Analysis & Meeting and Road Show 6 Times
- Announcement of Company's Performance and Image 1 Times

• **Disclosure of Information of the Board of Directors and Sub Committees**

- Structure, Roles and Responsibilities of the Board as well as performance of the Board and each Committee;
- Directors Remunerations: Policy of Directors' Remuneration have been clearly and transparently set to be comparable to the general practice in same industry, consistent with the Company's strategies and objectives, and be appealing enough to attract and retain qualified directors. The directors who also be appointed to be the member of any sub Committees will be paid appropriately more in accordance with the extra work. The Nominating & Compensation Committee will consider the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders.

The remuneration of the Board of Directors and the Managements has been disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report). See details in the topic "8. Report on the Significant Activities on Corporate Governance" under the subject "8.1.2 Meeting attendance and remuneration payment to each Board member".

• **Accountability to the Financial Statement**

The Board of Directors is responsible for the Company's consolidated financial statements and any financial information which been disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report). They consider financial information consistent with strategies and core policies. Such financial statements were prepared in accordance with the general acceptance-accounting standard in Thailand with appropriated financial policy. The reports were carefully considered and prepared with sufficient information in the notes to the financial statements. The financial statements have been audited and commented independently by the authorized auditors of SEC.

The Board of Directors also set out and maintained for the efficiency of the Company's internal control system to ensure that the financial information had been correctly and accurately booked and sufficient to maintain the Company's assets and be aware of weak point in order to prevent whether from any dishonesty or significant error. The Board of Directors had appointed the Audit Committee of which comprised independent directors to be responsible for the quality of the financial statements and the internal control system and disclosed such opinion in the Annual Registration Statement / Annual Report (Form 56-1 One Report) in the Report of the Audit Committee. Moreover, Report of the Board of Directors' responsibility on the Company's Financial Statements was also attached in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report).

5. Conflicts of Interest

To prevent conflicts of interest, the Company has drawn out guidelines for directors and employees to follow.

1. Avoid all actions that may cause conflicts of interest with the Company;
2. In case that directors or employees commit any action related to the Company, the particular director and employee will be treated like an outsider, and will play no part in decision-making process;
3. Refuse to use Company's information obtained in their posts for an opportunity to derive personal benefits by creating rivalry with the Company or involving in related businesses;
4. Refuse to use Company's information for securities purchase for personal benefits or to leak Company's information to outsiders for their benefits. Any trading of the Company's securities within 1 month prior to disclosure of either the Company's financial performance or any other information that may affect securities' price is prohibited.
5. Refuse to reveal Company's classified information (e.g. electronic information, financial situation, work's plans, business information and Company's future plans) during and after their posts.

If the conflict of interest is happened, the Audit Committee will consider and propose to inform the Board of Directors about conflict of interest and connected transaction. The Board of Directors should consider carefully and comply with the Securities and Exchange Act. Despite price and condition will be accounted like an outsider (Arm's Length Basis) and disclosed the detail, size, partner of contract, and reason in the Annual Registration Statement / Annual Report (Form 56-1 One Report) as well as notes to financial statements for consideration of connected transaction. The directors who may have conflict of interest will not participate and attend in any agenda that they have conflict of interest in both board and shareholder meeting.

6. Inside Information Control

The inside information is supervised by the Board of Director of the Company to be in accordance with the law and principles of good corporate governance that the Company has established various measures to prevent directors, managements and employees from using inside information which has not been disclosed to the public for the benefit of oneself or others in the wrong way as the following below;

1. The Company will inspect to ensure no inside information of which is material, undisclosed and confidential leak to public or be used from unauthorized for personal benefit. Any trading of the Company's securities within 1 month prior to disclosure of either Company's financial performance or any other information that may affect securities' price is prohibited. The Directors and managements of the Company according to the definition of the SEC had been informed on their duties and punishment regarding to report on securities and derivative holdings of themselves, spouse, cohabiting couple and any minor children as well as juristic person holding shares in an amount of exceeding 30% of the total number of voting right of such person, including the securities and derivatives held by spouse or cohabiting couple and minor children to the SEC within 3 business days from the date of securities' change, except in cases the value of each transaction is less than Baht 3 million, it can be reported within 3 business days from the cumulative transaction value reaches Baht 3 million or reaches 6 months from the date of the first transaction, whichever comes first together with the penalty of the Securities and Exchange Act B.E. 2535. Any change in securities and derivatives holdings, such directors and managements have to report the Company Secretary for proposing the agenda to the Board of Director's in the next meeting and coordination as well as preparing report submit to the SEC.

2. The Company has set as a policy for the directors and the managements according to the definition of the SEC to notify the Company about the purchase, sale or transfer the Company's securities and contracts at least 1 day in advance before making the transaction through the Company Secretary. Then, the Company Secretary has to report the changes on such securities holdings of directors and managements in every Board of Directors' Meeting.
3. In case of conflict of interest, it is the Company's Policy to have the directors, management, employees and related parties to disclose such interests to the Audit Committee for consideration of the transaction to be complied to SET's regulations and any governing laws and regulations prior to further submit for consideration of either the Board of Directors or the shareholders' meeting. The directors who have conflict of interest will not participate in any agenda that they have conflict of interest. Moreover, any conflict of interest transactions with the connected persons will be disclosed in the Company's Annual Registration Statement / Annual Report (Form 56-1 One Report).
4. The Company has been implemented for a secure access for all users inside and outside the firewall in conjunction with the Company's own user authentication and security system.
5. The Company sets as policy that all employees shall acknowledge and sign the agreement of non-disclosure confidential information, non-violation of concealment of computer related and non-infringement of intellectual property. New employee shall sign this agreement together with employment contract, including directors, managements and employees of the Company to refuse using Company's inside information for personal benefits.
6. General practices for conflict of interest protection have been set in the Company's Business Ethics. Such practices have been delivered to all directors, management and employees. The Corporate Governance Committee will monitor and ensure that Company's regulations, Corporate Governance Policy and Business Ethics have been strictly and continually complied.

7. IT Security Policy

Samart Corporation PCL which the Company provides information management service has received an ISO/IEC 27001: 2022 accreditation for information security management on information systems, demonstrating a commitment to information security. The organization constantly strives for improvement in this area, adopting the latest technology and information management methods, including centralized information technology operations and backup centers, and implementing information technology standards. The organization employs ITIL to manage the provision of information technology services effectively and exercise annual business continuity drill tests as per the business continuity plan to guarantee the continuity of business operations.

8. Compliance to Personal Data Protection Act B.E. 2562 (PDPA)

The Company manages personal data usage through an Information Security Management System (ISMS) and additional policies to improve operational processes and ensure compliance with the Personal Data Protection Act.

9. Corruption Prevention Policy

Samart Telcoms Public Company Limited and its subsidiaries operates business in accordance with the corporate values, business code of conduct and the principles of good corporate governance, including compliance with laws related to the prevention of corruption and all forms of direct and indirect corruption. To ensure that Samart Telcoms Public Company Limited and its subsidiaries have a policy to define the responsibilities, practices and requirements for appropriate operations to prevent corruption, a written corruption prevention policy has been established for the directors, managements, employees and all relevant stakeholders to seriously comply with the corruption prevention policy.

Definition

Fraud means committing an act in order to procure, for himself/herself or another person, any advantage to which he/she is not entitled by law, which includes the following actions;

1. Asset Misappropriation means possessing property belonging to another person, or of which the other person is a co-owner, and dishonestly converting such property for himself/herself or a third person.
2. Embezzlement means the act of deceiving a person with the assertion of a falsehood or the concealment of facts which should be revealed with honesty causing such deception obtain property or the person who has been deceived or a third person to execute, revoke, or destroy any document of right.
3. Corruption means demanding, accepting, or agreeing to accept, offering, requesting, or promising to give property or other benefits to government officials, government agencies, private sector officials, private agencies, to allow individuals or agencies to use their existing powers to act or not act, to hasten or delay an action that is inappropriate for their duties. These cause the acquisition of improper benefits, whether for oneself or others, or the maintenance of improper business or benefits.

Property means money, things, gifts, or other benefits that may be calculated in monetary terms, including the granting of special rights that are not reserved for the general public in the matter of receiving discounts on goods, receiving services or entertainment, and paying for travel or tourism, accommodation, food, providing employment, or anything of a similar nature, whether given in the form of cards, tickets, or other evidence, advance payment, or refund later.

The Company means Samart Telcoms Public Company Limited and its subsidiaries

Personnel means directors, management, employees and stakeholders of Samart Telcoms Public Company Limited and its subsidiaries.

Duties and Responsibilities

1. The Board of Directors

- 1.1 Consider and approve the Corruption Prevention Policy.
- 1.2 Supervise to ensure that there was an effective corruption prevention support system.
- 1.3 Promote and support an organizational culture of operating with honesty.

2. The Managements

- 2.1 Set the rules and measures for employees, including disciplinary punishments.
- 2.2 Arrange the working system that promotes and supports the prevention of corruption. As well as, review the appropriateness of the system and various measures.
- 2.3 Support and communicate this policy to the employees and concerned persons from all departments for understanding.
- 2.4 Provide channels for whistleblowing, also the measures to protect the whistleblower.
- 2.5 Report the operating results to the responsible committees.
- 2.6 Review / improve the various concerned policies about the corruption prevention.

3. The Compliance

Review, monitor and consider the compliance with the corruption prevention policy, annually and report the operating results to the Board of Directors, regularly.

4. The Employees

Understand and follow the corruption prevention policy which must not be involved in the corruption, both directly and indirectly.

Guidelines for practice

1. The procurement must be conducted in accordance with the criteria or procedures specified in the regulations, which must be fair and transparent in the operation, taking into account the reasonable price, quality, and after-sales service, as well as taking into account the standards that the seller of the goods or services should have. In addition, the staffs must not engage in business that may lead to personal benefits by relying on their position in procurement, whether directly or indirectly, also must not use the information obtained from the procurement to seek personal benefits or others.
2. The Company has no policy of paying facilitation fees in any case, both directly or indirectly. It will not engage in fraud and will not accept any action in exchange for facilitating business operations.
3. The Company has the policy to conduct business with political impartially and compliance with the laws as well as democratic form of government with the King as Head of State. The directors, the executives, and employees shall have political rights and liberty pursuant to the law, however, they shall not perform any act which can make the Company lose impartiality or damage from involvement in the political activities as well as usage of any resources of the Company for such act.
4. The Company supports for community and social development for better quality of life including enhancement of economy of the community and society through business processes or donation for charity of which the proceed shall be used for public charity only as well as supports for the Company's business with clear evidences and in line with the Company's regulations.
5. Receiving or giving any benefits as tradition and morality to express gratitude or maintaining business relation as usual should be done with appropriateness. The Company will not encourage or expect the receiving person to ignore his/her duty and/or return favor from giving inappropriate present, property or other benefits with the following practices:
 - 1) Receiving and giving property or other benefits that could improperly influence decision making:
 - The employee of Company shall not receive or give money, property, merchandise or any benefits involving anyone whose intention is to persuade the employee to commit or omit anything contrary to duty.
 - Receiving present or property shall be compliance with morals, and shall not be illegal as well as such gift or property shall not be illegal.
 - Paying for business expenses such as meals and other forms of hospitality that are directly connected to performance of business commitments is acceptable, but such expenses must be reasonable.
 - Giving present, property or other benefits to government officer in Thailand and other countries must be sure that it shall not against the law and local tradition.
 - 2) Receiving or giving present and the memento:
 - Receiving or giving present or memento, should make sure that such an action does not violate the law, and the Company's rules and regulations.
 - Avoid receiving or giving present or memento that could unfairly influence a decision in the performance of one's duties. If it is necessary to receive a gift of unusually high value from someone doing business with the Company, report the matter to the superior.

- Keep records of expenses as evidence of the value of present or memento given, so that can be examined later.
 - If the employee has been assigned or permitted by the superior to assist an outside agency, the employee may receive money, item, or present according to the guidelines or standards that agency has set.
- 3) Transactions with the government sector:
- Conduct properly and honestly when in contact with government officials or agencies.
 - Always remember that the laws, rules, and customs of each place may have diverse conditions, procedures, or methods of proceeding.
 - Comply with the laws of each country or locality in matters pertaining to hiring government employees as consultants or employees of the Company. Such hiring must be transparent and appropriate.
6. The Company has the risk assessment and risk management by Internal Audit Department to audit operations which may tend to have risks of all departments of each company, including the risks from corruption to ensure that all departments have appropriate internal control system in place, both on preventive control and detective control. If it is found that any department does not have adequate internal control system or there is a corruption case, such matter shall be reported to the Audit Committee and the high level executives. Preventive guidelines must have also been reported in order to improve the internal control system.
7. The Company considers employees' remuneration fairly to ensure the remuneration provided to the employees is adequate, focused on creation of consciousness and it must not be the source for corruption. The Human Resource Department shall compile the survey results report on wage adjustment in each year from the well-known institutes, both domestically and internationally as well as exchange information with the Human Resource Department of other companies in the telecommunication and computer businesses. The information gained shall be used for consideration on provision of remuneration to the employees.
8. The personnel must strictly comply with the Company's Corruption Prevention Policy.
9. The personnel must not ignore any acts when encountering to the act that may be caused corruption by informing to the Managements or responsible person and cooperate in the investigation of the facts.
10. The personnel must avoid any act that may lead to the conflict of interest. If any act or behavior occurs that may lead to the conflict of interest with the Company, such personnel are required to report such conflict of interest through the specified channels.

Publication of the Corruption Prevention Policy

In order to be aware of the corruption prevention policy of the personnel, the Company will take the following actions as below;

1. Announce the Corruption Prevention Policy in an observable place for everyone in the organization's acknowledgement.
2. Publish the Corruption Prevention Policy through various channels of the Company, such as, the intranet system, the Company's website, and the Annual Registration Statement / Annual Report (Form 56-1 One Report), etc.
3. The Corruption Prevention Policy has reviewed annually or when there are significant changes.

Training

Provide orientation, training, meetings or various activities that are appropriate regarding the Corruption Prevention Policy and related knowledge for the Company's Directors, managements, employees and stakeholders, continuously.

Whistleblowing or Complaints

The Company adheres to good corporate governance principles and encourages the staffs and the stakeholders to examine and oversee any action which is illegal, fraud, or any action which might cause damages to the Company. As well as violating the rules, regulations, and code of conduct or violating this policy both directly and indirectly. The employees and stakeholders can notify the clue on misconduct behavior to the Company by sending information and/or document and/or concerned evidence to the Internal Audit Department. If the name and surname of the informant is specified, it will be more beneficial to the Company for convenience on enquiry and/or contact for more information. Those channels consist of direct mail or E-mail as informed at the Company's website (www.samtel.com) under "Contact Us" with the following details:

Mailing Address : **Head of Internal Audit Department**

Samart Telcoms Public Company Limited

99/15 Moo 4, Software Park, 21st Fl., Chaengwattana Rd.,

Klong Gluar, Park-kred, Nontaburi 11120.

or E-mail address: Somchai.B@samtel.com

The Head of Internal Audit Department will collect the information of whistleblowing or Complaints, then, inspect and analyze the information according to the following procedures:

The Head of the Internal Audit Department is initially responsible for investigating the alleged misconduct using documentary and witness evidence. If there is sufficient grounds for wrongdoing, the matter will be submitted to the Executive Chairman for consideration the appointment of the investigation committee.

The investigation committee consists of supervisor or representative from Internal Audit Department, Legal Department, and Human Resources Department, responsible for investigating the facts, including collecting all evidences in order to know details of the damage and impact to the Company.

The investigation committee will propose the results of the investigation to the Executive Chairman to consider and proceed and then the Internal Audit Department will propose the matter to the Audit Committee and the Company's Board of Directors for acknowledgement, respectively.

However, the whistleblower or complainant will be protected by the Company and the information will be kept confidential by not disclosing the name of the whistleblower to any person and does not affect the position during the investigation and after the end of the process.

Penalties

Personnel who do not adhere to this policy must be considered for disciplinary punishment as determined by the Company. In addition, legal penalties may apply if the action is illegal.

6.2 Business code of conduct

The Company is conducting the business with great awareness in ethical and moral issues. The handbook concerning business ethics for all members of the Board of Directors, managerial team and our employees has been provided in both Thai and English since 2005 as a guideline to continue his/her duty with honesty, integrity, morality, and of course, highest quality. It also reminds the Company to bring fair treatment in accordance with legal restrictions, to maximize shareholder value, and to prevent plausible conflicts of interest. The Business Ethics had also been posted on the Company's website for information of the Company's employees and for public acknowledgement. The Business Ethics will be annually revised. The latest revision has been reviewed by the Board of Directors of the Company on February 20, 2025.

The Business Ethics of the Company covers as detail below:

1. Business code of conduct
2. Corruption prevention policy
3. Employee policies
4. Policies on the safety of life and health of employees
5. Customer policies
6. Trade partners policies
7. Creditor policies
8. Counterpart/Competitor policies
9. Money Laundering policy
10. Tax policy
11. Sustainability Development Policy
12. Human Rights policy
13. Operating policy on non-infringement of intellectual property or copyright
14. Conflicts of Interest
15. Responsibilities to shareholder

In addition, the Company are disclosed the Corporate Governance Policy and Business Ethics on the Company's website www.samtel.com in the "Corporate Governance" section.

6.3 Milestone Development on the Corporate Governance Policy, Guidelines and System During the Year

6.3.1 The information on material changes and developments related to the review on the policy

The Board of Directors has reviewed the corporate governance policy, business ethics, and charter of the board of director and the committee charter, annually, at least 1 time per year. The Board of Directors used the Corporate Governance Code 2017 (CG Code) of the Securities and Exchange Commission (SEC) to apply with the Company's business context, appropriately. Moreover, the Company has performed according to the Principles of Corporate Governance Report of Thai Listed Companies (CGR) of Thai Institute of Directors (IOD) and Quality on Arrangement of Annual Meeting of shareholders (AGM Checklist) of Thai Investors Association (TIA), accordingly.

In 2024, the Board of Directors' meeting No. 5/2024, which held on November 12, 2024 has considered and reviewed the compliance with the principles of good corporate governance, Corporate Governance Policy, Business Ethics, and the Board of Director and the Committee Charters. In order to comply with the principles of good corporate governance for listed companies 2017 (CG Code). The meeting considered and amended the Corporate Governance Policy and the Corporate Governance Committee Charter to align with the Company's regulations and relevant laws as follows:

1. The Corporate Governance Policy has been amended as follows:
 - Amended the section on “Participation in the Shareholders’ Meeting”
 - Amended the section on “Inside Information Monitoring”
2. The Corporate Governance Committee Charter has been amended the section on “Roles and Responsibilities of the Corporate Governance Committee”.

6.3.2 CG Code practices that the Company still has not applied

In 2024, the Board of Directors’ meeting No. 5/2024, which held on November 12, 2024 has considered the application of the 8 practices Corporate Governance Code (CG Code) to apply with the Company’s business context, appropriate. However, the practices that are not suitable for the Company’s business operations, the Board of Directors has assigned the Corporate Governance Committee to consider annually and propose appropriate replacement measures, respectively.

6.3.3 The compliance with the Principles of Good Corporate Governance in other areas

The Company conducts the business in comply with the Corporate Governance Code 2017 (CG Code) of The Securities and Exchange Commission (SEC), including the assessment criteria of the Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD) and the Annual General Shareholders’ Meeting (AGM) Assessment Project by the Thai Investors Association. For the operations which have not yet been complied with such principles, the Company has applied such criteria as guidelines then adjusted to make them suitable with the Company’s business, with details as follows:

Section I: Right of Shareholders and Equitable Treatment of Shareholders

1. The Company does not entitle the right for minority shareholders to participate in the nomination and appointment of director. However, the Board of Directors has appointed the Nomination Committee and Compensation Committee to recruit, select and nominate candidates for the position of director from IOD’s Director Pool and proceed to select the candidate who is qualified as the relevant laws and regulations with regards to qualification, experience, knowledge and ability that is advantage and needed to the Company, then propose to the Board of Director/the shareholder’s meeting for further approval;
2. The Company has not yet determined to perform the election of directors by using cumulative vote. However, the Company entitled the shareholders to vote for the election of directors individually. Each shareholder shall have one vote for each share as stipulated by the Company’s Articles of Association so that the shareholders have the right to elect director with their need;
3. The Company has not yet held a shareholder’s meeting in e-meeting. However, the shareholder’s meeting was held in a physical meeting, so that shareholders had the opportunity to meet with the Directors and the Managements of the Company. The meeting was held at the Company’s office building. The shareholders can conveniently travel to the meeting by the MRT (Pink Line), private vehicles, or buses, etc.

Section II: Consideration of the stakeholders’ roles and Business Development for sustainability

The Company has not yet prepared social responsibility reports in accordance with the framework of the Global Reporting Initiative (GRI). However, the Company has prepared sustainability report as part of the Annual Registration Statement / Annual Report (Form 56-1 One Report) in the topic “3. Business Sustainability Development”.

Section IV: Responsibilities of the Board

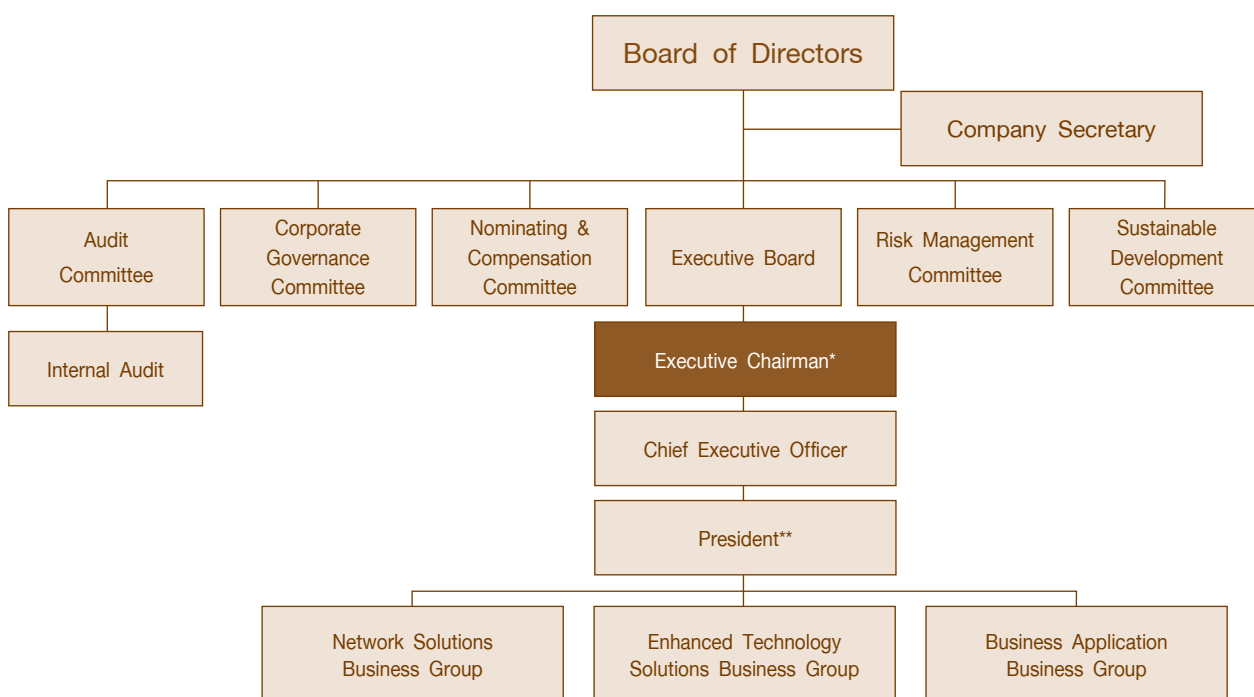
1. The Company did not establish a policy to set a limit that an individual executive director can hold director position in not more than 2 others listed companies and outside business group, but the Company has established a policy which specified that an individual director shall not hold director position in more than 5 listed companies. In addition, the Company has established the policy which stated that before any top executive holds the director position in other company, he/she shall notify the Executive Board for consideration and approval. In addition, he/she shall not be the director in the Company which engages in the same business with the Company or the Company which has competitive nature against the Company. The Nomination and Compensation Committee shall consider on appointment of the nominee for the directorship of the Company by taking into account the knowledge, capability and adequate time such person can devote to perform responsibilities for the Company.
2. The current structure of the Board of Directors consists of fewer than two female directors. However, the Company has 1 independent female director serving on the Company's board of directors. The Company does not have a policy on sexual discrimination in employment at all.
3. The Board of Directors did not set the policy for the term of the independent directors that has not exceed 9 years without exception, but the Company has a policy that If the independent director holds the position for more than 9 years, the directors should get an unanimous approval from the Nominating & Compensation Committee that the director could perform duties and feel free to give opinions or report work performance as required by the Board of Directors of the Company, without any influence or control by management or major shareholders of the Company including any related person or relatives of such parties and have director qualifications as the Independent Directors Qualification of the Securities and Exchange Commission.
4. The portion of the Non-Executive Directors who are the members of the Board is 55.56% which is less than the number of 66% as per specified in the Principles of Good Corporate Governance.
5. The Company has not yet participated in Thailand's Private Sector Collective Action Coalition Anti-Corruption Scheme (CAC). However, the Company has joined the Partnership Against Corruption for Thailand (PACT) to attend the training courses and gather recommendation on anti-corruption procedures.

7. Corporate Governance Structure and Significant Information about the Board of Directors, the Committees, the Management, Employees and Others

7.1 Corporate Governance Structure

The Company's management structure comprised of 7 Committees, Board of Directors, Audit Committee, Corporate Governance Committee, Nominating & Compensation Committee, Executive Board, Risk Management Committee and Sustainable Development Committee. The organization chart and management of the Company as at December 31, 2024 are as the follows:

Organization Chart



Remarks: * Executive Chairman is the highest executive of the Company;

** Chief Financial Officer (CFO) and Assistant Vice President - Accounting are under President.

7.2 Information on the Board of Directors

7.2.1 Composition of the Board of Directors

- 1) The Board of Directors shall have the number as specified by the shareholders' meeting not more than 5 persons and not less than one half of the total number of directors shall have residence within the Kingdom.
- 2) The Board of Directors must be at least one-third of independent director out of total number of directors, and at least 3 persons.
- 3) The Board of Directors may elect one of the directors as chairman. When considering appropriate, the Board of Directors may elect one or many directors to be vice chairman(s).
- 4) The Board of Directors should consist of at least 3 persons experiencing in the Company's business and at least 1 person with experience in accounting and finance.

The current structure of the Board of Directors consists of 9 members:

- 5 Independent Directors (equal to 55.56% of the Board of Directors)
- 4 Executive Directors
- - Non-Executive Director

The Board of Directors has implemented a Board Diversity Policy, consisting of 9 directors, 5 persons are Independent directors and 4 persons are Executive Directors. The Board of Directors has diversity (Board Diversity, whose skills are in th the Company's business strategies. Through the creation of a Board Skills Matrix and diversity in educational background, experience, without liming any other differences. The detail of Directors are shown in "Attachment 1 Details of Directors, Managements, Controlling Person, The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary" which has been published on the Company's website www.samtel.com, under the "Investor Relations" section, in the "Financial Information" category, under "Annual Registration Statement/Annual Report (Form 56-1 One Report)".

The Board Diversity Policy for the year 2024 is as follows:

Goals	Indicators	Practical results
1. Number of independent directors	At least one-third of the total number of directors, but must not be less than 3 persons	5 Persons
2. Directors with knowledge in the Company's business	At least 3 persons	9 Persons
3. Directors with experience in accounting and finance	At least 1 person	3 Persons

However, the Company also has Independent Director 1 person (Mr. Kajornvut Tayanukorn) who has direct experience with the Company's operating business and one of the Company's Independent Director is a woman (Miss Rapeepan Luangaramrut).

Each director has experience knowledge and expertise from various fields as follows:

Directors		Specialized knowledge and Expertise																		
		Leader	Strategy Management	Organizational Management	Information Technology Management	Brand Management	Budgeting	Human Resource Management	Information and Communication Technology	Project Management	Engineering	Finance	Accounting	Risk Management	Internal Audit	Sustainability	Social Responsibility	Negotiation	Funds and Securities	Marketing
1. General Sumpun Boonyanun		x		x			x							x			x			
2. Mr. Vichai Pokasamrit							x					x								
3. Miss Rapeepan Luangaramrut				x		x							x				x	x		
4. Mr. Sirichai Rasameechan				x			x	x				x	x							
5. Mr. Kajornvut Tayanukorn					x				x	x										
6. Mr. Charoenrath Vilailuck		x	x	x							x							x		
7. Mr. Watchai Vilailuck		x	x						x			x	x							
8. Mr. Thananan Vilailuck					x				x		x						x		x	
9. Mr. Jong Diloksombat			x	x	x			x							x					
Total		3	3	5	3	1	3	2	3	1	2	3	2	1	1	1	2	2	1	1

The shareholders could have confidence that the directors as representatives of the shareholders could perform their duty without any influence or control by management of the Company by the above structure.

7.2.2 Board of Directors and the Controlling Person

Board of Directors as of December 31, 2024 consists of 9 Directors:

Name	Position	Date of Appointment	Term of Directorship (Year/Month)
1. General Sumpun Boonyanun	Chairman / Independent Director / Audit Committee Member / Chairman of the Nominating & Compensation Committee	April 2008	16-8
2. Mr. Vichai Pokasamrit	Independent Director / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Nominating & Compensation Committee Member	April 2011	13-8
3. Miss Rapeepan Luangaramrut	Independent Director / Audit Committee Member / Nominating & Compensation Committee Member / Corporate Governance Committee Member	April 2008	16-8
4. Mr. Sirichai Rasameechan	Independent Director / Corporate Governance Committee Member / Nominating & Compensation Committee Member	July 1998	26-6
5. Mr. Kajornvut Tayanukorn **	Independent Director / Corporate Governance Committee Member	April 2004	20-8
6. Mr. Charoenrath Vilailuck *	Executive Director / Risk Management Committee Member	July 1996	28-5
7. Mr. Watchai Vilailuck *	Executive Director / Executive Chairman / Chief Executive Officer / Chairman of the Risk Management Committee	July 1996	28-5
8. Mr. Thananan Vilailuck *	Executive Director / Risk Management Committee Member	April 2016	8-8
9. Mr. Jong Diloksombat *	Executive Director / President / Risk Management Committee Member / Corporate Governance Committee Member / Chairman of the Sustainable Development Committee	January 2012	12-11

Remarks: * Representative director from Samart Corporation Public Company Limited a major shareholder with 70.14%

** The Board of Directors' Meeting No.1/2024 on February 22, 2024 resolved to approve the appointment of Mr. Kajornvut Tayanukorn as an Independent Director, effective from February 22, 2024 onwards.

Further details of Directors are shown in “Attachment 1 Details of Directors, Managements, Controlling Person, The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary” which has been published on the Company’s website www.samtel.com, under the “Investor Relations” section, in the “Financial Information” category, under “Annual Registration Statement/Annual Report (Form 56-1 One Report)”.

Restriction of Power of the Directors

“General Sumpun Boonyanun or Mr. Charoenrath Vilailuck or Mr. Watchai Vilailuck or Mr. Jong Diloksombat, totaling two persons jointly signs and affix the Company’s seal”

Qualifications of Director

1. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E. 2535 (including amendments) or other relevant laws as well as not lacking trustworthiness in accordance with the announcement of the Securities and Exchange Commission (the SEC), including the Company’s Articles of Association;
2. Not undertaking any business, being a partner or a shareholder of other juristic persons of the same nature and in competition with the Company’s business whether doing it for the benefit of itself or others, except for the notification to the shareholders’ meeting before the appointment;
3. Have leadership, vision, and independent consideration for best benefit of the Company and the shareholders;
4. Has various knowledge, experience, and specific skill that suitable for the Company business;
5. Director must have responsibility, carefulness, and integrity, and operate with business ethic;
6. Having sufficient time for fully participated as a Director of the Company.

Terms of positions

Pursuant to the Public Company Acts B.E. 2535, at first Annual General Meeting of Shareholders after the registration of the Company and at the first Annual General Meeting of Shareholders in every subsequent year one-third of the directors, who have been longest in office, shall retire. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Nominating & Compensation Committee. However the independent directors shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee due to his/her contribution to the Company and the Committee ensures that the extra term will not cause or impact to the independent of such director as well as obtain an approval from Board of Directors and the Company’s shareholders.

7.2.3 Authorities, Duties and Responsibilities of the Board

The Board of Directors represents all shareholders. They are responsible for setting the Company’s important policies and strategies. Hence, to ensure that the management has implemented policies and strategies. The Board of directors shall perform their duties responsibly, carefully, and honestly which will create maximize benefits for the Company and all stakeholders based on corporate responsibility. Therefore, the Company has formulated the Board of Directors Charter to guideline for the performance of the Board of Directors. The Board of Directors Charter consists of the following main topics as follows; 1) Composition 2) Qualification of directors 3) Qualification of Independent Director 4) Authorities, Roles and Responsibilities of the Board of Directors 5) Roles and Responsibilities of the Chairman of the Board of Directors 6) Terms of positions 7) Meeting 8) Remuneration for Directors 9) Board Self-Assessment and Director Self-Assessment and 10) Reporting. The Company has disclosed the Board of Directors Charter on the Company’s website www.samtel.com, under the “Investor Relations” section, in the “Financial Information” category, under “Annual Registration Statement/Annual Report (Form 56-1 One Report)” in the topic “Attachment 5 Corporate Governance Policy, Business Ethics and Charter of the Board of Directors and Committees”.

Roles and Responsibilities of Directors

1. Conduct business with responsibility, due care, and integrity, and ensure the Company’s operations in accordance with the law, objectives, Articles of Association of the Company as well as the resolution of the Board of Directors’ and shareholders’ meeting to protect the rights and interests of the Company and shareholders;

2. Formulate policies and directions for the Company's operations. The Board must also supervise managerial and administrative departments to deliver all policies and strategies with effectiveness and efficiency;
3. Set and review Company's vision, mission, and strategy by prioritize and promote appropriate and safe innovation and technology to increase business opportunities, and ensure effective communication throughout the Company in order to drive the business in the same direction;
4. Approve annual budget and investment of the Company and ensure proper resource allocation and effective systems and controls as well as monitor the implementation of the Company's strategies and plans;
5. Appoint directors to replace of those who retire by rotation as well as consider the remuneration package for directors and committee members proposed by the Nominating and Compensation Committee for further consideration of the shareholders' meeting. The Board of Directors also consider the appointment of directors in case of vacancy due to any reason other than the expiration of the term unless the remaining term of office of the director is less than 2 months. The replacing director shall hold office only for the remaining term of the replaced director;
6. Appoint committees to oversee administrative process and internal system to be in accordance with the specified policy and approve the charters of all committees;
7. Appoint and define its roles and responsibilities as well as ensure that Executive Chairman perform its duties as assigned;
8. Appoint and define its roles and responsibilities as well as ensure that Company Secretary perform its duties as assigned;
9. Approve policy, structure, criteria of remuneration for directors, committees, Executive Chairman, top management, management and employees as well as propose remuneration for directors and committees for further approval from the shareholders' meeting;
10. Prepare quarterly and annual financial statements to disclose or propose to the shareholders' meeting for approval, as the case may be, as well as supervise to disclose the important information accurately, sufficiently and on time to comply with the relevant rules and regulations;
11. Nominate appropriated persons with remuneration, which are proposed by Audit Committee, prior to propose for further consideration and approval of shareholders for the appointment of the Company's auditors;
12. Ensure the Company's to have written Corporate Governance Policy and Business Ethic as well as to ensure that there will be no conflicts of interest at the same time to establish systematic plans for internal control and risk management;
13. Ensure that good corporate governance is implemented to demonstrate Company's commitment to operate the business with ethics and to bring fair treatment to all stakeholders;
14. In case of entering into any direct or indirect transaction with the Company and subsidiaries, such director should immediately inform his/her or related parties' personal interest to the Company;
15. Supervise to ensure that development and succession plans for Executive Chairman and key executives are in place;
16. Encourage and promote innovation and meet social and environmental responsibilities.
17. Approve interim dividend payment to the Company's shareholders and report the interim dividend payment in the next shareholders' meeting.
18. Approve the acquisition or disposal of the Company's assets according to the rules of the Capital Market Supervisory Board.
19. Approve the connected transactions of the Company according to the rules of the Capital Market Supervisory Board.
20. Organize an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year.
21. Continuously monitor performance of the Company and subsidiaries to comply with the operation plans and budgets of the Company.
22. Supervise subsidiary and affiliate to comply with the Company's policy.

Authority of the Board of Directors

The Board of Directors has the authority to approve various matters of the Company within the scope of duties as defined by laws, the Company's articles of association, the Board of Directors' charter, and shareholder's meeting resolutions. This includes the establishment and review of the Company's vision, mission, and strategies, approving the annual budget and capital expenditure, as well as authorizing financial commitments such as loan agreements, debt guarantees, and any other matters proposed by management for approval in accordance with the regulations or criteria set by the Board of Directors.

The Board of Director also has duties to approve other transactions pursuant to the notification of the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and other related laws.

The Company conducted business and manage the Company's operation ethically and transparently with honesty and due care for the benefit of shareholders and all stakeholders. The Board of Directors has provided the Ethics manual for the Company's directors and executives to adhere as their practical guidelines and posted on the Company's website www.samtel.com under the "Corporate Governance" section.

Delegation of authority between the Board of Directors and Management

The Company has specified the delegation of authorities clearly which have been firstly applied since 1995 by specifying approval authority on credit line of the Board of Directors and the Management pursuant to the transaction types, such as finance/accounting/budget, human resources, procurement, general management/administration, marketing and public relations. However, the Company is now improving such policies and operating guidelines to make them more appropriated with the current situation. Therefore, the latest policies and operating guidelines on delegation of authorizes has been approved from the Executive Meeting No. 7/2020 on July 16, 2020 effective on September 1, 2020 onwards.

Roles and Responsibilities of the Chairman of the Board

The Chairman of the Board has an important role in supervising and supporting the Board of Directors to be able to perform their duties in accordance with the direction and strategy for the best benefit of the Company and all shareholders. Moreover, the Chairman of the Board has to lead the Board of Directors as the Chairman of the Board of Directors' Meeting, Shareholders' Meeting and Non-executive Directors' Meeting which covers the following;

1. Oversee, monitor, and ensure that the Board of Directors efficiently carries out its duties to achieve the Company's objectives;
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance;
3. Set the board meeting agenda by discussing with the Executive Chairman and/or President which important matters should be included;
4. Allocate sufficient time for management to propose topics, and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company;
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

Roles and Responsibilities of the Executive Chairman

1. General operation management and control in business of the Company to comply with its objectives, policy and the Articles of Association;
2. Consideration in business investment plans prior to propose for the Executive Board and the Board of Directors for further approval;
3. Consider the criteria and procedures for nomination and recruiting person to be top management together with the Nomination and Compensation Committee;

4. Entering into any transaction bidding the Company conforming with the Company's Delegation of Authorities;
5. Carry out any assignment from the Board of Directors and/or the Shareholders of the Company.

The delegation authorities of the Executive Chairman should not be delegated or further assigned that authorize the Executive Chairman or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the Securities Exchange Commission's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company shareholders' meeting to be complied to regulations of SET/SEC or any related laws and regulations.

7.3 Information on Committees

The Company's committee consist 6 committees; Audit Committee, Executive Board, Corporate Governance Committee, Nominating & Compensation Committee, Risk Management Committee and Sustainable Development Committee are as the follows:

- 1) **Audit Committee** as of December 31, 2024 consists of 3 members:

- | | | |
|----|----------------------------|--------------------------------------------------------|
| 1. | Mr. Vichai Pokasamrit | Chairman of the Audit Committee (Independent Director) |
| 2. | General Sumpun Boonyanun | Member (Independent Director) |
| 3. | Miss Rapeepan Luangaramrut | Member (Independent Director) |
| | Mr. Somchai Bunsupaporn | Secretary |

Audit Committee comprise of no less than 3 members, and the Audit Committee member number 1. has knowledge and experience to review creditability of the financial reports. Details of Audit Committee are shown in "Attachment 1 Details of Directors, Managements, Controlling Person, The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary" which has been published on the Company's website www.samtel.com, under the "Investor Relations" section, in the "Financial Information" category, under "Annual Registration Statement/Annual Report (Form 56-1 One Report)".

Qualifications of the Audit Committee

1. The Audit Committee members shall be appointed by the Board of Directors and/or the Company's shareholders;
2. All members of the Audit Committee should be Independent Directors with the qualifications as specified in the announcement of the Securities and Exchange Commission Capital Market Supervisory Board and the Stock Exchange of Thailand (the SET);
3. Not being a director assigned by the Board of Directors to take part in the business decision of the Company, parent company, subsidiaries, associate company, same-level subsidiaries, major shareholder or controlling person of the Company;
4. Not being a director of parent company, subsidiaries, and same-level subsidiaries which is a listed Company;
5. Having sufficient knowledge, experience, and time to perform duties as the Audit Committee members;
6. At least 1 member of the Audit Committee shall have sufficient knowledge and experience in accounting and finance to review the reliability of financial statement, the Company has to define in the Annual Registration Report / Annual Report (Form 56-1 One Report) for name of the Audit Committee member who has that qualification, and has to define his/her qualification in the certification of the Audit Committee profile that should be sent to the SET.

Terms of positions

Term of the Audit Committee member is 3 years. All members shall be in post no longer than 3 terms except getting a unanimous approval from the Nominating & Compensation Committee and the Committee ensures that the extra term will not cause or impact to the independent of such director as well as obtain an approval from Board of Directors and/or the Company's shareholders.

Roles and Responsibilities of the Audit Committee

1. Review the Company's financial statement to ensure its accuracy with adequate, reliable and timely disclosure;
2. Review the Company's internal control, and internal audit systems to ensure that they are suitable and efficient, and consider the independence of internal audit unit, as well as to propose the appointment, transfer and dismissal of the head of internal audit or any other unit in charge of internal audit;
3. Consider and approve the manpower and necessary resources for working process of the internal audit unit, approve the annual audit plan including significant changes in the audit plan;
4. Ensure that the Company has complied to the Securities and Exchange Act, regulations of SEC/SET and any other related regulations;
5. Propose for consideration and approval of the Board of Directors and Shareholders' meeting on the appointment, termination of the external auditor and also propose its remuneration for further consideration;
6. Arrange meeting with auditors without the management of the Company at least once a year;
7. Review the connected transactions or the transactions that may lead to conflicts of interests to comply with the Securities and Exchange Act, and the regulations of the SET and the SEC, including the related laws which are effectively with the Company and/or the Company's business to ensure that the transactions are reasonable with the highest benefit of the Company;
8. Provide the Audit Committee report for disclosure in the annual report of the Company with minimum contents as required by regulations of SET;
9. Review the scope of authorities, roles and responsibilities of the Audit Committee in accordance with the situation;
10. Audit and investigate concerned persons in order to gain the clearly information within the scope of authority;
11. Engage the specialist for competent advice and assistance auditing as considered by the Audit Committee with Company's expenses;
12. Perform any other activities as assigned by the Board of Directors.

2) Executive Board as of December 31, 2024 consists of 7 members:

- | | | |
|----|------------------------------|----------------------------------------------|
| 1. | Mr. Watchai Vilailuck | Executive Chairman / Chief Executive Officer |
| 2. | Mr. Charoenrath Vilailuck | Member |
| 3. | Mr. Thananan Vilailuck | Member |
| 4. | Mr. Jong Diloksombat | Member |
| 5. | Miss Chotika Kamloonwesaruch | Member |
| 6. | Mr. Suchart Duangtawee | Member |
| 7. | Mr. Dhilokpat Nisamaneevong | Member |
| | Mr. Somchai Bunsupaporn | Secretary |

Terms of positions

Term of the Executive Board members is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and the Management propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Executive Board

1. Set and review Company's vision, mission, strategies and business plan as well as the Company's management structure and delegation of authorities for further approval of the Board of Directors;
2. Supervise the subsidiary and associated companies to be in accordance with the Company policy including review and monitor the operating performance of the Company and subsidiaries to achieve the goal;
3. Monitor, audit and set the management policies for efficiency and productivities as well as to conform with the instruction of the Board of Directors;
4. Consider and approve annual budget and investment of the Company for further approval of the Board of Directors;
5. Determine policy, structure, criteria for remuneration of employees and management together with the Executive Chairman and propose to the Nominating and Compensation Committee for consideration prior to further approval from the Board of Directors;
6. Consider and appoint qualified persons as senior management and report to the Board of Directors for acknowledgment;
7. Consider entering into any transactions binding the Company within its authorities under the Company's Delegation of Authorities;
8. Report the significant performance of the Executive Board to the Board of Directors on a regular basis;
9. Review the roles and responsibilities of the Executive Board in accordance with the situation;
10. Perform any other activities as assigned by the Board of Directors.

The delegation authorities of the Executive Board should not be delegated or further assigned that authorize the Executive Board or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the Securities Exchange Commission's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company. The connected transaction has to be considered and approved either by the Company's Board of Directors or shareholders' meeting to be complied with regulations of SET/SEC or any related laws and regulations.

Roles and Responsibilities of the Executive Chairman

1. General operation management and control in business of the Company to comply with its objectives, policy and the Articles of Association;
2. Consideration in business investment plans prior to propose for the Executive Board and the Board of Directors for further approval;
3. Consider the criteria and procedures for nomination and recruiting person to be top management together with the Nomination and Compensation Committee;
4. Entering into any transaction bidding the Company conforming to the Company's Delegation of Authorities;
5. Carry out any assignment from the Board of Directors and/or the Shareholders of the Company.

The delegation authorities of the Executive Chairman should not be delegated or further assigned that authorize the Executive Chairman or its attorney to approve any connected transactions between themselves or any persons who may have conflict of interest (according to the concept of conflict of interest of the Securities Exchange Commission's notification) with the Company or subsidiaries except such transactions are handled in line with the connected transaction procedure or policy which been approved by the Board of Directors of the Company shareholders' meeting to be complied to regulations of SET/SEC or any related laws and regulations.

3) Corporate Governance Committee as of December 31, 2024 consists of 5 members:

1. Mr. Vichai	Pokasamrit	Chairman of the Corporate Governance Committee (Independent Director)
2. Miss Rapeepan	Luangaramrut	Member (Independent Director)
3. Mr. Sirichai	Rasameechan	Member (Independent Director)
4. Mr. Kajornvut	Tayanukorn	Member (Independent Director)
5. Mr. Jong	Diloksombat	Member (Executive Director)
Mr. Somchai	Bunsupaporn	Secretary

Terms of positions

Term of members of the Corporate Government Committee is one year. The Nominating & Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and/or any qualified candidates propose for further consideration and approval of the Board of Directors for the appointment in its first meeting after the Annual General Meeting of Shareholders. The Chairman of the Committee has to be nominated from the Company's Independent Director. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Corporate Governance Committee

1. Responsible for governing and monitoring business operation and committees' activities as well as management and employees of the Company to strictly comply with law and related regulations;
2. Establish corporate governance policy and sustainability development including anti-corruption;
3. Establish and review the Company's significant procedures and practices to comply with the good corporate governance policy;
4. Formulate and review the Company's rules concerning good corporate governance;
5. Provide suggestions relevant to ethical practices to the Board, management and employees of the Company;
6. Yield continuity and appropriate regulations in carry out good corporate governance;
7. Review the roles and responsibilities of the Corporate Governance Committee in accordance with the situation;
8. Report to the Board the recommendations for improvement on the Corporate Governance of the Company as appropriate;
9. Perform any other activities as assigned by the Board of Directors.

4) Nominating & Compensation Committee as of December 31, 2024 consists of 4 members:

1. General Sumpun	Boonyanun	Chairman of the Nominating & Compensation Committee (Independent Director)
2. Mr. Vichai	Pokasamrit	Member (Independent Director)
3. Miss Rapeepan	Luangaramrut	Member (Independent Director)
4. Mr. Sirichai	Rasameechan	Member (Independent Director)
Mr. Somchai	Bunsupaporn	Secretary

Terms of positions

One-third of the Nominating & Compensation Committee, who have been longest in office, shall retire by rotation every year. The retired directors are eligible to be re-elected for another term by obtaining majority vote from the Board of Directors. In case of vacancy, the Nominating & Compensation Committee will consider an appropriate person from the members of the Board of Directors and/or any qualified candidates propose to the Board of Directors for appointment.

Roles and Responsibilities of the Nominating & Compensation Committee

1. Specify and review the criteria and procedures for nomination of directors, committees, Executive Chairman and senior managements to propose for consideration and approval of the Board of Directors;
2. Recruit, select, and nominate appropriate candidates for independent directors, Chairman of the Boards and Board members proposed to consideration of Board of Directors and/or further approval of the shareholders when those positions are vacant due to termination of terms or other reasons;
3. Recruit, select, and nominate appropriate candidates for members of the committee and Executive Chairman proposed for consideration of the Board of Directors when such position is vacant as well as propose and review criteria for considering and selecting candidates for the successor of the top management and senior management, annually;
4. Specify remuneration's structure policy, forms and criteria of remuneration's payment (whether in cash or any properties) of directors, committees, Executive Chairman, senior management, management and employees of which must be complimented to the Company's strategies, objective as well as conform to the Company's operating performance and market's atmosphere to propose for consideration and approval of the Board of Directors;
5. Review the scope of Roles and Responsibilities of the Nominating & Compensation Committee in accordance with the situation;
6. Perform any other activities assigned by the Board of Directors.

5) Risk Management Committee as of December 31, 2024 consists of 4 members:

- | | | | |
|----|-----------------|-------------|-------------------------------------------|
| 1. | Mr. Watchai | Vilailuck | Chairman of the Risk Management Committee |
| 2. | Mr. Charoenrath | Vilailuck | Member |
| 3. | Mr. Thananan | Vilailuck | Member |
| 4. | Mr. Jong | Diloksombat | Member |
| | Mr. Somchai | Bunsupaporn | Secretary |

Risk Management Working Group

- | | | | |
|-----|---------------|-------------------------|-------------------------------------------|
| 1. | Mr. Jong | Diloksombat | Head of the Risk Management Working Group |
| 2. | Miss Chotika | Kamloonwesaruch | Member |
| 3. | Mr. Suchart | Duangtawee | Member |
| 4. | Mr. Apichart | Sirisalipochana | Member |
| 5. | Mr. Dhilokpat | Nisamaneevong | Member |
| 6. | Mr. Senee | Somma | Member |
| 7. | Korn | Vajanapoom, Ph.D. | Member |
| 8. | Mr. Danaisak | Khonsue | Member |
| 9. | Miss Sirichan | Phiraprawit | Member |
| 10. | Mr. Channat | Ketditse ⁽¹⁾ | Member |

Remark: ⁽¹⁾ Has been appointed as member in the Risk Management Working Group on May 14, 2024.

The scope of risk management working group's authority to be as the Risk Management Committee assignment.

Terms of positions

Term of member of the Risk Management Committee is one year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors for further consideration and appointment from the Board of Directors in the first board meeting after Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Risk Management Committee

1. Establish clear business objectives, identify, analyze, assess significant risks and formulate risk strategies, also risk appetite;
2. Develop risk management policy and propose for consideration and approval of the Board of Directors to be used as practices in the areas for which they are accountable. However, it must be covered risks at least 4 topics as follow;
 - 1) Financial Risk
 - 2) Operational Risk
 - 3) Strategic Risk
 - 4) Compliance Risk
3. Ensure that the above standards and practices are fully communicated to and have active support of all employees, continuously;
4. Review the scope of roles and responsibilities of the Risk Management Committee in accordance with the situation;
5. Ensure that the management has regularly, continually and systematically identify, analyze and review risk exposures, which may have to cover all processes of the business;
6. Support and develop to have the management and all employees to continually aware of risk management as well as to ensure the Company's Risk Management Policy is complied to the international standard;
7. Provide professional opinions from external consultants regarding matters to be considered with the Company's expense, if necessary;
8. Perform any other activities as assigned by the Board of Directors.

6) Sustainable Development Committee as of December 31, 2024 consists of 6 members:

1. Mr. Jong	Diloksombat	Chairman of the Sustainable Development Committee
2. Miss Chotika	Kamloonwesaruch	Member
3. Mr. Suchart	Duangtawee	Member
4. Mr. Dhilokpat	Nisamaneevong	Member
5. Miss Kanokwan	Chanswangpuvana	Member
6. Mr. Channat	Ketditse ⁽¹⁾	Member
Mr. Somchai	Bunsupaporn	Secretary

Remark: ⁽¹⁾ Has been appointed as a Sustainability Development Committee Member on May 14, 2024.

Terms of positions

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors and management and/or any qualified candidates propose for further consideration and appointment from the Board of Directors in the first board meeting after the Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

Roles and Responsibilities of the Sustainable Development Committee

1. Set policy, strategy and framework for sustainable development to conform to the Company's operating in economy, social and environment for further approval from the Board of Directors;
2. Encourage and support the Company's activities to achieve the SD policy such as labor and employee management, Employee welfare, employee development, training and promotion, and development of communities and society around the Company's area;
3. Monitor progress of sustainable development activities and evaluate the effectiveness of the implementation of the Company's sustainable development activities;
4. Review the roles and responsibilities of the Sustainable Development Committee in accordance with the situation;
5. Perform any other activities as assigned by the Board of Directors.

In addition, the Committees have regularly arranged the meetings and the written minutes of meeting have been taken. For more details on summary of essence of the meetings and number of meeting attended during the past year, details are provided under "8. Report on the Significant Activities on Corporate Governance" in the section "8.1.2.1 Meeting Attendance" in the topic "Committee".

The Company has disclosed the Committees' Charters on the Company's website www.samtel.com, under the "Investor Relations" section, in the "Financial Information" category, under "Annual Registration Statement/ Annual Report (Form 56-1 One Report)" in the topic "Attachment 5 Corporate Governance Policy, Business Ethics and Charter of the Board of Directors and Committees".

7.4 Management

7.4.1 Management as of December 31, 2024 consists:

1.	Mr. Watchai	Vilailuck	Executive Chairman & Chief Executive Officer
2.	Mr. Jong	Diloksombat	President and Acting Executive Vice President Network Solutions Business Group
3.	Miss Chotika	Kamloonwesaruch	Executive Vice President Enhanced Technology Solutions Business Group
4.	Mr. Suchart	Duangthawee	Executive Vice President Business Application Business Group
5.	Mr. Dhilokpat	Nisamaneevong	Chief Financial Officer (CFO)
6.	Miss Sirichan	Phiraprawit	Assistant Vice President - Accounting

Further details of management of the Company are shown in "Attachment 1 Details of Directors, Managements, Controlling Person, The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary" which has been published on the Company's website www.samtel.com, under the "Investor Relations" section, in the "Financial Information" category, under "Annual Registration Statement/Annual Report (Form 56-1 One Report)".

7.4.2 Remuneration of the Top Management Policy

Annual remuneration and bonus of the top managements shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and performance of each top managements. These criteria shall be explained in advance before they can be used for the assessment at the end of the year. The Nominating and Compensation Committee shall consider prior propose to the Board of Directors for approval. Details of Remuneration of Directors and Management Policy are disclosed under topic "6 Corporate Governance Policy" under the subject "6.1.1 Policy and Guidelines for the Board".

In 2024, the Board of Directors' meeting to be in line with the Nominating & Compensation Committee has agreed that the criteria on salary increase for 2025, bonus allocation for 2024 and bonus payment policy for 2025. The policy and criteria for paying shall be in appropriate rate.

7.4.3 Cash & Non-Cash Remuneration of the Executive Board and Management of 2024

Remuneration	Number of Persons	Cash Remuneration (Baht)		
		Company	Subsidiaries	Grand Total
Salary ⁽¹⁾	5	24,309,600	5,910,000	30,219,600
Bonus ⁽¹⁾	5	3,939,100	1,477,500	5,416,600
Provident Fund ⁽¹⁾⁽²⁾	5	2,142,210	591,000	2,733,210

Remarks: ⁽¹⁾ The figures presented Salary, Bonus and Provident Fund for executives board and management paid by the Company and subsidiaries;

⁽²⁾ Provident fund to executive director and management have been provided by the Company at the rate of 3 - 10 percent of salary related to year of services.

7.5 Information on Employees

Number of employees of the Company and subsidiaries for the pass 3 years.

Company	Number of Employees (Person)		
	2022	2023	2024
1. Samart Telcoms PCL	96	92	87
2. Samart Communication Services Co., Ltd.	247	255	248
3. Samart Comtech Co., Ltd.	211	184	166
4. Portalnet Co., Ltd.	117	121	117
5. Posnet Co., Ltd.	71	72	74
6. Thai Trade Net Co., Ltd.	19	20	19
7. Smarterware Co., Ltd.	57	18	19
8. Samart Infonet Co., Ltd.	22	22	20
9. Samart eD Tech Co., Ltd.	10	11	11
10. Net Service (Thailand) Co., Ltd.	22	65	64
11. Secureinfo Co., Ltd.	35	41	40
Total	907	901	865

Expenses related to the employees of the Company and subsidiaries for the pass 3 years of which comprised salary, bonus, provident fund and other remuneration were:

Remuneration	Total Amount (Million Baht)		
	2022	2023	2024
Salary ⁽¹⁾	542.35	549.86	536.28
Bonus ⁽¹⁾	69.03	68.00	69.76
Provident Fund ⁽¹⁾	32.00	33.27	33.46
Other remuneration (Over time, special subsidy and commission)	7.41	8.99	9.77
Total remuneration	650.79	660.12	649.27

Remark : ⁽¹⁾ The remuneration were excluded the managements of the Company.

Provident Fund

The Company has established a provident fund under the management of 2 security companies as TISCO Asset Management Company Limited under the name “Samart Group Registered Provident Fund” and Bangkok Capital Asset Management Company Limited under the name “The Registered Provident Fund of Bualuang Submungkung” had already registered with The Securities and Exchange Commission, Thailand. Such fund managers be in accordance with the Investment Governance Code: I Code.

The Company will contribute 3-10% of the employee’s salary to the provident fund. The contributions will be paid according to the years of membership as follows:

Year of membership	Contribute payment rate
Under 5 years	3%
From 5 years and up but less than 10 years	5%
From 10 years and up but less than 15 years	7%
From 15 years and up	10%

As of December 31, 2024, there are 762 employees joining the provident fund out of the total 870 employees who are eligible to participate, representing 88%.

The Fund has promoted investment by realizing the duty of investment management for the best benefit to the fund members, unitholders (Investors’ First), the Company believes that businesses that the Fund invests in, have good corporate governance strategies and responsible for society, environment and good governance. (“ESG”). It will bring good and sustainable returns together with the management company, determine the policy and assign to the fund manager to invest in organizations that have decision-making and follow up closely and actively monitor investment. There is a principle about the investment decisions both quantitative and qualitative analysis, such as, business growth trends, business competition and considering the sustainability of long-term investments by taking social, environment and governance (ESG) factors to involve in making appropriate decisions and established corporate governance criteria for selecting securities to be in the investment portfolio to ensure that the Fund has invested in businesses honestly in accordance with good governance practice. The fund committees has required the fund manager to display a list of currently invested securities by comparing with the list of securities in the SETTHSI index (Thailand Sustainability Investment) of the Stock Exchange of Thailand, in order to know the proportion of securities compared to the list of sustainable stocks that have reported the fund performance.

For more details on human resources management and training information for employees and managements in 2024 has been disclosed in the section “3. Driving Business for Sustainability” under the topic “3.4.2 Social operating results”.

7.6 Other Significant Information

7.6.1 The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting, Company Secretary and Head of Compliance of the Company

The Person Taking The Highest Responsibility in Accounting and Finance

Mr. Dhilokpat Nisamaneevong, Chief Financial Officer (CFO) is a person assigned to the highest responsibility in accounting and finance, which is the qualified person and suitable to be appointed as the person taking the highest responsibility in accounting and finance.

The Person Supervising Accounting

Miss Sirichan Phiraprawit, Assistant Vice President - Accounting is a person assigned to the person supervising accounting, which is the book keeper who has the qualifications and conditions of being a book keeper in accordance with the rule of Department of Business Department.

Company Secretary

The Nominating & Compensation Committee considered and appointed a potential and experienced person as the Company Secretary proposed for further approval of the Board of Directors. The Board of Directors has appointed Mr. Somchai Bunsupaporn as the Company Secretary since October 28, 2003.

In addition, Mr. Somchai Bunsupaporn has been appointed as secretary to sub-committees such as the Audit Committee, the Executive Committee, the Corporate Governance Committee, the Nominating & Compensation Committee, the Risk Management Committee and the Sustainable Development Committee.

Further details of The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary of the Company are shown in “Attachment 1 Details of Directors, Managements, Controlling Person, The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary” which has been published on the Company’s website www.samtel.com, under the “Investor Relations” section, in the “Financial Information” category, under “Annual Registration Statement/Annual Report (Form 56-1 One Report)”.

Head of Internal Audit

Mr. Somchai Bunsupaporn, Vice President - Internal Audit is a person assigned to the person head of internal audit of the Company.

Further details are shown in section 2 under the topic “9. Internal Audit and Connect Transactions” and details of Head of Internal Audit is shown in the topic “Attachment 3 Details of the Heads of the Internal Audit and Compliance Units” which has been published on the Company’s website www.samtel.com, under the “Investor Relations” section, in the “Financial Information” category, under “Annual Registration Statement/Annual Report (Form 56-1 One Report)”.

Head of Compliance of the Company

The Company’s Compliance Unit is the responsibility of Head of Internal Audit, with cooperation and support from the Legal Department and the Company Secretary Department to ensure that the Company, its directors, and executives comply with policies, procedures, and various laws, including reviewing, monitoring, and annually consider compliance with the anti-corruption policy and report operating results to the Board of Directors regularly.

Further details of Head of Internal Audit is shown in “Attachment 3 Details of the Heads of the Internal Audit and Compliance Units” which has been published on the Company’s website www.samtel.com, under the “Investor Relations” section, in the “Financial Information” category, under “Annual Registration Statement/Annual Report (Form 56-1 One Report)”.

7.6.2 Head of Investor Relations and Contact Information

Mr. Dhilokpat Nisamaneevong, Chief Financial Officer (CFO) is a person assigned to the Head of Investor Relations, and can be contacted at Investor Relations, Tel. 0-2502-6628 or send inquiries through the company's website at www.samtel.com or email dhilokpat.n@samtel.com.

7.6.3 Remuneration of the Auditors

1. Audit Fee

In 2024, the Company and subsidiaries companies paid audit fee to the Company's auditor, EY Office Limited comprised of following details:

- Audit Fee for accounting period ended December 31, 2024 of the Company was Baht 3,190,000 of which excluded other miscellaneous payment of Baht 61,928 (i.e. auditors' traveling expenses, photo copy expenses etc.).
- Audit Fee for accounting period ended December 31, 2024 of the subsidiaries companies pay to audit firm or other persons of firms that related to the audit firm were Baht 5,710,000 of which excluded other miscellaneous payment of Baht 100,017 (i.e. auditors' traveling expenses, photo expenses etc.).

2. Non-Audit Fee

In 2024, the Company and subsidiaries paid non-audit fee comprised of following details:

- The Company, paid professional fee to EY Office Limited for the review of compliance conditions stipulated in the Universal Service Obligation (USO) fee submitted to Office of The National Broadcasting and Telecommunications Commission (NBTC) for the period ended December 31, 2024 at Baht 50,000.
- Samart Infonet Co., Ltd., a 99.64% stake hold by the Company, paid professional fee to EY Office Limited for the review of compliance conditions stipulated in the Universal Service Obligation (USO) fee submitted to Office of The National Broadcasting and Telecommunications Commission (NBTC) for the period ended December 31, 2024 at Baht 50,000.

8. Report on the Significant Activities on Corporate Governance

8.1 Summary of Duty Performance of the Board of Directors in the Past Year

Set Policy and Business Direction

The Board of Directors has determined and reviewed the Company's vision, mission, strategies, business plan and budget as well as to govern the management to follow such business plan and budget. The Board of Directors reviews, revises and approve the Company's vision, mission, Corporate Governance Policy, Business Ethics annually and co-considers in strategies, goal, direction, business plan, budget, internal control and internal audit systems, and risk management. The Audit Committee will follow up progress of such matters regularly reports to the Board of Directors. The Board of Directors also governs the management to follow such business plan and budget with efficiency and profitability for the highest economic value to the Company and the best stability to the shareholders. The Board of Directors has not only ensure the Company and its management to oversee the value of all stakeholders, neither derive personal benefit nor create any competition with the Company and its subsidiaries. The Board of Directors also conduct the business with great awareness in ethical, moral and compliance to the Company's Articles of Associations, laws and regulations of the SET and the SEC. The Board of Directors has provided effective internal control system, internal auditing and risk management measures for the Company, and assigned the Audit Committee to monitor and regularly report to the Board of Directors.

The Company's vision, mission, business direction, Corporate Governance Policy, Risk Management Policy and Business Ethics have been posted on the Company's website at www.samtel.com under the section "Corporate Governance" and disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report) under the governance of the Corporate Governance Committee to have all employees to strictly conform and practice.

In addition, the Company has communicated vision, mission, objective and business goals throughout the Company in order to drive the business in the same direction. The Company has organized management meeting for manager level up twice a year and communicated the matters to all employees in the organization through various media such as email, computer screen saver, message on public relations board and company's elevator and other online media in the Company.

In 2024, the Board of Directors Meeting No. 5/2024 held on November 12, 2024 has reviewed the vision, mission, Corporate Governance Policy and Business Ethics to be consistent with the goals and Company's business strategy.

Monitoring on Business Ethics

The Company conveyed business ethics practices via various channels and the Company also specified that all directors, executives and employees have responsibility to acknowledge and comply with the Company's policies and regulations. The supervisors or the superior officers at all level have to monitor the compliance with the business ethics as well as to give recommendation and advise in case there is a problem on making decision or performing the works concerning the business ethics which have not been specified elsewhere. However, such recommendation must be based on the legal rules and it must not against the policy or business ethics of the Company, must not have negative impact to the Company's image including must not cause negative effect to the Company's stakeholders. The Company shall revise and improve its business ethics policy continually to make it always appropriate and up-to-date.

In the event that it is found that there is a violation of the business ethics, the supervisor shall undertake the necessary measures to solve or make good of such action or may issue a warning notice, as the case may be. The wrongdoer shall be subject to disciplinary penalty and may also be faced with legal penalty, if such action is against the law.

Moreover, the Company also has one more channel to receive the misconduct information or complaint or opinion on violation of law or ethics including on the behavior which may lead to the corruption or inequality treatment, the details on procedures and methods on informing such information, as well as the protection of the informant can be found in the section of “6. Corporate Government” under the subject “6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders”.

In 2024, the Company has conducted the following operations:

- The Company communicates business ethics knowledge to all directors, managements, and employees through the Company’s intranet;
- Orientation for new employees includes Business Ethics content as part of the program to ensure understanding and practice.

According to regulation of the adequacy evaluation of internal control and comply with Corporate Governance of the Company. The Company provided Business Ethics assessment for management to evaluate their practice of business ethics and report to Audit Committee. From the assessment, evaluated in the above areas, has an **excellent** average score of 100%.

In the past year, the Company found zero case non-compliant with the Company’s business ethics.

8.1.1 Selection, Development and Evaluation of Duty Performance of the Board of Directors

8.1.1.1 Selection and Appointment of Directors and Management

Qualifications of independent directors

1. Holding not more than 0.5 percent of the total number of voting rights of the Company, parent company, subsidiaries, affiliates, major shareholder or controlling person of the Company, including the shares held by related persons of the independent director;
2. Neither being nor used to be an Executive director, employee, staff or advisor who receives a salary; or controlling person of the Company, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholder or controlling person of the Company unless the foregoing status has ended not less than two years prior to the date of appointment;
3. Not being a person related by blood or legal registration such as father, mother, spouse, sibling and child, including spouse of child of other director, executive, major shareholder, controlling persons, or persons to be nominated as a director, executive or controlling person of the Company or subsidiaries;
4. Neither having nor used to have a business relationship with the Company, parent company, subsidiaries, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, parent company, subsidiaries, affiliates, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

The aforementioned business relationship is inclusive of any normal business transaction, rental or lease of property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions. These result in the Company or counterparty being liable to indebtedness payable to the other party in the amount from 3% of net tangible assets of the Company or from Baht 20 million, whichever is lower. The amount of indebtedness, included the obligation incurred during 1 year prior to the date of having a business relationship with the same person, is determined by the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction mutatis mutandis.

5. Neither being nor used to be an auditor of the Company, parent company, subsidiaries, affiliates, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, parent company, subsidiaries, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the Company, parent company, subsidiaries, associate companies, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of appointment;
7. Not being a director appointed as a representative of directors of the Company, major shareholder or shareholder who is related to the Company's major shareholder;
8. Not undertaking any business in the same nature and in significant competition to the business of the Company or subsidiaries or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the Company or subsidiaries;
9. Not having any characteristic which cause the inability to express independent opinions with regard to the Company's business operations.

The Company has policies and guidelines regarding the nomination and appointment of directors, management, and management succession plans. Details are shown in the section "6. Corporate Governance Policy" under the subject "6.1.1 Policy and Guidelines for the Board".

In 2024, the Board of Directors has considered and approved the re-appointment of directors and sub-committees of the Company, as follows:

1. Considered and approved the re-appointment of directors as list below to be the Directors of the Company for another term;

1. Mr. Kajornvut	Tayanukorn	Independent Director
2. Mr. Watchai	Vilailuck	Executive Board
3. Mr. Jong	Diloksombat	Executive Board

2. Considered and approved the appointment of the member of committees who has been retired by rotation as follows;

- Approved the re-appointment of General Sumpun Boonyanun as Nominating and Compensation Committee Member;
- Approved the re-appointment of all members of the Executive Board;
- Approved the re-appointment of all members of the Corporate Governance Committee;
- Approved the re-appointment of all members of the Risk Management Committee;
- Approved the re-appointment of all members of the Sustainable Development Committee and appointed Mr. Channat Ketditse as a member of the Sustainability Development Committee, replacing Mrs. Nisachol Udomwongiwat, who retired on February 1, 2024.

In order that, the directors and sub-committees that have been recruited and appointed are knowledgeable, capable, experienced, and have satisfactory performance throughout their tenure, and consistent with the Company's business strategy. Also, useful for setting directions and action plans of the Company's business groups.

8.1.1.2 Development of Directors and Management

Development of Directors

The Company provides orientation for new directors every time on the Board of director positions additional.

In addition, the Company also encourages all directors to strengthen their skills and knowledge for performing their duties including knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the Company's business environment. The board should receive accurate, timely and clear information, including timely and regular updates. However, the Directors have attended training in various courses, such as, the Thai Institute of Directors Association (IOD), especially the Director Certification Program (DCP), Director Accreditation Program (DAP) arranged by the Thai Institute of Directors (IOD). Five of the existing directors had joined DCP program and 6 directors joined DAP program. Each year, the Company shall submit the training courses arranged by various institutes to the Committee members for their consideration on attendance pursuant to their needs.

In 2024, the directors have attended the additional training courses as follows:

Directors	Courses
1. General Sumpun Boonyanun	<ul style="list-style-type: none"> • The 2024 annual Audit Committee seminar on the topic "KEY Concerns of Audit Committees - In the Age of Great Transformation" by EY Office Limited. • Seminar on "Sustainability in the AI Era" by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
2. Mr. Vichai Pokasamrit	<ul style="list-style-type: none"> • The 2024 annual Audit Committee seminar on the topic "KEY Concerns of Audit Committees - In the Age of Great Transformation" by EY Office Limited. • Seminar on "Sustainability in the AI Era" by the Group Chief Executive Officer of Dusit Thani Public Company Limited.

Directors	Courses
3. Miss Rapeepan Luangaramrut	<ul style="list-style-type: none"> The 2024 annual Audit Committee seminar on the topic “KEY Concerns of Audit Committees – In the Age of Great Transformation” by EY Office Limited. Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
4. Mr. Sirichai Rasameechan	<ul style="list-style-type: none"> Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
5. Mr. Kajornvut Tayanukorn	<ul style="list-style-type: none"> Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
6. Mr. Charoenrath Vilailuck	<ul style="list-style-type: none"> Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
7. Mr. Watchai Vilailuck	<ul style="list-style-type: none"> Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
8. Mr. Thananan Vilailuck	<ul style="list-style-type: none"> Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.
9. Mr. Jong Diloksombat	<ul style="list-style-type: none"> Seminar on “Sustainability in the AI Era” by the Group Chief Executive Officer of Dusit Thani Public Company Limited.

Development of Managements

The managerial competency program, courses have been designed for management level in order to develop in managerial competency to strengthen leadership and management skills for executives as well as prepare promotion qualification in the future for pre-executive or talent employees. Moreover, this program would elaborately lead executives to support organization’s business growth and prepare the Company to become business leader in the industry existed.

Detail of the Development of Management in 2024 are reported under Section “3.Driving Business for Sustainability under the subject “3.4.2 Social operating results”.

8.1.1.3 Evaluation of Duty Performance of the Boad of Directors, Executive Chairman and Company Secretary

1) Board Self-Assessment

The Corporate Governance Committee has initiated the Self Assessment form for Board members to review and evaluate their performance for 2024 as a whole. The Company has applied SET’s assessment form in appropriate to the Company. The assessment form, which has been approved by the Board of Directors in its meeting No. 5/2024 on November 12, 2024 was sent to all directors for assessment. The questionnaire covers the following area:

- Structure and Qualification
- Role & Responsibilities
- Meeting
- Board performance
- Relationship with the executives
- Self-Development and management development

From the assessment which been completed by the Board members, total number of directors (9) agreed that for the above area, the Board of Directors of the Company has an **excellent** evaluation at the average score of 98.53%.

2) Directors Self-Assessment

The Corporate Governance Committee has initiated the Self Assessment form for directors to evaluate their performance of director for 2024 and the assessment results were used to develop the performance of director individually. The Company has applied SET's assessment form in appropriate to the Company. The assessment form, which has been approved by the Board of Directors in its meeting No. 5/2024 on November 12, 2024 was sent to all directors for assessment. The questionnaire covers the following area:

- Structure and Qualification
- Meeting
- Role & Responsibilities
- Self-Development

From the assessment which been completed by the Board members individually, total number of directors (9) agreed that for the above area, the Board of Directors of the Company has an **excellent** evaluation at the average score of 99.23%.

3) Audit Committee Self-Assessment

In order to make the Audit Committee to be able to evaluate its own performance during the previous year with regards to the compliance with prudent practices and the effectiveness, so the evaluation which covered the following topics has been conducted. The Company has applied SET's assessment form in appropriate to the Company. The assessment form, which has been approved by the Board of Directors in its meeting No. 5/2024 on November 12, 2024 was sent to all Audit Committee Members for assessment. The questionnaire covers the following area:

- Structure and Qualification
- Meeting
- Role & Responsibilities
- Development & Training
- The activities of the Audit Committee
- The relationship among the head of internal audit, auditors and the management team

From the assessment which been completed by 3 Audit Committee Members, the members agreed that the Audit Committee has an **excellent** evaluation at the average score of 99.42%.

4) Committee Self-Assessment

The Corporate Governance Committee has initiated the self-assessment form of committees for 2024 as Executive Board, Corporate Governance Committee, Nominating & Compensation Committee, Risk Management Committee and Sustainable Development Committee. Results of the self-assessment of each committee will use to develop working performance of them for more efficiency and to be in line with the responsibilities assigned from the Board of Directors. The Company has applied SET's assessment form in appropriate to the Company. The assessment form, which has been approved by the Board of Directors in its meeting No. 5/2024 on November 12, 2024 was sent to each committee for assessment. The questionnaire covers the following area:

- Structure and Qualification
- Meeting
- Role & Responsibilities
- Development & Training

The results from committee's performance self-assessment for 2024 in all of 4 topics were shown below:

1. The Executive Board has an **excellent** evaluation at the average score of 99.06%.
2. The Corporate Governance Committee has an **excellent** evaluation at the average score of 98.95%.
3. The Nominating & Compensation Committee has an **excellent** evaluation at the average score of 98.44%.
4. The Risk Management Committee has an **excellent** evaluation at the average score of 99.55%.
5. The Sustainable Development Committee has an **excellent** evaluation at the average score of 95.14%.

5) Executive Chairman Assessment

The Corporate Governance Committee has initiated the Assessment for Executive Chairman for 2024 to be used in considering compensation. The form has been approved by the Board of Directors in its meeting No. 5/2024 on November 12, 2024 and sent to all directors for assessment. Assessment result will be considered for remuneration adjustment. The questionnaire covers the following area:

- Leadership
- Strategic formulation
- Financial planning and performance
- Board relations
- Risk management and internal control
- Human resources management
- Succession
- Product and service knowledge
- Good corporate governance and code of business conduct

From the assessment which been completed by 8 directors, the directors agreed that the Executive Chairman has an **excellent** evaluation at the average score of 98.68%.

6) Company Secretary Assessment

In order to develop the working efficiency of the Company Secretary, the Company has also been assessed by using the assessment form which has been approved by the Board of Directors in its meeting No. 5/2024 on November 12, 2024 and sent to all directors for assessment. Assessment result will be considered for remuneration adjustment. The questionnaire covers the following area:

- Skill, Knowledge and Capacity of Company Secretary
- Compliance
- Contact and Coordination
- Documentation
- Meeting Arrangement
- Good Corporate Governance

From the assessment which been completed by 9 directors, the directors agreed that the Company Secretary has an **excellent** evaluation at the average score of 97.62%.

8.1.2 Meeting Attendance and Remuneration Payment to Each Board Member

8.1.2.1 Meeting Attendance

The Board of Directors Meeting

At a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. In the event the Chairman is not present or is unable to discharge his duties, the Vice-Chairman, if any, shall serve as a Chairman. If there is no Vice-Chairman or such Vice-Chairman is unable to discharge his duties, the directors present shall elect one of their members as the Chairman of the said meeting.

The Company set a minimum quorum at the time of voting to be at least two-thirds of all directors attending the meeting.

All resolutions of the Board of Directors' meeting shall be passed by the majority vote of the directors presented at the meeting. Each director shall have one vote, however, the director who has interest in any matter cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

The Board of Directors' meeting schedule has been set at least 5 times a year. The Company Secretary proposes the meeting schedule and agenda for next year to the Board of Directors for consideration and approval in November of each year. Typically, the Board of Directors' meeting are held in February, April, May, August, and November, with the possibility of changes or additional meetings as needed. Once the meeting dates has been set and the agenda has been approved, the Company Secretary will inform the directors in advance at the end of the year before the next year's meeting to allow directors to manage their schedules for attending the meetings, the notice of the Board of Directors' meeting specify the agenda and includes a regular item for considering and monitoring business performance.

The notice of the Board of Directors' meeting with the meeting materials will be delivered by Company Secretary to all directors at least 5 working days prior to the meeting date for consideration. While the Company's Articles of Association stipulate that the notice should be sent to directors no less than 7 days before the meeting date except in urgent cases. In addition, if directors would like to propose the agenda, they will inform prior to the meeting date or propose as other matters in the meeting.

The average length of the meeting is approximately 2 hours. In 2024, the Board of Directors' meeting, total 6 meetings and the shareholders' meeting, which can be summarized as follows:

Directors	Number of Attendance / Total Number of Meeting		
	The Board of Directors' Meeting	The 2024 Annual General Meeting of Shareholder	The Extraordinary General Meeting of Shareholders No. 1/2024
1. General Sumpun Boonyanun	6/6	1/1	1/1
2. Mr. Vichai Pokasamrit	6/6	1/1	1/1
3. Miss Rapeepan Luangaramrut	6/6	1/1	1/1
4. Mr. Sirichai Rasameechan	5/6 ⁽¹⁾	1/1	0/1 ⁽¹⁾
5. Mr. Kajornvut Tayanukorn	6/6	1/1	1/1
6. Mr. Charoenrath Vilailuck	6/6	1/1	1/1
7. Mr. Watchai Vilailuck	6/6	1/1	1/1
8. Mr. Thananan Vilailuck	6/6	1/1	1/1
9. Mr. Jong Diloksombat	6/6	1/1	1/1

Remark: ⁽¹⁾ On business trip.

In 2024, the Board of Directors considered the following agendas:

- Considered the Company Operating Performance and Financial Statements for 2023 as well as quarterly performance of 2024;
- Considered the payment of performance bonus to the the directors of the Company;
- Considered the sufficiency of the Company's Internal Control System;
- Considered the related party transactions;
- Considered vision, mission and the Company's 2025 business plan;
- Considered and provide opinions on the agenda for the 2024 Annual General Meeting of Shareholders agenda and the Extraordinary General Meeting of Shareholders No. 1/2024, for all items, before presenting to the shareholder's meeting;
- Considered the dividend payment for year 2023;
- Considered the interim dividend payment for six months of 2024;
- Considered the appointment of the Committees' members to replace of those who retire by rotation;
- Considered the appointment of a director as an independent director;
- Considered the change of authorized signatories for financial documents;
- Considered and approved the issuance and offering of the warrant to purchase the ordinary shares of Samart Telcoms Public Company Limited ("Warrants" or "SAMTEL-W2") of not exceeding 103,000,011 units to the existing shareholders of the Company by pro rata to their respective shareholdings (Rights Offering);
- Considered and approved the decrease of the Company's registered capital by cancelling the Company's unissued registered shares;
- Considered and approved the increase of the Company's registered capital;
- Considered the salary increase for 2025, 2024 bonus and bonus policy for 2025;
- Considered the meeting schedule of the Board of Directors for 2025;
- Considered the Directors & Officer Liabilities and Corporate Reimbursement Insurance;
- Considered and reviewed Corporate Governance policy, business ethics, and the Board of Director and the Committee Charters also considered the criteria of corporate governance assessment survey projects of the listed companies (revised version);
- Acknowledged to allow the minority shareholders to propose matter in the agenda and enquiries prior to the meeting date of 2024 AGM;

- Acknowledged the 2023 Committees' activities;
- Acknowledged the report on the exercise of rights to purchase ordinary shares under the SAMTEL-W1 warrants;
- Acknowledged the amendments to the SEC regulations regarding the reporting of changes in securities holdings;
- Acknowledged the amendments to the Stock Exchange of Thailand's regulations to enhance the supervision of listed companies;
- Acknowledged assessment result on quality on arrangement of AGM of Shareholder for 2024;
- Acknowledged result on Corporate Governance of Thai Listed Companies for 2024;
- Acknowledged the self-assessment results of the Board and Committees for 2023 and the performance of the Executive Chairman and Company Secretary for 2023 and consider the criteria for self-assessment of the Board and Committees for 2024 and the evaluation of the Executive Chairman and Company Secretary Form for 2024;
- Acknowledged the report a change of such securities holding of the directors and the managements from the previous meeting;
- Acknowledged the report of the audit committee;
- Acknowledged the credit line status and borrowing of Samart Telcoms Public Company Limited Group.

The minutes for all meetings had been taken, kept and been ready for verification by the directors or any related parties.

Committee

In 2024, numbers of each meeting and time attendance of each member were summarized

Directors	Number of Attendance / Total Number of Meeting					
	Audit Committee	Executive Board Committee	Corporate Governance Committee	Nominating & Compensation Committee	Risk Management Committee	Sustainable Development Committee
1. General Sumpun Boonyanun	4/4			3/3		
2. Mr. Vichai Pokasamrit	4/4		2/2	3/3		
3. Miss Rapeepan Luangaramrut	4/4		2/2	3/3		
4. Mr. Sirichai Rasameechan			2/2	3/3		
5. Mr. Kajornvut Tayanukorn			2/2			
6. Mr. Charoenrath Vilailuck		11/12 ⁽¹⁾			3/3	
7. Mr. Watchai Vilailuck		9/12 ⁽¹⁾			3/3	
8. Mr. Thananan Vilailuck		11/12 ⁽¹⁾			3/3	
9. Mr. Jong Diloksombat		12/12	2/2		3/3	3/3
10. Miss Chotika Kamloonwesaruch		11/12 ⁽¹⁾				3/3
11. Mr. Suchart Duangtawee		11/12 ⁽¹⁾				3/3
12. Mr. Dhilokpat Nisamaneevong		12/12				3/3
13. Miss Kanokwan Chanswangpuvana						3/3
14. Mr. Channat Ketditse						2/2 ⁽²⁾

Remarks: ⁽¹⁾ On oversea business trip.

⁽²⁾ Has been appointed as a Sustainable Development Committee Member, effective from May 14, 2024, onwards.

Details of agenda of each committee meetings in 2024 has been disclosed in the Company's Annual Registration Report / Annual Report (Form 56-1 One Report) under report of the each committee.

Meeting among members of the Non-Executive Directors

In 2024, the non-executive directors has arranged the meeting among only members without any participation of the management team on 1 time, on November 12, 2024, to discuss various issues of interest regarding management. The results of the meeting were reported to the Board of Directors for acknowledgment.

8.1.2.2 Remuneration of Directors

The remuneration for the directors comprises meeting allowance and bonus without other benefits. Meeting allowance shall be approved by the Shareholders' Meeting and it shall be paid to the directors who attended the meeting only. Members of the Board of Directors and the Audit Committee shall receive the meeting allowance at the same amount, however, the Chairman shall receive 2 times higher than other directors. The Chairman of the Nominating & Compensation Committee and the Chairman of the Corporate Governance Committee shall receive 33.33 percent higher than other members. The Executive Committee, the Risk Management Committee and the Sustainable Development Committee shall not receive any meeting allowance because they are the Company's executives. The provision of bonus to the directors shall be considered based on appropriateness in various aspects and by compared with other organizations in the same industry which have the same or similar size of business including business operations of the Company, performance and responsibility of the directors and overall business conditions.

The Shareholders in the 2024 Annual General Meeting held on April 25, 2024, approved remuneration for Directors of the Company and Committees' members at the amount of not exceeding Baht 6.5 million the same as previous year which consists of meeting allowance and bonus. The meeting allowance for each meeting participated of the Board of Directors and Committees are as follows:

Board of Directors

- Chairman Baht 30,000 per meeting
- Director Baht 15,000 per meeting

Audit Committee

- Chairman Baht 30,000 per meeting
- Director Baht 15,000 per meeting

Corporate Governance Committee

- Chairman Baht 20,000 per meeting
- Director Baht 15,000 per meeting

Nominating & Compensation Committee

- Chairman Baht 20,000 per meeting
- Director Baht 15,000 per meeting

Cash & Non-Cash Remuneration of Directors and Committees' members of 2024

Directors	Cash Remuneration (Baht)								
	Company							Subsidiaries	Grand Total
	Meeting Allowance ⁽¹⁾					Performance Bonus	Total Cash Remuneration from the Company		
	Board of Directors	Audit Committee	Corporate Governance Committee	Nominating & Compensation Committee	Total Meeting Allowance				
1. General Sumpun Boonyanun Chairman / Independent Director Chairman of the Nominating & Compensation Committee	180,000	60,000	-	60,000	300,000	100,000	400,000	-	400,000
2. Mr. Vichai Pokasamrit Director / Independent Director Chairman of the Audit Committee / Chairman of the Corporate Governance Committee	90,000	120,000	40,000	45,000	295,000	80,000	375,000	-	375,000
3. Miss Rapeepan Luangaramrut Director / Independent Director	90,000	60,000	30,000	45,000	225,000	80,000	305,000	-	305,000
4. Mr. Sirichai Rasameechan Director / Independent Director	75,000	-	30,000	45,000	150,000	80,000	230,000	-	230,000
5. Mr. Kajornvut Tayanukorn Director / Independent Director	90,000	-	30,000	-	120,000	80,000	200,000	-	200,000
6. Mr. Charoenrath Vilailuck Director	90,000	-	-	-	90,000	80,000	170,000	-	170,000
7. Mr. Watchai Vilailuck Director	90,000	-	-	-	90,000	80,000	170,000	-	170,000
8. Mr. Thananan Vilailuck Director	90,000	-	-	-	90,000	80,000	170,000	-	170,000
9. Mr. Jong Diloksombat Director	90,000	-	30,000	-	120,000	80,000	200,000	-	200,000
Total	885,000	240,000	160,000	195,000	1,480,000	740,000	2,220,000	-	2,220,000

Remark: ⁽¹⁾ Meeting allowance shall not be paid to the Executive Board, Risk Management Committee and Sustainable Committee because all members of such Committees are the executives who have remuneration as the executives already.

8.1.3 Supervision of the Subsidiary and the Associated Company

The Board of Directors has defined policy and principle of Supervision of the Subsidiary and the Associated Company to oversee the management and take charge in the operation of subsidiaries and associated companies as well as to protect the benefits of the Company's investment. Detail is shown in the topic "6. Corporate Governance Policy" under the subject "6.1.1 Policy and Guidelines for the Board".

For the past year, the subsidiary and associated company had no case of non-compliance with the supervision of the subsidiary and the associated company policy.

8.1.4 Corporate Governance Policy and Guideline Compliance Control
(1) Prevention of Conflicts of Interest

The Company has defined a conflict of interest policy, in order that the directors, managements and employees have to perform their duties to prevention of conflicts of interest in the Company's Business Ethics. Including, the Company disclosed in the topic "6. Corporate Governance Policy" under the subject "6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders". The Company has informed the guidelines for everyone in the organization to adhere to. The Corporate Governance Committee is responsible for monitoring compliance with the rules, regulations, corporate governance policies and the Company's business ethics regularly and strictly.

In 2024, the Company provided training on conflicts of interest as part of its business ethics of the Company by publishing through the Company's intranet for all directors, managements and employees to acknowledge.

For the past year, the directors, managements, employees and other related parties had no conflicts of interest with the Company.

(2) Use of inside information for exploitation

Board of Directors oversees the use of inside information in accordance with the law and good corporate governance principles. The Company sets as policy that all employees shall acknowledge and sign the agreement of non-disclosure confidential information, non-offence of computer related and non-infringement of intellectual property. New employee shall sign this agreement together with employment contract. It was also set forth in the Company's Corporate Governance Policy to refuse directors, managements and employees of the Company to use Company's inside information for personal benefits. Any trading of the Company securities within 1 month prior to disclosure of either Company's financial performance or any other information that may affect securities' price is prohibited and to ensure that the policy is acknowledged and complied, the Company will notify the all-year schedule of such periods in advance to all directors and management. Every quarter, the Company has also delivered such notice to directors and management to acknowledge.

However, the Company has set as a policy for the directors and the managements according to the definition of the SEC to notify the Company about the purchase, sale or transfer the Company's securities and contracts at least 1 day in advance before making the transaction through the Company Secretary. Then, the Company Secretary has to report the changes on such securities holdings of directors and managements in every Board of Directors' Meeting.

In 2024, the Company has conducted the following activities:

1. The Company provided training on the supervision of internal information use as part of its business ethics of the Company by publishing through the Company's intranet for all directors, managements and employees to acknowledge;
2. The Company Secretary Department has, in advance, notified the directors, managements and related persons by email about the prohibited period of securities trading. In the past year, there were no instances of directors, executives, and related persons trading securities during the period designated by the Company as a trading suspension.

In addition, in the past year, the Company had no instances of unfair actions or exploitation of investors using insider information from the Company's directors or managements.

The report on changes in securities holding of directors and managements both direct and indirect, in the year 2024 can be summarized as follows:

Directors / Managements	Number of Share					
	As of 31 December 2023		As of 31 December 2024		Increase / (Decrease)	% Shareholding
	Direct ⁽¹⁾	Indirect ⁽²⁾	Direct ⁽¹⁾	Indirect ⁽²⁾		
1. General Sumpun Boonyanun	100,000	-	100,000	-	-	0.016%
2. Mr. Vichai Pokasamrit	100,000	-	100,000	-	-	0.016%
3. Miss Rapeepan Luangaramrut	-	-	-	-	-	-
4. Mr. Sirichai Rasameechan	150,000	-	150,000	-	-	0.024%
5. Mr. Kajornvut Tayanukorn	500,000	-	500,000	-	-	0.081%
6. Mr. Charoenrath Vilailuck	2,854,600	-	2,966,600	-	112,000	0.480%
7. Mr. Watchai Vilailuck	1,650,010	-	1,650,010	-	-	0.267%
8. Mr. Thananan Vilailuck	50,000	-	50,000	-	-	0.008%
9. Mr. Jong Diloksombat	400,000	-	400,000	-	-	0.065%
10. Miss Chotika Kamloonwesaruch	140,000	-	140,000	-	-	0.023%
11. Mr. Suchart Duangtawee	466,000	-	466,000	-	-	0.075%
12. Mr. Dhilokpat Nisamaneevong	15,000	-	15,000	-	-	0.002%
13. Miss Sirichan Phiraprawit	-	-	-	-	-	-

Remarks: ⁽¹⁾ Direct is the holding by directors and executives themselves;

⁽²⁾ Indirect is the holding by spouse, cohabiting couple, and any minor children of directors and managements.

(3) Corruption Prevention

The Company operates business in accordance with the corporate values, business code of conduct and the principles of good corporate governance, including compliance with laws related to the prevention of corruption and all forms of direct and indirect corruption to ensure that the Company and its subsidiaries have a policy to define the responsibilities, practices and requirements for appropriate operations to prevent corruption, a written corruption prevention policy has been established for the directors, managements, employees and all relevant stakeholders to seriously comply with the corruption prevention policy. Details of corruption prevention policy, Guidelines to perform of corruption prevention, penalty and the result of the implementation of such policies were disclosed in the topic “6 Corporate Governance Policy” under the subject “6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders”.

In 2024, the Company provided training on corruption prevention as part of its business ethics of the Company by publishing through the Company’s intranet for all directors, managements and employees to acknowledge.

In the past year, the Company did not find any fraud and corruption from employees. It only found shortcomings from not performing according to the Company’s regulations, which have been corrected and the correct regulations have been explained to employees. In addition, for the directors and managements, there were no wrongdoings or resignations due to issues of corporate governance, and there were no cases that could cause damage to the Company from performing their duties in the Company.

(4) Whistleblowing or Complaints

The Company adheres to good corporate governance principles and encourages the staffs and the stakeholders to examine and oversee any action which is illegal, fraud, or any action which might cause damages to the Company, violating the rules, regulations, and code of conduct, including rights violation. If such action is found, the employees and stakeholders can notify the clue on misconduct behavior to the Company by sending information and/or document and/or concerned evidence (as the Company's form to notify the information on misconduct) to the Internal Audit Department. If the name and surname of the informant is specified, it will be more beneficial to the Company for convenience on enquiry and/or contact for more information.

Details of Procedures and methods on "Whistleblowing or Complaints" has disclosed in the topic "6 Corporate Governance Policy" under the subject "6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders".

In the past year, no notifying information on misconduct behavior or complaints was sent to the Company because the Company has been inspecting various systems. If any defects or improper practices are found, the Internal Audit Department will report to the Company's managements and continuously monitor the corrections and improvements.

8.2 Report on the Results of Duty Performance of the Audit Committee in the Past Year

See details in the topic Report of the Audit Committee on page 10.

8.3 Summary of the Results of Duty Performance of committees

8.3.1 Report of the Executive Board

See details in the topic Report of the Executive Board on page 13.

8.3.2 Report of the Corporate Governance Committee

See details in the topic Report of the Corporate Governance Committee on page 17.

8.3.3 Report of the Nominating & Compensation Committee

See details in the topic Report of the Nominating & Compensation Committee on page 20.

8.3.4 Report of the Risk Management Committee

See details in the topic Report of the Risk Management Committee on page 15.

8.3.5 Report of the Sustainable Development Committee

See details in the topic Report of the Sustainable Development Committee on page 22.

9. Internal Control and Connected Transactions

9.1 Internal Control

9.1.1 Opinions of the Board of Directors and the Audit Committee about the Company's internal control system

The Company's Board of Directors puts emphasis on internal control system on continued. Special emphasis is placed on the adequacy and appropriateness of the internal control system on all business operation to improve efficiency and effectiveness. The Board of Directors oversees all the internal control systems of the Company by taking into account of good corporate governance. Therefore, the Audit Committee has been delegated to review the assessment of quality and sufficiency of the internal control system, review quality of the transparency and accuracy of financial statement and also review that all business operation are compliance with applicable law and regulation together with the connected transaction and the key issues shall be reported to the Board for further consideration. The internal audit office is responsible for regular audit of business operation in compliance with policies and guideline and reporting to the Audit Committee, has duty to audit performance of all units such as accounting, finance, management and operations of all departments to the annual audit plan which must have been approved by the Audit Committee.

The Company has efficient internal control system and risk management by using the principles and guidelines complying with the internal control and risk management framework which are referred to the international standard of the Committee of Sponsoring Organization of the Treadway Commission (COSO) concept, which relate to business operations and management processes within the Company. In 2024, the Board of Directors evaluated the Company's internal control system as guideline from the Securities and Exchange Commission and found no significant error on the Company's internal control system. The 5 enterprise risk management components are as follows:

1) Control Environment

The Company has set its annual Business Plan (BP) by carefully reviewing and considering the possibility of the goal setting and set Key Performance Indicator (KPI) as a tool to reward to employees. For business clearer and more efficiency, business structure has been classified into 3 Business Groups. Moreover, the Company has reviewed the implementation of good Corporate Governance Principle and issued the Corporate Governance Policy, the Code of Conduct Manual for Directors and Staff as the guidance to strictly adhere with integrity and transparency.

2) Risk Assessment

The Company has set up the Risk Management Committee and applying Enterprise Risk Management (ERM) to assess business risks and introduce preventive/corrective control measures to cope with such risks to comply with new standard of risk management of COSO (The Committee of Sponsoring Organizations of the Treadway Commission). The Company has systematic tools and methods on risk assessment and has prescribed the appropriated criteria in each level, i.e. at organizational and operational level. Qualitative and quantitative assessments have also been conducted by considering from the acceptable risk levels of the organization and from 2 aspects, i.e. impact or damages caused by the incident and risk likelihood to consider risk levels, such as high, middle or low and the methods have been sought to manage those risks. The Company specified that the meeting 3 times a year to evaluate business risks must be arranged on continued basis.

3) Control Activities

The Company's policies and working procedures were clearly put in place and timely adjusted to corporate changes. The Executive Board, Audit Committee, and the Board of Directors involved as deem appropriate in all-important decisions concerning SET/SEC's regulations. Financial Unit, Debt Management Units Legal Unit as well as Internal and External Audit Units were put in place to supervise corporate activities to be performed in accordance with applicable rules and laws.

4) Information and Communication

The Company places importance on information security management. There is a security control by setting permissions to access information in various systems according to the principle of separation of duties and uses. The Data Center was established to be the information center for the operations of the organization. The Company uses ERP Software (SAP) system to support Accounting unit, Inventory work and equipment stock control systems to support the Company's business. Under information security management and control with international standards, the Company has received the International Standard ISO 27001 including having a back up site of all information systems as well as implementing the Human Resources Information System (HRIS).

The Company provided the intranet, internet, line group and email systems for internal and external communication regarding the policies, procedures, manuals, announcements and news. And also there are the channels for stakeholders' complaint or suggestion through mail and Company's website.

5) Monitoring Activities

The Company has appropriated procedures to monitor and supervise work performances by comparing them with the targets or Key Performance Indicator (KPI) in each level regularly. In addition, it also has good assessment, analysis and monitoring system, for instance, it specified that the employees at supervisor level must monitor work performances and reports of their subordinates closely and then report to higher supervisor level to ensure that internal control system and measures are efficiently and can respond to risk factors and changes appropriately and in time.

In addition, the Company arranges for the Executive Board Committee meeting every month, to monitor the performance of the Company and its subsidiaries in order to comply with the annual strategy and plan.

Conclusion

In the Board of Directors' Meeting No.1/2025 on February 20, 2025 in which all three Independent Audit Committee members attended, concluded that the Company has an effective internal control that suitable for the Company's business and has enough personnel to operate the internal control system effectively. Furthermore, the Company's auditor, Ms. Siriwan Suratepin, an auditor license no. 4604, audited the Company's financial statement for the year ended December 31, 2024 without any comment on the Company's internal control system as significant error.

9.1.2 Internal Audit

The Internal Audit unit has independence and righteousness and it shall directly report to the Audit Committee, has its Audit Charter which clearly defines scope and responsibility. The audit manual has been prepared and updated continually to be used as referenced criteria for equal operational guidelines and to ensure that the operations of Internal Audit unit are qualified and complied with the international standard on internal audit professions to promote and improve the organization so that it shall have good corporate governance, increase values to the stakeholders and can lead to sustainable development.

The Internal Audit unit must audit and assess efficiency of the internal control system, risk management system, compliance of the Company in accordance with the annual audit plan by considering from objectives, strategies, overall missions, risk based audit approach including key control point and additional comments from the management. Such audit plan has been approved by the Audit Committee and it also included recommendations in various aspects, i.e. the preparation of internal control measures and risk management. This method can help the Company be confident that the operations shall be achieved as per the set strategies and objectives. The results were also monitored and assessed regularly to ensure that the planned system can be performed continually and it has been revised and updated regularly.

With regard to the assessment of efficiency of risk management system, the Internal Audit unit has reviewed the incident indicators or risk factors which impacted objectives and risk management guidelines of the operators. The objectives were to ensure that risks have been identified and assessed correctly and risk management was systematically implemented so that it can manage risks to be in acceptable level. There must be a complete and prompt report and risks must be regularly monitored and reviewed.

With regard to the risk assessment on corruption from outside and inside the organization, the Internal Audit unit has assessed by identifying indication and possibility of corruption from outside and inside the organization and then considered the preventive and control measures for maximum efficiency to ensure that the Company can prevent and control this matter, so that it can achieve the objectives planned.

The Head of Internal Audit acts as the secretary to the Audit Committee to enhance the effective achievement of its responsibilities and ensure accountability as assigned by the Board of Directors and also provide recommendations and suggestions in various aspects which are beneficial to the organization. Moreover, the Audit Committee also emphasized quality and development of internal audit task and also encouraged the internal audit personnel to develop themselves on continued and regular basis.

9.1.3 Head of Internal Audit of the Company

In 2003, the Board of Directors by through the approval of the Audit Committee has appointed Mr. Somchai Bunsupaporn to be the Company's head of Internal Audit.

The Audit Committee deemed that the Head of Internal Audit Unit has suitable qualifications and can effectively perform duties. During 2024, the Head of Internal Audit Unit has performed the following duties:

1. Propose annual audit plan to the Audit Committee to approve the plan and supervise to have a check Examination of operations in accordance with the plans approved by the audit committee.
2. To control the audit work to ascertain that the Company's performance meet legal requirements, of the Stock Exchange of Thailand or regulations of the relevant government agencies.
3. To give suggestion to the Company's executives and employees on efficient performance.
4. To report important issues concerning internal control systems of the Company which have been found upon audit process.
5. To coordinate, supervise and control on various aspects, such as risk management, code of conducts, etc.
6. Perform other works which are relevant to internal audit as per assigned by the Audit Committee.

Head of Internal Audit Unit can provide useful information and recommendation to various departments in the Company with regards to how to operate the works to make them consistent with the laws, rules and regulations required as completely.

The consideration of the appointment, removal and relocation of the Head of Internal Audit Unit shall always required to have an approval from the Audit Committee. Details regarding Educational background and work experience of the Head of Internal Audit is shown in the topic "Attachment 3 Details of the Heads of the Internal Audit and Compliance Units" which has been published on the Company's website www.samtel.com, under the "Investor Relations" section, in the "Financial Information" category, under "Annual Registration Statement / Annual Report (Form 56-1 One Report)".

9.2 Connected Transactions

9.2.1 Details of the connected transactions which might have conflicts of interest.

The connected transactions disclosed in this section are transactions of the Company and its subsidiaries with those who may have a conflict of interest as at December 31, 2023 and 2024:

Connected Companies	Relationship	List of Joint Committees
Samart Corporation Pcl.	The major shareholder of the Company and holds a 70.14% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck Mr. Sirichai Rasameechan
Samart U-Trans Co., Ltd.	Samart Corporation Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Suvarnabhumi Environment Care Co., Ltd.	Samart Corporation Pcl. holds a 89.99% stake.	-
Vision and Security System Co., Ltd.	Samart Corporation Pcl. holds a 73% stake.	Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Engineering Co., Ltd.	Samart Corporation Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Reditech Co., Ltd.	Samart Corporation Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Cambodia Samart Co., Ltd.	Samart Corporation Pcl. holds a 49% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Inter Holding Co., Ltd.	Samart Corporation Pcl. holds a 100% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Teda Co., Ltd.	Samart U-Trans Co., Ltd. holds a 94.35% stake.	Mr. Thananan Vilailuck
Samart Green Energy Co., Ltd.	Samart U-Trans Co., Ltd. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Transec Power Services Co., Ltd.	Teda Co., Ltd. holds a 99.99% stake.	Mr. Thananan Vilailuck
Kampot Power Plant Co., Ltd.	Samart Inter Holding Co., Ltd. holds a 100% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Aviation Solutions Pcl.	Samart U-Trans Co., Ltd. holds a 60% stake, Samart Inter Holding Co., Ltd. holds a 14.06% stake and Samart Corporation Pcl. holds a 0.16% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Sirichai Rasameechan
Cambodia Air Traffic Services Co., Ltd.	Samart Aviation Solutions Pcl. holds a 100% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Lao Samart Aviation Sole Co., Ltd.	Samart Aviation Solutions Pcl. holds a 100% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Samart Digital Pcl.	Samart Corporation Pcl. holds a 67.03% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Samart Digital Media Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck

Connected Companies	Relationship	List of Joint Committees
I-Mobile Plus Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck
Zecureasia Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck
Lucky Heng Heng Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck
Thai Base Station Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck
I-Sport Co., Ltd.	Samart Digital Media Co., Ltd. holds a 49.99% stake.	Mr. Watchai Vilailuck
Entertainment Tree Co., Ltd.	Samart Digital Media Co., Ltd. holds a 61.88% stake.	Miss Rapeepan Luangaramrut Mr. Watchai Vilailuck
Vilailuck International Holding Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 14.79% stake in Samart Corporation Pcl.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Communication Services Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Samart Comtech Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Samart Broadband Services Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Posnet Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	-
Thai Trade Net Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Smarterware Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Samart Infonet Co., Ltd.	Samart Telcoms Pcl. holds a 99.64% stake.	Mr. Watchai Vilailuck Mr. Jong Diloksombat
Samart Ed Tech Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
IT Absolute Co., Ltd.	Samart Broadband Services Co., Ltd. holds a 99.94% stake.	-
Portalnet Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Net Service (Thailand) Co., Ltd.	Samart Comtech Co., Ltd. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Jong Diloksombat
Secureinfo Co., Ltd.	Samart Comtech Co., Ltd. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat

Connected Companies	Relationship	List of Joint Committees
Phuphatara Co., Ltd.	Vilailuck International Holding Co., Ltd. indirectly holds a 42.38% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Vilailuck Development Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 42.38% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
I.Q Wine Co., Ltd.	Related Director is Mr. Thananan Vilailuck	Mr. Thananan Vilailuck
CSV Asset Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 99.97% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Le Votel Khaoyai Co., Ltd.	Vilailuck International Holding Co., Ltd. indirectly holds a 21.02% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Watchai Vilailuck
S 39 Fish Market Co., Ltd.	Has Executive Director of the Company as a related person is Mr. Watchai Vilailuck.	-
Lim Fun Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 99.99% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Magic Time Co., Ltd.	Related Director is Mr. Watchai Vilailuck	Mr. Watchai Vilailuck

Connected Transactions

1) Rental and Services Fee

Nature of major transactions	Value (Million Baht)		Justification of Transactions
	For the year ended 31 December 2024	For the year ended 31 December 2023	
1. Samart Telcoms Pcl. rent the office at Software Park Building and used the public utilities services with area 952.92 sq. meter. from Samart Corporation Pcl.	7.67	7.96	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
2. Samart Telcoms Pcl. rent the office at Software Park Building and used the public utilities services with area 636.86 sq. meter. from Vilailuck International Holding Co., Ltd.	5.13	5.13	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
3. Samart Communication Services Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 495.50 sq. meter. from Samart Corporation Pcl.	3.99	3.90	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
4. Samart Communication Services Co., Ltd. rent a warehouse located at 59 Moo 2, Phaholyothin Rd. Klong 1, Klongluang, Pathumthanee for the year 2023 with area 1,020, 900 sq. meter. and for the year 2024 with area 1,020, 1,200 sq. meter. from Samart Engineering Co., Ltd.	3.01	3.45	The building is rented to be used as a storage for the product and equipment. The rental and service charges for public utilities are reasonable when compared to market price within the same area.

Nature of major transactions	Value (Million Baht)		Justification of Transactions
	For the year ended 31 December 2024	For the year ended 31 December 2023	
5. Samart Communication Services Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 714.50 sq. meter. from Vilailuck International Holding Co., Ltd.	5.75	5.39	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
6. Samart Communication Services Co., Ltd. rent the office at Smart One Building, and used the public utilities services with area 288 sq. meter. from CSV Asset Co., Ltd.	1.75	1.63	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
7. Posnet Co., Ltd. rent a warehouse located at 101/4 Moo 20 Phaholyothin Rd. Klong 1, Klongluang, Pathumthanee and used the public utilities services for the year 2023 with area 106.90 sq. meter. from Samart Corporation Pcl.	-	0.01	The building is rented to be used as a storage for the product and equipment. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
8. Posnet Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 841.35 sq. meter. from Samart Corporation Pcl.	6.77	6.63	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
9. Samart Comtech Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 436.26 sq. meter. from Samart Corporation Pcl.	3.51	3.44	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
10. Samart Comtech Co., Ltd. rent a warehouse located at 37/1 Moo 2 Phaholyothin Rd. Klong 1, Klongluang, Pathumthanee and used the public utilities services with area 830 sq. meter. from Samart Corporation Pcl.	0.90	0.90	The building is rented to be used as a storage for the product and equipment. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
11. Samart Comtech Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 1,308.73 sq. meter. from Vilailuck International Holding Co., Ltd.	10.54	11.28	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
12. Secureinfo Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 1,286.86 sq. meter. from Vilailuck International Holding Co., Ltd.	10.36	10.13	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.

Nature of major transactions	Value (Million Baht)		Justification of Transactions
	For the year ended 31 December 2024	For the year ended 31 December 2023	
13. Samart Infonet Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 48 sq. meter. from Samart Corporation Pcl.	0.39	0.38	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
14. Portalnet Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 116.44 sq.meter. from Samart Corporation Pcl.	0.94	0.92	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
15. Smarterware Co., Ltd rent the office at Software Park Building and used the public utilities services for the year 2023 with area 150 sq. meter. and for the year 2024 with area 80 sq.eter.from Vilailuck International Holding Co., Ltd.	0.64	1.13	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
16. Thai Trade Net Co., Ltd rent the office at Software Park Building and used the public utilities services with area 180 sq. meter. from Samart Corporation Pcl.	1.45	1.42	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
17. Samart Ed Tech Co., Ltd. rent the office at Software Park Building and used the public utilities services with area 95 sq. meter. from Samart Corporation Pcl.	0.76	0.29	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
18. Net Service (Thailand) Co., Ltd. Ltd. rent the office at Software Park Building and used the public utilities services with area 208.13 sq. meter. from Vilailuck International Holding Co., Ltd.	1.68	0.28	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.

2) Interest income on Finance lease receivables

Lessor Company	Lessee Company	Interest Rate (%)	Value (Million Baht)	
			For the year ended 31 December 2024	For the year ended 31 December 2023
1. Samart Comtech Co., Ltd.	For the hire purchase agreement to lease Outside Broadcasting Van equipped with media production system and television broadcast to Siam Sport Television Co., Ltd. (termination of the contract).	7.5%	Finance lease receivables - Interest income -	Finance lease receivables - Interest income 5.11

3) Transactions of Sales of Goods and Services as a Normal Business

Sellers of Goods / Services	Buyers of Goods / Services	Value (Million Baht)	
		For the year ended 31 December 2024	For the year ended 31 December 2023
1. Samart Telcoms Pcl.	Samart Corporation Pcl.	-	0.26
2. Samart Communication Services Co., Ltd.	Samart Corporation Pcl.	0.26	0.09
	Samart Digital Pcl.	11.51	9.48
	Samart Engineering Co., Ltd.	-	0.13
	Teda Co., Ltd	3.78	2.72
3. Samart Comtech Co., Ltd.	Samart Corporation Pcl.	2.43	1.05
	Samart U-Trans Co., Ltd.	0.31	-
	Samart Digital Pcl.	54.69	544.68
	Samart Aviation Solutions Pcl.	-	2.39
	Samart Engineering Co., Ltd.	-	0.01
4. Secureinfo Co., Ltd.	Samart Corporation Pcl.	3.90	4.88
5. Smarterware Co., Ltd.	Samart Corporation Pcl.	0.03	0.02
6. Samart Infonet Co., Ltd.	Samart Corporation Pcl.	5.42	4.36
	Samart Digital Pcl.	1.45	1.45
	Samart Engineering Co., Ltd.	0.17	0.17
	I.Q Wine Co., Ltd.	0.26	0.26
	Le Votel Khaoyai Co., Ltd.	0.49	0.50
7. Samart Corporation Pcl. (IT Data Center services)	Samart Telcoms Pcl.	10.53	10.56
	Samart Communication Services Co., Ltd.	6.96	8.71
	Posnet Co., Ltd.	3.99	2.78
	Thai Trade Net Co., Ltd.	1.82	1.77
	Samart Comtech Co., Ltd.	1.80	3.49
	Net Service (Thailand) Co., Ltd.	0.82	0.56
	Samart Infonet Co., Ltd.	0.93	0.93
	Portalnet Co., Ltd.	5.40	4.11
	Smarterware Co., Ltd.	0.79	0.81
	Samart Ed Tech Co., Ltd.	0.61	0.56
8. Samart Corporation Pcl. (Management Fee)	Samart Telcoms Pcl.	36.84	36.84
9. Samart Corporation Pcl.	Samart Telcoms Pcl.	-	0.02
	Samart Communication Services Co., Ltd.	-	0.02
	Samart Infonet Co., Ltd.	0.34	0.34
	Thai Trade Net Co., Ltd.	0.54	1.67
	Samart Comtech Co., Ltd.	0.04	0.01
	Secureinfo Co., Ltd.	0.19	0.79
	Posnet Co., Ltd.	0.03	0.20
10. Samart Digital Pcl.	Samart Communication Services Co., Ltd.	5.18	4.16
	Samart Comtech Co., Ltd.	-	1.31

Sellers of Goods / Services	Buyers of Goods / Services	Value (Million Baht)	
		For the year ended 31 December 2024	For the year ended 31 December 2023
11. Samart Engineering Co., Ltd.	Samart Telcoms Pcl.	0.08	0.04
	Samart Communication Services Co., Ltd	13.53	89.10
	Samart Comtech Co., Ltd.	6.68	14.04
12. Vision and Security System Co., Ltd.	Samart Communication Services Co., Ltd	3.17	0.05
	Samart Comtech Co., Ltd.	4.80	72.56
13. Vilailuck International Holding Co., Ltd.	Portalnet Co., Ltd.	-	0.01
14. I.Q Wine Co., Ltd.	Samart Telcoms Pcl.	1.43	0.29
	Samart Comtech Co., Ltd.	0.34	0.11
15. Portalnet Co., Ltd.	Samart Corporation Pcl.	1.94	1.90
16. Lucky Heng Heng Co., Ltd.	Samart Communication Services Co., Ltd.	0.03	0.06
	Samart Comtech Co., Ltd.	0.01	0.10
17. Lim Fun Co., Ltd.	Samart Communication Services Co., Ltd.	0.10	0.07
	Samart Comtech Co., Ltd.	0.03	0.10
	Portalnet Co., Ltd.	-	0.01
18. S 39 Fish Market Co., Ltd.	Samart Telcoms Pcl.	0.19	0.15
19. Magic Time Co., Ltd.	Samart Telcoms Pcl.	0.42	-
	Samart Communication Services Co., Ltd.	0.25	-
	Samart Comtech Co., Ltd.	0.42	-

4) Miscellaneous Normal Business Transactions

Nature of Major Transactions	Value (Million Baht)		Justification
	For the year ended 31 December 2024	For the year ended 31 December 2023	
1. Samart Telcoms Pcl. paid for the equipment rental, services charges, and miscellaneous expenses to Samart Corporation Pcl.	0.03	-	The equipment rentals, services charges, and miscellaneous expenses are normal business transactions at market or actual price in advance.
2. Samart Telcoms Pcl. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.16	0.08	Normal business transaction at market price.
3. Samart Telcoms Pcl. paid for miscellaneous expenses to Le Votel Khaoyai Co., Ltd.	0.08	0.02	Normal business transaction at market price.
4. Samart Telcoms Pcl. paid for miscellaneous expenses to Samart Digital Media Co., Ltd.	-	0.02	Normal business transaction at market price.
5. Samart Telcoms Pcl. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	0.01	0.18	Normal business transaction at market price.
6. Samart Telcoms Pcl. paid for miscellaneous expenses to Lim Fun Co., Ltd.	0.32	0.30	Normal business transaction at market price.

Nature of Major Transactions	Value (Million Baht)		Justification
	For the year ended 31 December 2024	For the year ended 31 December 2023	
7. Samart Communication Services Co., Ltd. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.77	0.73	Normal business transaction at market price.
8. Samart Communication Services Co., Ltd. paid for the miscellaneous expenses to CSV Asset Co., Ltd.	0.35	0.42	Normal business transaction at market price.
9. Samart Communication Services Co., Ltd. paid for the miscellaneous expenses to Samart Corporation Pcl.	0.01	-	Normal business transaction at market price.
10. Samart Communication Services Co., Ltd. paid for miscellaneous expenses to I.Q Wine Co., Ltd.	1.31	0.56	Normal business transaction at market price.
11. Posnet Co., Ltd. paid for miscellaneous expenses to Samart Corporation Pcl.	-	0.01	Normal business transaction at market price.
12. Posnet Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	0.02	0.02	Normal business transaction at market price.
13. Posnet Co., Ltd. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	-	0.02	Normal business transaction at market price.
14. Thai Trade Net Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	0.12	0.10	Normal business transaction at market price.
15. Thai Trade Net Co., Ltd. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	-	0.01	Normal business transaction at market price.
16. Samart Comtech Co., Ltd. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.60	0.62	Normal business transaction at market price.
17. Samart Comtech Co., Ltd. paid for miscellaneous expenses to Samart Engineering Co., Ltd.	0.05	0.09	Normal business transaction at market price.
18. Samart Comtech Co., Ltd. paid for miscellaneous expenses to Vilailuck Development Co., Ltd.	0.08	-	Normal business transaction at market price.
19. Samart Comtech Co., Ltd. paid for miscellaneous expenses to Samart Digital Media Co., Ltd.	-	0.02	Normal business transaction at market price.
20. Samart Comtech Co., Ltd. paid for miscellaneous expenses to Siam Sport Television Co., Ltd.	-	23.71	Normal business transaction at market price.
21. Samart Infonet Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	-	0.05	Normal business transaction at market price.
22. Samart Infonet Co., Ltd. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	-	0.01	Normal business transaction at market price.
23. Smarterware Co., Ltd. paid for car park rental to Vilailuck International Holding Co., Ltd.	0.03	0.02	Normal business transaction at market price.
24. Samart Ed Tech Co., Ltd. paid for car park rental to Vilailuck International Holding Co., Ltd.	0.01	0.01	Normal business transaction at market price.
25. Samart Ed Tech Co., Ltd. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	-	0.01	Normal business transaction at market price.
26. Secureinfo Co., Ltd. paid for miscellaneous expenses to Samart Corporation Pcl.	1.12	0.51	Normal business transaction at market price.

Nature of Major Transactions	Value (Million Baht)		Justification
	For the year ended 31 December 2024	For the year ended 31 December 2023	
27. Secureinfo Co., Ltd. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.61	0.63	Normal business transaction at market price.
28. Secureinfo Co., Ltd. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	-	0.01	Normal business transaction at market price.
29. Net Service (Thailand) Co., Ltd. paid for miscellaneous expenses to Samart Corporation Pcl.	0.01	-	Normal business transaction at market price.
30. Net Service (Thailand) Co., Ltd. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	-	0.02	Normal business transaction at market price.
31. Net Service (Thailand) Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	0.08	-	Normal business transaction at market price.

9.2.2 Summary of guidelines for considering on the related transactions which might have conflicts of interest.

Necessity and Rationale for Transactions

The Company's Audit Committee is of the opinion that the inter-company transactions above were reasonable and necessary for the Company's operations. Before entering such transactions, the Board of Directors evaluates them on the basis of providing maximum value to the Company. The terms and conditions of connected transactions were set according to standard business terms and conditions, and at market rates.

Measures and Steps of Approval for Connected Transactions

The connected transactions were verified by the Audit Committee to protect and avoid conflict of interest then proposed for consideration and approval in the Board of Directors' and shareholders' meetings respectively depended on conditions and values of transactions according to the SET's regulation. Meanwhile, the directors, management and the stakeholders who had conflict of interest would not participate in the such connected transactions. The approval on the connected transaction would be complied with the regulations and notifications of the Stock Exchange of Thailand (SET).

Principles on entering into the normal business transactions with general trading conditions and without general trading conditions are as follows:

- **Normal business transaction with general trading conditions**

Related transaction which is normal business transaction with general trading conditions is required to have an approval in principle from the Board of Directors. The management can approve such transaction if it has the same trading conditions as those an ordinary person would agree with any unrelated counterparty under the same circumstances on the basis of bargaining power which is without any dependent interest resulted from the status of the director, executive or related person.

Additionally, the Company shall summarize such transactions and report at the meeting of the Audit Committee and the meeting of the Board of Directors on quarterly basis.

- **Normal business transaction without general trading conditions**

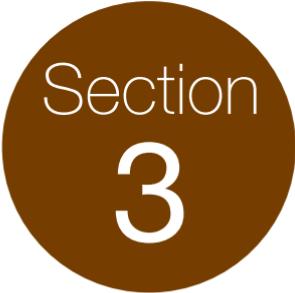
Normal business transaction without general trading conditions is required to be considered and have an opinion from the Audit Committee before it can be proposed to the Board of Directors and/or the shareholders' meeting for further consideration. In addition, it must be complied with the laws on securities and stock exchange as well as regulations, notifications, orders and requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand including the regulations on disclosure of information concerning the connected transactions.

In the case where the Audit Committee does not have expertise in considering any of the related transaction to be incurred, the Company shall appoint the independent expert or the Company's auditor to express opinion on it. Such opinion shall be taken into account by the Audit Committee and/or the Board of the Directors and/or the shareholders, as the case may be, when making decision. The reasons are to ensure that such transaction is necessary and reasonable by taking into consideration the best interest of the Company. Moreover, the Company shall disclose the related transactions in an annual information disclosure form and in notes to the financial statement which has been audited/reviewed by the Company's auditor.

9.2.3 Policies and Trend in Future Connected Transactions

In the future, the Company may engage in connected transactions as it deems appropriate based on normal business terms and conditions. It will comply with the laws on securities and the stock market, as well as the relevant regulations, announcements, orders or requirements of the Stock Exchange of Thailand. It will also strictly follow the requirements and practices regarding disclosure of connected transactions, and the acquisition or sale of important assets of the listed company, according to the accounting standards set by the Association of Accountants. The Company will disclose connected transactions in the Notes to Financial Statements audited by the Company's external auditor.

Remark: The shareholders can find the information about connected transactions for the past 3 years on the Company's website (www.samtel.com), under the "Investor Relations" section, in the "Financial Information" category, under "Connected Transaction (3 Years Comparing)".



Section
3

Financial Statements

Report of the Board of Directors' Responsibility
on the Company's Financial Statements
Report and Consolidated Financial Statements

Report of the Board of Directors' Responsibility on the Company's Financial Statements

The Board of Directors of the Company takes responsibility for the Consolidated Financial Statements of the Company and its Subsidiaries and financial information included in the Annual Registration Statement / Annual Report (Form 56-1 One Report). They consider financial information are consistent with strategies and core policies. The Financial Statements were prepared in accordance with the generally accepted accounting standards in Thailand employing appropriate accounting policy and continual practice under careful considerations and best estimations as well as disclosing sufficient information in the Notes to Financial Statements.

The Board of Directors has established and maintained efficient internal control system to ensure with reasonable confidence that the accounting procedure is correct, complete and sufficient for asset possessions and acknowledgement of weaknesses to prevent frauds or significant conspiracies.

The Board of Directors appoints the Audit Committee consisting of three Independent Committees with qualification according to SET/SEC regulations and notification for being the Audit Committee's members to respond for the quality of financial statements and internal control system. The Audit Committee's opinion regarding the mentioned issues appear in the Audit Committee's Report as an integral part of the Annual Registration Statement / Annual Report (Form 56-1 One Report).

The consolidated financial statements of the Company have been audited by EY Office Limited with full support from the Board of Directors in order to have the auditor to audit and provide their opinion in accordance with the accounting standard and such opinion has been disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report).

In the Board of Directors' opinion, the internal control system of the Company is generally satisfactory and can reasonably assure the reliability of the Financial Statements of the Company and its Subsidiaries as of December 31, 2024, which was accurate and complied to the accounting standard and related law and regulations.



(General Sumpun Boonyanun)
Chairman



(Mr. Watchai Vilailuck)
Executive Chairman & Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Samart Telcoms Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Samart Telcoms Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, 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 material accounting policy information, and have also audited the separate financial statements of Samart Telcoms Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Samart Telcoms Public Company Limited and its subsidiaries and of Samart Telcoms Public Company Limited as at 31 December 2024, 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 including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw attention to Note 8 c) and Note 37.4.1 to the financial statements, the Company and two private limited companies together, as STSL Consortium ("the Consortium"), entered into an agreement with a state enterprise for the procurement and installation of an information system and the development of the Core Business Process System (CBPS). Subsequently, the Consortium faced disputes regarding the inability to deliver work under the agreement as per the agreed terms. Consequently, their agreement was terminated, leading to the seizure of the collateral. In response, the Consortium filed a lawsuit against the state enterprise in December 2021, seeking payment for all work completed, damages, and the return of the seized collateral totaling Baht 855.8 million, inclusive of interest (totaling Baht 874.8 million). During 2023, the state enterprise counter-sued in the Civil Court, claiming compensation amounting to Baht 700.4 million due to the disputes concerning the inability to deliver the work as per the contract terms, including interest at a rate of 5% per annum from the date of the counterclaim until the full is settled. The Company recorded the seized collateral as damages of Baht 20 million in its accounts. The Company believes that this amount is sufficient to address the current situation. According to the Company's management and legal advisor still believes that the Consortium will not incur significant impact as a result of the dispute. Therefore, as of 31 December 2024, the Company has not made any further provisions for additional contingent liabilities related to this case. Nevertheless, the lawsuit is currently in the process of the taking of evidence by the Civil Court, and the final outcome depends on the legal proceedings.

At this time, my opinion is not modified in respect of the matter mentioned above.

Key Audit Matters

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

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

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

Revenue recognition and estimation of provisions for the delay penalties and possible losses from long-term contracts

The Group has disclosed its policies on revenue recognition for services provided under long-term contracts, cost estimates for projects under long-term contracts, provisions for delay penalties and possible loss on projects under long-term contracts in Note 4.1, 5.1 and 26 to the financial statements. I identified revenue recognition and estimation of provisions for delay penalties and possible losses on projects from long-term contracts to be areas of significant risk in the audit. This is because the process of measurement, the determination of appropriate timing of recognition and the estimation of provisions for delay penalties and possible losses are areas requiring management to exercise significant judgement to assess the percentage of completion, the probability of loss, and the measurement of possible loss. The Group might also enter into side agreements that may affect the terms of the main contracts. There are risks with respect to amount and timing of the recognition of revenue, provisions for delay penalties, and possible losses on projects from long-term contracts. In addition, the amount of revenue recognises from such long-term contracts in each period forms a significant portion, representing 44 percent of the Group's total revenue. Therefore, I focused on the revenue recognition and estimation of provisions for delay penalties and possible losses from long-term contracts.

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

In addition, I also selected long-term contracts made with major customers and randomly selected to read the contracts to consider the conditions relating to revenue recognition and made enquiries as to whether any side contracts were made directly with customers. I inquired with the management about the terms of and risks associated with these contracts relevant to revenue recognition and estimates of delay penalties and possible losses. I made enquiries of responsible executives, gained an understanding of the Group's process to assess the percentage of completion and cost estimates for projects, compared estimates of project costs to the project budgets approved by authorised person. On a sampling basis, I examined relevant documents, considered the rationale for budget revisions, compared past estimates with actual project costs to assess the project management's competency in estimating project costs, and compared actual costs with supporting documents including testing the calculation of the percentage of completion based on actual costs incurred. I evaluated the possible losses on projects assessed by the management through an analysis of the ratio of actual cost incurred against cost estimates for projects for each significant cost component. I compared the percentage of completion or actual project progress with the timeframe specified in contracts. I enquired with the management and legal counsels of the subsidiaries relating to dispute of the projects delay, reviewed the related supporting documents of work delivery and acceptance and the request for deadline extension that were used to support the estimation of the provisions for assessing the judgement exercised by the management in evaluating

the probability of projects delay or estimate possible losses. I also examined the accounting transactions related to revenue recognition that were recorded through journal vouchers, in order to detect any irregularities. Moreover, I reviewed the disclosures made in the notes to the financial statements with respect to the basis of revenue recognition and the estimation of delay penalties and possible losses.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

EY Office Limited

Bangkok: 20 February 2025

Statement of financial position

Samart Telcoms Public Company Limited and its subsidiaries

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents	7	885,714,763	951,170,972	326,735,239	395,103,584
Trade and other receivables	8	976,474,411	2,136,014,045	271,334,549	344,912,741
Accrued income		2,089,961,214	2,066,373,888	994,506,013	960,347,639
Short-term loans to related parties	6	-	-	1,354,000,000	2,017,000,000
Inventories	9	110,391,149	118,084,590	3,177,022	33,191,176
Withholding tax deducted at source	10	180,731,934	185,231,841	29,559,395	27,683,995
Other current financial assets	11	5,705,866	4,282,919	5,286,795	4,282,919
Other current assets	12	487,527,270	303,355,565	264,342,720	247,434,282
Total current assets		4,736,506,607	5,764,513,820	3,248,941,733	4,029,956,336
Non-current assets					
Other non-current financial assets	11	20,396,282	18,680,148	5,319,144	3,960,224
Investments in subsidiaries	13	-	-	1,780,511,068	1,780,511,068
Property, plant and equipment	14	1,114,526,550	1,177,092,094	651,399,082	682,148,228
Right-of-use assets	19.1	135,731,769	153,671,861	97,554,595	93,443,567
Intangible assets	15	51,157,967	65,675,064	776,880	1,269,999
Goodwill	16	108,095,942	108,095,942	-	-
Deferred tax assets	31	285,350,919	295,599,028	45,751,625	45,252,917
Other non-current assets		63,033,318	73,671,255	39,940,102	31,841,201
Total non-current assets		1,778,292,747	1,892,485,392	2,621,252,496	2,638,427,204
Total assets		6,514,799,354	7,656,999,212	5,870,194,229	6,668,383,540

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

Statement of financial position (continued)

Samart Telcoms Public Company Limited and its subsidiaries

As at 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	17	562,900,000	1,475,024,113	290,000,000	928,662,036
Trade and other payables	18	672,894,460	638,730,470	323,463,074	322,667,629
Current portion of liabilities under lease agreements	19.1	50,481,920	52,465,387	26,902,207	31,104,656
Short-term loans from related parties	6	-	-	2,502,500,000	2,602,500,000
Unearned revenue	26.2	9,636,197	27,720,489	-	605,703
Income tax payable		100,132	59,300	-	-
Accrued project cost		1,161,216,015	1,402,277,175	250,412,577	298,139,056
Short-term provision	20	19,556,372	43,267,348	10,839,427	12,583,189
Other current finance liabilities		-	4,052,789	-	1,757,831
Other current liabilities	21	98,023,345	144,578,057	23,391,563	33,639,556
Total current liabilities		2,574,808,441	3,788,175,128	3,427,508,848	4,231,659,656
Non-current liabilities					
Liabilities under lease agreements - net of current portion	19.1	101,732,403	118,304,402	77,397,660	70,382,869
Long-term provision	20	9,943,141	18,450,371	1,876,613	6,051,010
Provision for long-term employee benefits	22	201,484,057	181,752,912	47,361,051	41,908,171
Other non-current liabilities		2,559,403	2,559,403	-	-
Total non-current liabilities		315,719,004	321,067,088	126,635,324	118,342,050
Total liabilities		2,890,527,445	4,109,242,216	3,554,144,172	4,350,001,706

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

Statement of financial position (continued)

Samart Telcoms Public Company Limited and its subsidiaries

As at 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
721,000,082 ordinary shares of Baht 1 each					
(2023: 721,000,000 ordinary shares of Baht 1 each)	24	721,000,082	721,000,000	721,000,082	721,000,000
Issued and fully paid up					
618,000,071 ordinary shares of Baht 1 each					
(2023: 618,000,000 ordinary shares of Baht 1 each)	24	618,000,071	618,000,000	618,000,071	618,000,000
Share premium		1,238,861,277	1,238,860,501	1,238,861,277	1,238,860,501
Deficit on changes in percentage of shareholding in subsidiary		(737,340,401)	(737,340,401)	-	-
Retained earnings					
Appropriated - statutory reserve	25	73,800,000	73,800,000	73,800,000	73,800,000
Unappropriated		2,388,416,976	2,311,921,718	346,557,526	348,890,150
Other components of shareholders' equity	23	41,792,383	41,792,383	38,831,183	38,831,183
Equity attributable to owners of the Company		3,623,530,306	3,547,034,201	2,316,050,057	2,318,381,834
Non-controlling interests of the subsidiaries		741,603	722,795	-	-
Total shareholders' equity		3,624,271,909	3,547,756,996	2,316,050,057	2,318,381,834
Total liabilities and shareholders' equity		6,514,799,354	7,656,999,212	5,870,194,229	6,668,383,540

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

Income statement

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Revenues					
Revenues from sales		18,730,958	260,948,961	16,307,589	55,580,479
Revenues from contract work		1,882,813,418	2,177,276,871	661,405,216	436,072,662
Service and rental income	26.1	2,281,802,931	2,050,924,390	853,503,841	740,274,031
Other income	27	65,845,797	98,374,540	115,689,607	143,918,218
Total revenues		4,249,193,104	4,587,524,762	1,646,906,253	1,375,845,390
Expenses	30				
Cost of sales		16,664,632	234,438,530	14,123,813	49,417,925
Cost of contract work		1,630,739,465	1,870,379,635	621,181,046	425,290,790
Cost of services and rental		1,974,667,799	1,783,176,111	772,095,554	643,125,170
Selling and distribution expenses		137,009,480	150,359,707	49,302,662	45,844,413
Administrative expenses		339,135,055	370,343,243	169,545,759	164,720,310
Other expenses		-	38,749,484	-	20,284,796
Total expenses		4,098,216,431	4,447,446,710	1,626,248,834	1,348,683,404
Profit from operating activities		150,976,673	140,078,052	20,657,419	27,161,986
Finance income	28	6,300,243	8,574,055	56,895,006	87,990,790
Finance cost	29	(27,976,758)	(70,182,226)	(50,346,958)	(68,766,458)
Reversal of (loss) on impairment loss on financial assets		8,785,665	12,412,051	6,771,682	(18,345,445)
Profit before income tax income		138,085,823	90,881,932	33,977,149	28,040,873
Income tax income (expenses)	31	(22,708,658)	(24,702,160)	(3,528,705)	3,745,151
Profit for the year		115,377,165	66,179,772	30,448,444	31,786,024
Profit attributable to:					
Equity holders of the Company		115,356,379	71,685,542	30,448,444	31,786,024
Non-controlling interests of the subsidiaries		20,786	(5,505,770)		
		115,377,165	66,179,772		
Basic earnings per share					
Profit attributable to equity holders of the Company	33	0.19	0.12	0.05	0.05
Weighted average number of ordinary shares (shares)		618,000,015	618,000,000	618,000,015	618,000,000

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

Statement of comprehensive income

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit for the year		115,377,165	66,179,772	30,448,444	31,786,024
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial loss on defined benefit plan	22	(10,796,915)	-	(2,355,690)	-
Income tax effect	31	2,830,332	-	471,138	-
		(7,966,583)	-	(1,884,552)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(7,966,583)	-	(1,884,552)	-
Other comprehensive income for the year, net of tax		(7,966,583)	-	(1,884,552)	-
Total comprehensive income for the year		107,410,582	66,179,772	28,563,892	31,786,024
Total comprehensive income attributable to:					
Equity holders of the Company		107,391,774	71,685,542	28,563,892	31,786,024
Non-controlling interests of the subsidiaries		18,808	(5,505,770)		
		107,410,582	66,179,772		

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

Statement of changes in shareholders' equity

Samart Telecoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company							Other components of shareholders' equity		
	Issued and paid-up share capital	Share premium	Deficit on changes in percentage of shareholding in subsidiary	Retained earnings		Other comprehensive income (loss)	Total other components of shareholders' equity		Total equity attributable to owners of the Company	Non-controlling interests of the subsidiaries
Balance as at 31 December 2022	618,000,000	1,238,860,501	(737,577,642)	73,800,000	2,357,655,260	41,792,383	41,792,383	3,592,530,502	3,562,676,590	
Profit for the year	-	-	-	-	71,685,542	-	-	71,685,542	66,179,772	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	71,685,542	-	-	71,685,542	66,179,772	
Dividend paid (Note 36)	-	-	-	-	-	-	-	-	-	
Decrease in non-controlling interest of the subsidiaries from dividend payment	-	-	-	-	-	-	-	-	-	
Change in shareholding percentage in subsidiary	-	-	237,241	-	-	-	-	-	(26)	
Balance as at 31 December 2023	618,000,000	1,238,860,501	(737,340,401)	73,800,000	2,311,921,718	41,792,383	41,792,383	3,547,034,201	3,547,756,996	
Balance as at 31 December 2023	618,000,000	1,238,860,501	(737,340,401)	73,800,000	2,311,921,718	41,792,383	41,792,383	3,547,034,201	3,547,756,996	
Profit for the year	-	-	-	-	115,356,379	-	-	115,356,379	115,377,165	
Other comprehensive income for the year	-	-	-	-	(7,964,605)	-	-	(7,964,605)	(7,966,583)	
Total comprehensive income for the year	-	-	-	-	107,391,774	-	-	107,391,774	107,410,582	
Exercise warrants (Note 24)	71	776	-	-	-	-	-	847	847	
Dividend paid (Note 36)	-	-	-	-	(30,896,516)	-	-	(30,896,516)	(30,896,516)	
Balance as at 31 December 2024	618,000,071	1,238,861,277	(737,340,401)	73,800,000	2,388,416,976	41,792,383	41,792,383	3,623,530,306	3,624,271,909	

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

Statement of changes in shareholders' equity (continued)

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

	Separate financial statements						

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

Cash flows statement

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Cash flows from operating activities					
Profit before tax		138,085,823	90,881,932	33,977,149	28,040,873
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation	14, 15, 19	523,006,883	461,309,301	238,065,296	172,940,647
Unrealised (gain) losses on exchange rate		(910,248)	(3,339,466)	(783,080)	860,820
(Gain) loss on change in value of foreign currency forward contracts		(800,461)	4,052,789	(381,390)	1,757,830
(Gain) loss on change in value of listed equity investments at fair value through profit or loss	11.1	(622,486)	14,642,679	(622,486)	14,642,679
Income from pursuing a legal case	27	-	(11,123,668)	-	-
Decrease in allowance for expected credit losses of trade receivables	8	(4,694,147)	(67,130,164)	(3,010,854)	(8,394,720)
Allowance for expected credit losses of accrued income (reversal)		(3,650,553)	10,178,300	(3,650,553)	10,178,300
Write-off of bad debts		-	23,718,068	-	-
Reversal of allowance for diminution in value of withholding tax deducted at source		-	(2,436,880)	-	-
Write-off of withholding tax deducted at source		-	2,437,636	-	-
Reversal of allowance for expected credit losses of other non-current financial assets		(440,964)	(1,099,651)	(110,276)	(227,575)
Reversal of accrued project cost		(44,807,555)	(34,592,844)	-	-
Reduce cost of inventory to net realisable value (reversal)	9	519,890	515,829	(51,089)	51,809
Gains on compensation receipt from insurance		(11,599,376)	-	(13,250)	-
Gains on disposals of equipments and intangible assets		(2,643,574)	(2,061,044)	(1,333,612)	(10,207)
Loss on change of lease agreement		-	630,858	-	111,522
Reversal of allowance for impairment loss on assets	14	-	(7,689,892)	-	-
Allowance for impairment loss on intangible assets	15	-	5,946,559	-	-
Amortisation of deferred interest under lease agreements	29	7,837,865	10,167,886	5,192,736	6,501,700
Amortisation of unearned interest income under finance lease agreements		-	(5,112,936)	-	-
Reversal of provision for warranties		(32,218,206)	(26,229,312)	(5,918,159)	(1,288,185)
Provision for long-term employee benefits	22	11,655,830	14,385,302	4,073,190	2,850,069
Dividend received		-	(24,400)	(20,999,993)	(47,539,374)
Interest income	28	(6,300,243)	(8,574,119)	(56,895,004)	(87,990,789)
Interest expense	29	19,284,904	58,184,596	44,727,907	61,699,286
Profit before changes in operating assets and liabilities		591,703,382	527,637,359	232,266,532	154,184,685

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

Cash flows statement (continued)

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Cash flows from operating activities (continued)					
(Increase) decrease in operating assets:					
Trade and other receivables		1,184,233,781	(1,157,031,863)	73,855,052	(62,583,162)
Accrued income		(19,936,773)	384,509,662	(30,507,821)	(31,084,758)
Inventories		7,173,551	(92,693,446)	30,065,243	(17,587,312)
Other current assets		(75,889,671)	74,560,902	91,373,547	77,473,080
Other non-current financial assets		(1,275,170)	219,864	(1,248,644)	397,092
Other non-current assets		10,637,937	59,198,915	(8,098,901)	54,807,956
Increase (decrease) in operating liabilities:					
Trade and other payables		35,044,229	(85,734,600)	(654,333)	(102,669,948)
Unearned revenue		(18,084,292)	12,052,870	(605,703)	605,703
Accrued project cost		(196,253,605)	210,613,959	(47,726,479)	(70,566,028)
Other current finance liabilities		(4,052,789)	-	(1,757,831)	-
Other current liabilities		(46,554,712)	50,484,929	(10,247,993)	7,224,578
Other non - current liabilities		-	(122,000)	-	-
Cash from (used in) operating activities		1,466,745,868	(16,303,449)	326,712,669	10,201,886
Cash received from pursuing a legal case		-	797,560,600	-	-
Employee benefits paid during the year	22	(2,721,600)	(7,950,167)	(976,000)	(4,275,900)
Cash paid for interest expenses		(27,868,406)	(57,605,140)	(48,463,431)	(60,243,374)
Cash paid for income tax		(96,315,571)	(75,000,217)	(18,185,283)	(17,239,505)
Cash received from refund withholding tax deducted at source	10	91,226,093	124,755,658	12,753,608	15,250,631
Net cash from (used in) operating activities		1,431,066,384	765,457,285	271,841,563	(56,306,262)

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

Cash flows statement (continued)

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Cash flows from investing activities					
Cash received from settlement of short-term loan to related parties	6	-	-	883,000,000	270,000,000
Cash paid to provide short-term loans to related parties	6	-	-	(220,000,000)	-
Cash received from short-term loans to unrelated parties	8	5,000,000	9,959,938	-	-
Cash paid to provide short-term loans to unrelated parties	8	(25,000,000)	(15,525,000)	-	-
Cash paid for purchase investment in subsidiaries		-	(1,650,000)	-	-
Cash received from finance lease receivable agreement		-	19,500,000	-	-
Cash received from subsidiaries' dividend		-	-	20,999,993	147,264,941
Cash received from listed equity investments' dividend		-	24,400	-	24,400
Purchase of equipment and intangible assets	14, 15	(501,313,410)	(311,450,829)	(284,233,745)	(135,084,391)
Proceeds from sales of equipments and intangible assets		2,685,551	2,162,965	1,333,619	25,417
Cash received from insurance claims for equipment		11,687,438	-	13,250	-
Cash received from interest income		6,300,193	8,574,081	59,628,998	86,727,086
Net cash from (used in) investing activities		(500,640,228)	(288,404,445)	460,742,115	368,957,453
Cash flows from financing activities					
Proceeds from short-term loans from banks		609,900,000	1,884,700,000	-	851,000,000
Cash paid to settle short-term loans from banks		(1,512,362,036)	(1,746,237,964)	(638,662,036)	(462,837,964)
Decrease in trust receipts		(9,662,077)	(15,288,788)	-	(24,950,865)
Cash received from short-term loans from related parties	6	-	-	-	302,500,000
Repayment of short-term loans from related parties	6	-	-	(100,000,000)	(621,500,000)
Payment of pricipal portion of lease liabilities	19	(52,862,583)	(60,468,858)	(31,394,318)	(35,649,603)
Dividend paid	36	(30,896,516)	(117,419,084)	(30,896,516)	(117,419,084)
Cash received from increasing of subsidiary's shares from non-controlling interests		-	38,000,000	-	-
Cash received from exercise of warrant		847	-	847	-
Net cash used in financing activities		(995,882,365)	(16,714,694)	(800,952,023)	(108,857,516)
Net increase (decrease) in cash and cash equivalents		(65,456,209)	460,338,146	(68,368,345)	203,793,675
Cash and cash equivalents at beginning of year		951,170,972	490,832,826	395,103,584	191,309,909
Cash and cash equivalents at end of year		885,714,763	951,170,972	326,735,239	395,103,584

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

Cash flows statement (continued)

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Supplemental cash flows information					
Non-cash items:					
Transfer from inventories to equipment	14	-	991,723	-	-
Increase (decrease) in right of use assets from leases	19	35,082,763	(6,700,153)	34,982,306	(2,178,860)
Transfer from equipment to intangible assets	14, 15	270,821	-	-	-
Transfer from equipment to deferred project cost	14	108,281,985	-	108,281,985	-

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

Notes to financial statements

Samart Telcoms Public Company Limited and its subsidiaries

For the year ended 31 December 2024

1. General information

Samart Telcoms Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Samart Corporation Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the operation of a fully-integrated telecommunications, communication network and information technology business, the provision of IT and communication system design and installation services, and communication equipment and computer distribution, repair and maintenance system. The registered office of the Company is at 59 Moo 2, Phaholyothin Road, Tambol Klong-Nueng, Amphur Klong-Luang, Pathumthani.

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 Samart Telcoms Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”).

Subsidiaries directly held by the Company

Company's name	Nature of business	Country of incorporation	Percentage of direct shareholding	
			2024	2023
Samart Communication Services Co., Ltd.	Design installation and maintenance of communications network	Thailand	Percent 100	Percent 100
Posnet Co., Ltd.	Providing total solutions and services for electronic payment system including Electronic Data Capture (EDC)	Thailand	100	100
Thai Trade Net Co., Ltd.	Electronic data interchange	Thailand	100	100
Samart Comtech Co., Ltd.	Providing consultation, design, installation and maintenance of IT systems	Thailand	100	100
Smarterware Co., Ltd.	Manufacture production of software packages and provision of software development services	Thailand	100	100
Samart Infonet Co., Ltd.	Provision of internet and cloud services	Thailand	100	100
Samart eD Tech Co., Ltd.	Providing services of comprehensive learning management platform	Thailand	100	100
Portalnet Co., Ltd.	Design and installation of Enterprise Resource Planning (ERP) system and fully integrate ERP solution for government and public sectors	Thailand	100	100
Samart Broadband Services Co., Ltd.	Ceased its operation since 2008	Thailand	100	100

Indirect subsidiaries held by the Company's subsidiaries

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2024	2023
			Percent	Percent
Subsidiary held by Samart Broadband Services Co., Ltd.		Thailand	100	100
IT Absolute Co., Ltd.	Ceased its operation since 2016			
Subsidiaries held by Samart Comtech Co., Ltd.		Thailand	100	100
Net Service (Thailand) Co., Ltd.	Development soft application, including e-document and data management solution			
Secure Info Co., Ltd.	Engage in cyber security services			

In addition, these consolidated financial statements include transactions of the following consortium, in which Portalnet Co., Ltd. is a participant:

Name	Objective	Consortium Type	Country
Consortium SPIES	The leasing of an application software for core business operations to the Provincial Electricity Authority	Joint control	Thailand

- 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) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.
- f) 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 statement of financial position.
- g) For the book of account, upon acquisition of subsidiaries which under common control (purchase shares from parent company), the excess of the net asset value (at fair value) at the acquisition date over the cost of the investment has been presented in shareholders' equity under "Deficit on changes in percentage of shareholding in subsidiary".

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

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. 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 believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Accounting policies

4.1 Revenue and expense recognition

Revenue from contract work

Revenues from long-term contracts, excluding value added tax, are recognised over time by reference to the stage of completion. Stage of completion is measured by reference to the proportion that actual construction costs incurred up to the end of the period to total anticipated construction cost to be incurred to completion. Provision for the total anticipated loss on the projects will be made in the accounts as soon as the possibility of loss is ascertained.

The likelihood of contract variations, claims and liquidated damages, delays in delivery, contractual penalties or possible losses on long-term contracts is taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

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

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

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 on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, and discounts.

Transponder service income

Transponder service income under type-two telecom license without its own network is recognised as revenue on the monthly accrual basis in accordance with the payments due under the agreement.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

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.

4.2 Costs to fulfil contracts with customers

The Group recognises costs to fulfil a customer contract as an asset provided that the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. The asset recognised is amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the Group expects to receive less direct costs.

4.3 Contract balance

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date which has been presented under the caption of “Accrued income” in the statement of financial position. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to customer).

Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for expected credit losses is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences, analysis of debt aging and forecast economic condition.

Contract liabilities

A contract liability is the excess of the billings to date over the cumulative revenue earned and the Group has the obligation to transfer goods and services to a customer which has been presented under the caption of “Unearned revenue” in the statement of financial position. Contract liabilities are recognised as revenue when the Group fulfils their performance obligations under the contracts.

4.4 Cash and cash equivalents

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

4.5 Inventories

Inventories are valued at the lower of average cost and net realisable value.

The net realisable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the costs to complete the sale.

Reduce cost of inventories to net realisable value will be set up for old, obsolete, slow moving or deteriorated inventories.

4.6 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

4.7 Property, plant and equipment /Depreciation

Land is stated at revalued amount. Building and building improvement and equipment is stated at cost or less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in other components of shareholders' equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" of other components of shareholders' equity in respect of the same asset.

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

Building	-	20 years
Building improvement	-	3, 5 and 10 years
Telecommunication and tooling equipment	-	3, 5, 8 and 10 years
Furniture and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and telecommunication equipment under installation.

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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

4.8 Intangible assets

Intangible assets are initially recognised at their cost and following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	10 years

4.9 Business combinations and goodwill

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Related party transactions

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

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

4.11 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Building	-	3, 4 and 10 years
Building improvement	-	3, 4 and 10 years
Telecommunication and tooling equipment	-	3 and 6 years
Motor vehicles	-	5 and 6 years

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

Lease liabilities

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

The Group discounted the present value of the lease payments 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 term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

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

4.12 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 determining income.

4.13 Impairment of assets non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in other components of shareholders' equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), 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 prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.14 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 its 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 Groups' contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. 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 benefits are recognised immediately in other comprehensive income.

Provision for vacation

The Group has set up a provision for vacation which is calculated in accordance with the Group's policy and formula, taking into consideration the employee's salary, the number of years of service and the unused vacation day. This provision has been adjusted annually.

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

4.15 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.

4.16 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.

4.17 Financial instruments

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

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost 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 contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets at FVTPL

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

These financial assets include derivatives, 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 listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the 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 transferred control of the asset.

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

Impairment of financial assets

The 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. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

4.18 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

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

4.19 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.

5. Significant accounting judgements and estimates

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

5.1 Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

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

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion. Significant judgement is required in determining the contract costs incurred for work performed to date, estimated total contract revenue and construction costs, and the recoverability of the contract costs to complete, as well as assessing potential deductions from revenue due to delays in delivery, contractual penalties or possible losses from long-term contracts. In making these judgements, management relies on past experience, historical information and information from the project engineers or the work of specialists.

5.2 Leases

The Group as a lessee

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group as lessor

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

5.3 Allowance for expected credit losses of trade receivables and contract assets

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

5.4 Reduction cost to net realisable value of inventories

Determining the reduction cost to net realisable value of inventories requires management to exercise judgement in term of estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business less the estimated costs to completion or estimated additional expenses to be incurred in preparing the inventory for sale, and reduction cost of inventories for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventory and current changes in technology.

5.5 Property plant and equipment/Depreciation

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

The Group measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates as described in Note 14 to the consolidated financial statements.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5.7 Deferred tax assets

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

5.8 Post-employment benefits under defined benefit plans

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

5.9 Litigation and delay penalty

The Group has contingent liabilities as a result of litigation and delay penalty. The Group's management have used judgement to assess the results of the litigation and delay penalty, and believe that the provision made would be sufficient. However, actual results could differ from the estimates.

6. Related party transactions

During the years, the Group had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon between the Company and those related parties. The Group has a policy on pricing with its related parties as specified below.

1. Sales prices are determining at market price. If market price not known, sales price are determined at cost plus a margin not over 15 percent. However, the pricing policy is subject to change depending on the type of business and market competition at the time being.
2. Management fees and rental expenses are charged at the amount stipulated in the relevant agreements.
3. Management fees and rental income are charged at the amount stipulated in the relevant agreements.
4. Other services income and expenses are charged at the price mutually agreed upon.
5. IT service fees expenses to parent company are charged at the amount stated in the agreement which parent company sets base on cost plus a margin of not over 5 percent.

6. Interest on loans to and from related parties are charged at cost of fund plus 0.25 - 0.50 percent per annum or average twelve-month fixed deposit rate of the big five commercial banks plus 0.25 percent per annum.
7. Guarantee fee is charged between the parties at a weighted average rate of the letter of guarantee fee that the guarantor pay to the issuing bank (as actual rate) per month (2023: 0.3 percent per annum).
8. Dividend income is recognised when declared and the right to receive the dividend is established.
9. Fixed assets are sold and purchased at market price or their net book value plus a margin, depending on the condition of the fixed assets.
10. Directors and management's benefit expenses are charged as approved by the shareholders' meeting or contractually agreed price.

Significant transactions between the Company and its related parties are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<u>Transactions with parent company</u>				
Sales and service income	14	12	-	-
Purchase of merchandise and service	4	5	-	-
Rental expenses	6	6	2	2
Other expenses	19	18	6	6
IT Service fee expense	34	34	11	11
Management fee expense	37	37	37	37
Dividend paid	22	82	22	82
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Sales and service income	-	-	-	4
Purchase of merchandise and service	-	-	394	503
Purchase of assets	-	-	153	25
Rental income	-	-	2	2
Management fee income	-	-	78	79
Guarantee fee income	-	-	3	2
Other income	-	-	4	4
Other expenses	-	-	11	8
Interest income	-	-	56	87
Interest expenses	-	-	36	35
Dividend income (Note 13)	-	-	21	48
<u>Transactions with related companies</u>				
Sales and service income	73	562	-	-
Purchase of merchandise and service	39	191	-	-
Purchase of assets	6	2	-	-
Rental expenses	10	10	2	2
Other expenses	25	45	6	4
Interest income	-	5	-	-
Dividend paid	-	1	-	1

As at 31 December 2024 and 2023, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<u>Trade accounts receivable - related parties (Note 8)</u>				
Parent company	3,211	3,315	-	-
Subsidiaries	-	-	16	765
Related companies (related by shareholders or directors)	373,616	1,120,023	-	-
Total trade accounts receivable - related parties	376,827	1,123,338	16	765
<u>Other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	14,069	16,702
Related companies (related by shareholders or directors)	130	375	-	-
Total other receivables - related parties	130	375	14,069	16,702
<u>Accrued income - related parties</u>				
Parent company	525	667	-	-
Related companies (related by shareholders or directors)	106,102	178,197	-	-
Total accrued income - related parties	106,627	178,864	-	-
<u>Prepaid expenses - related parties</u>				
Parent company	-	131	-	-
Subsidiaries	-	-	3,512	12,908
Related companies (related by shareholders or directors)	412	326	-	-
Total prepaid expenses - related parties	412	457	3,512	12,908
<u>Advance to suppliers - related parties</u>				
Subsidiaries	-	-	8,048	62,627
Related companies (related by shareholders or directors)	2,134	4,004	3	-
Total advance to suppliers - related parties	2,134	4,004	8,051	62,627
<u>Deposits - related parties</u>				
Parent company	6,595	6,538	1,918	1,918
Related companies (related by shareholders or directors)	6,050	5,728	964	964
Total deposits - related parties	12,645	12,266	2,882	2,882
<u>Trade accounts payable - related parties (Note 18)</u>				
Parent company	31	184	-	-
Subsidiaries	-	-	162,480	143,855
Related companies (related by shareholders or directors)	1,953	8,191	-	36
Total trade accounts payable - related parties	1,984	8,375	162,480	143,891
<u>Other payables - related parties (Note 18)</u>				
Parent company	9,130	9,489	5,044	5,015
Subsidiaries	-	-	6,880	10,788
Related companies (related by shareholders or directors)	2,710	6,786	779	319
Total other payables - related parties	11,840	16,275	12,703	16,122
<u>Accrued project cost - related parties</u>				
Parent company	29	29	-	-
Subsidiaries	-	-	29,487	66,410
Related companies (related by shareholders or directors)	77,382	106,225	-	-
Total accrued project cost - related parties	77,411	106,254	29,487	66,410
<u>Long-term lease liabilities- related parties</u>				
Parent company	32,339	38,356	9,459	10,946
Related companies (related by shareholders or directors)	12,251	20,957	2,216	3,791
Total long-term lease liabilities- related parties	44,590	59,313	11,675	14,737

Short-term loans to related parties and short-term loans from related parties

As at 31 December 2024 and 2023, the balance of short-term loans to related parties and short-term loans from related parties between the Company and those related companies and the movement are as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	Balance as at 31 December 2023	Increase (decrease) during the year	Balance as at 31 December 2024
Short-term loans to related parties			
<u>Subsidiaries</u>			
Samart Comtech Co., Ltd.	2,017,000	(883,000)	1,134,000
Samart Communications Service Co., Ltd.	-	220,000	220,000
Total short-term loans to related parties	2,017,000	(663,000)	1,354,000

(Unit: Thousand Baht)

	Separate financial statements		
	Balance as at 31 December 2023	Decrease during the year	Balance as at 31 December 2024
Short-term loans from related parties			
<u>Subsidiaries</u>			
Samart Infonet Co., Ltd.	94,000	-	94,000
Thai Trade Net Co., Ltd.	42,000	-	42,000
Portalnet Co., Ltd.	2,220,000	(100,000)	2,120,000
Samart Broadband Services Co., Ltd.	246,500	-	246,500
Total short-term loans from related parties	2,602,500	(100,000)	2,502,500

Directors and management's benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Short-term employee benefits	40	30	32	23
Post-employment benefits	1	1	1	1
Total	41	31	33	24

Significant agreements with related parties

Long-term rental and service agreements

- a) The Group entered into a three-year office space sublease agreements and facility service with Samart Corporation Public Co., Ltd., the parent company, for their operation. These contracts will be expired in April 2026. The Group is to pay a monthly rental and service fee approximately Baht 2 million (2023: Baht 2 million) (separate financial statements: Baht 0.7 million (2023: Baht 0.7 million)).
- b) The Group entered into office space rental and facility service agreements with Vilailuck International Holding Co., Ltd., a related company, for their operation. These contracts will be expired in April 2026. The Group has to pay a monthly rental and service fee of approximately Baht 3 million (2023: Baht 3 million) (separate financial statements: Baht 0.4 million (2023: Baht 0.4 million)).

The Group recognised the above long-term lease contracts as right of use assets and lease liabilities and included in Note 19 to the consolidated financial statements.

Service agreements

- c) The Company entered into a one-year management contract with Samart Corporation Public Co., Ltd., the parent company. This contract will be expired in April 2025. The Company is obligated to comply with performance conditions and pay a monthly service fee totaling approximately Baht 3 million (2023: Baht 3 million).
- d) The Company and nine subsidiary companies (Samart Communication Services Co., Ltd., Samart Comtech Co., Ltd., Posnet Co., Ltd., Thai Trade Net Co., Ltd., Samart Infonet Co., Ltd., Samart eD Tech Co., Ltd., Smarterware Co., Ltd., Net Service (Thailand) Co., Ltd. and Portalnet Co., Ltd.) entered into information technology management agreements with Samart Corporation Public Co., Ltd., the parent company which will be expired in December 2024. The Group has to pay a monthly service fees totaling approximately Baht 3 million (2023: Baht 3 million) (separate financial statements: Baht 0.9 million (2023: Baht 0.9 million)).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 37.3 to the consolidated financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash	1,905	2,009	20	75
Bank deposits	883,810	949,162	326,715	395,029
Total	885,715	951,171	326,735	395,104

As at 31 December 2024, bank deposits in saving accounts and fixed deposits carried interests between 0.4 and 1.23 percent per annum (2023: between 0.5 and 1.23 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<u>Trade accounts receivable - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	4,052	739,122	16	391
Past due				
Up to 3 months	3,660	239,561	-	374
3 - 6 months	1,712	29,661	-	-
6 - 12 months	341,546	-	-	-
Over 12 months	53,719	142,365	-	-
Total	404,689	1,150,709	16	765
Less: Allowance for expected credit losses	(27,862)	(27,371)	-	-
Total trade accounts receivable - related parties, net	376,827	1,123,338	16	765
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	237,071	402,204	77,398	188,671
Past due				
Up to 3 months	176,109	331,181	45,483	15,513
3 - 6 months	13,868	58,776	4,850	-
6 - 12 months	480	4,974	-	-
Over 12 months	198,432	200,030	148,459	145,059
Total	625,960	997,165	276,190	349,243
Less: Allowance for expected credit losses	(71,215)	(76,400)	(19,435)	(22,446)
Total trade accounts receivable - unrelated parties, net	554,745	920,765	256,755	326,797
Total trade accounts receivable - net	931,572	2,044,103	256,771	327,562
<u>Other receivables</u>				
Advances	2,374	2,678	320	194
Securities business receivables	1,022,626	1,022,626	-	-
Other receivables - related parties (Note 6)	130	375	14,069	16,702
Other receivables - unrelated parties	4,795	69,236	7	-
Other receivables - short-term loans to unrelated party	35,525	15,525	-	-
Other receivables - loan to employee	2,309	4,328	168	455
Total	1,067,759	1,114,768	14,564	17,351
Less: Allowance for expected credit losses	(1,022,857)	(1,022,857)	-	-
Total other receivables - net	44,902	91,911	14,564	17,351
Total trade and other receivables - net	976,474	2,136,014	271,335	344,913

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Beginning balance	1,126,628	1,170,083	22,446	14,051
Provision for expected credit losses (reversal)	(4,694)	(43,446)	(3,011)	8,395
Write-off during the year	-	(9)	-	-
Ending balance	1,121,934	1,126,628	19,435	22,446

- a) The Group have transferred their collection rights from projects to banks as collateral of loans from banks and bank guarantee. As at 31 December 2024, the balance of the above accounts receivable included the receivables that were transferred their collection rights to banks totaling approximately Baht 154 million (2023: Baht 263 million) (separate financial statements: Baht 82 million (2023: Baht 263 million)).

b) Securities business receivables

As at 31 December 2024, IT Absolute Co., Ltd., a subsidiary company (formerly operate securities business) had securities business receivables which were under legal proceedings, undergoing restructuring or being settled in installments, to Baht 1,023 million (2023: Baht 1,023 million), on which the subsidiary already fully set up allowance for expected credit losses.

In addition during the year 2009, the subsidiary company had filed lawsuits with the Civil Court and the Bankruptcy Court, seeking to have the seven customers settled their total outstanding debts of Baht 978 million to the subsidiary company. The seven debtors were under absolute receivership by the Central Bankruptcy Court and these were being carried out in accordance with the process laid down under bankruptcy laws. The Civil Court dismissed the lawsuits of seven debtors so that the subsidiary company could receive settlement in the bankruptcy cases.

The share purchase agreement of shares in IT Absolute Co., Ltd., on 3 February 2012, stated that if the company received any repayment or benefit subsequent to share transfer date (all together called “repayment”) arising from obligation before or at share transfer date, Samart Broadband Services Co., Ltd., another subsidiary company (buyer) shall order the company to transfer the repayment made by the previous shareholder (a bank) at the rate of 99.7888 percent as formula which was described in the agreement.

- c) As at 31 December 2024, the Company has trade account receivable and accrued income from a project work of Baht 140.3 million and Baht 170.1 million, respectively (2023: Baht 140.3 million and Baht 170.1 million, respectively). The management of the Company set up an allowance for expected credit losses for trade account receivable and accrued income of Baht 14.8 million and Baht 18 million, respectively (2023: Baht 17.8 million and Baht 21.6 million, respectively), in the Company’s books of account. This project work is under responsibility of the STSL Consortium (“the Consortium”), comprising the Company and two private limited companies which entered into an agreement with a state enterprise to install and develop the core business information system amounting to Baht 579 million whereby the agreement expired on 22 August 2021. Subsequently, on 24 August 2021, the state enterprise notified of termination of the agreement with the Consortium and demanded forfeiture of collateral which was a letter of guarantee issued by a bank of Baht 20 million. Therefore, the Company recorded loss from project termination in the account of Baht 20 million which is adequate at this state. On 25 August 2021, the Consortium sent a letter refusing the termination of the agreement as it considered that the termination by the state enterprise was unfair, exercising the rights unlawfully and against the terms of the agreement. Additionally, the Consortium demanded full payment for the work already performed.

The management and the legal advisor of the Company are of the opinion that the termination of the agreement is unfair and unreasonable grounds provided. The delay arose from factors beyond control, which was not the fault of the Consortium.

On 7 December 2021, the Company filed a lawsuit with the Civil Court, seeking payment for all completed work and damages resulting from the agreement termination. During 2023, the state enterprise counter-sued in the Civil Court, as described in Note 37.4.1 to the consolidated financial statements. At present, the case is under consideration by the Civil Court.

- d) As at 31 December 2024, allowance for expected credit losses had not been set aside for the outstanding balances of the Group's trade accounts receivables - related parties that were aged more than 12 months past due totaling Baht 26 million (2023: Baht 115 million and separate financial statements: nil). This is because the management of the Group believe that they can collect payment from such receivables in full. Based on the Group's collection experience, there was no bad debt from the related party receivables. The management of the Group believe that the allowance for expected credit losses is adequate and reflects time value of money according to the schedules of expected debt collection.
- e) During the year 2023, Samart Comtech Co., Ltd., a subsidiary, provided a short-term loan of Baht 15.5 million to a company in order to jointly invest in a government sector project. Interest is charged at a rate of 11 percent per annum. The subsidiary received the rights to make collections from this project as collateral. The subsidiary has partially received the repayment of the short-term loan amounting to Baht 5.0 million in the current year.

In addition, during the current year, the subsidiary provided an additional short-term loan of Baht 25 million to that company. Interest is charged at a rate of 11 percent per annum and the loan is to be repaid within September 2025.

As at 31 December 2024, the total outstanding balance of the short-term loans is Baht 35.5 million (2023: Baht 15.5 million).

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Finished goods	125,529	57,345	(35,291)	(34,720)	90,238	22,625
Work in process	54,091	134,293	(42,200)	(42,251)	11,891	92,042
Supplies	9,865	5,021	(1,603)	(1,603)	8,262	3,418
Total	189,485	196,659	(79,094)	(78,574)	110,391	118,085

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Finished goods	31,262	40,138	(28,865)	(28,866)	2,397	11,272
Work in process	17,915	36,899	(17,135)	(17,186)	780	19,713
Supplies	1,323	3,529	(1,323)	(1,323)	-	2,206
Total	50,500	80,566	(47,323)	(47,375)	3,177	33,191

During the current year, the Group reduced cost of inventories by Baht 0.5 million (2023: Baht 0.5 million) to reflect the net realisable value, which was included in cost of sales (The Company only: reversed the write-down of cost of inventories by Baht 0.1 million and reduced the amount of inventories recognised as expenses during the year (2023: reduced cost of inventories by Baht 0.1 million to reflect the net realisable value, which was included in cost of sales)).

10. Withholding tax deducted at sources

The balance of withholding tax deducted at sources as at 31 December 2024 and 2023, aged on years, are summarised below.

(Unit: Thousand Baht)

Year	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Before 2020	1,357	1,357	-	-
2021	6,309	6,496	-	-
2022	30,624	111,688	-	12,754
2023	55,699	65,691	14,930	14,930
2024	86,743	-	14,629	-
Total withholding tax deducted at sources	180,732	185,232	29,559	27,684

The Group regards withholding tax deducted at sources as an asset since they have the right to claim for refund of it. However, the net realisable value of withholding tax depends on the exercise right to claim it, and the results of any tax audit by the Revenue officials.

During the year 2024, the Group received such refund of the withholding tax of 2021 - 2023 approximately Baht 91 million (2023: the Group received refund of the withholding tax of 2020 - 2021 approximately Baht 125 million) (separate financial statements: the Company received refund of the withholding tax of 2022 approximately Baht 13 million (2023: the Company received such refund of the withholding tax of 2021 approximately Baht 15 million)).

11. Other financial assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Financial assets at fair value through profit or loss				
Listed equity investments (Note 11.1)	4,905	4,283	4,905	4,283
Derivative				
Foreign currency forward contract (Note 39.1)	800	-	381	-
Financial assets at amortised cost				
Deposits	20,397	18,680	5,320	3,960
Total other financial assets	26,102	22,963	10,606	8,243
Current	5,705	4,283	5,286	4,283
Non-current	20,397	18,680	5,320	3,960
	26,102	22,963	10,606	8,243

11.1 Movements in the listed equity investments at fair value through profit or loss as at 31 December 2024 and 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	2024	2023
Balance at beginning of year	4,283	18,926
Gain (loss) on change in value	622	(14,643)
Balance at end of year	4,905	4,283

12. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Advance to supplier	96,145	29,216	12,552	74,060
Deferred project cost	233,070	147,611	194,882	104,669
Prepaid expense	72,200	48,301	1,889	1,341
Retention receivable	8,528	4,687	-	-
Input tax refundable	71,422	67,149	43,060	60,612
Undue input tax	5,533	5,454	11,785	6,565
Others	629	937	175	188
Total other current assets	487,527	303,355	264,343	247,435

13. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Million Baht)	(Million Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Samart Communication Services Co., Ltd.	500	500	100	100	500,000	500,000	-	-
Posnet Co., Ltd.	72	72	100	100	72,000	72,000	-	-
Thai Trade Net Co., Ltd.	53	53	100	100	53,000	53,000	-	-
Samart Broadband Services Co., Ltd.	13.81	13.81	100	100	13,812	13,812	-	47,515
Samart Comtech Co., Ltd.	225	225	100	100	900,700	900,700	-	-
Smarterware Co., Ltd.	10	10	100	100	9,999	9,999	-	-
Samart Infonet Co., Ltd.	62	62	100	100	18,000	18,000	-	-
Samart eD Tech Co., Ltd.	5	5	100	100	5,000	5,000	-	-
Portalnet Co., Ltd.	2,100	2,100	100	100	208,000	208,000	21,000	-
Total investments in subsidiaries					1,780,511	1,780,511	21,000	47,515

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Revaluation basis	Cost basis					
	Land	Buildings and building improvement	Telecommunication and tooling equipment	Furniture, fixtures and office equipment	Motor vehicles	Telecommunication equipment under installation	Total
Cost / Revalued amount:							
31 December 2022	84,286	98,138	10,312,351	304,154	63,722	450,362	11,313,013
Additions	-	292	40,779	2,968	-	205,165	249,204
Disposals and write-off	-	-	(147,600)	(9,561)	-	-	(157,161)
Transfer in (out)	-	-	485,408	-	-	(484,416)	992
31 December 2023	84,286	98,430	10,690,938	297,561	63,722	171,111	11,406,048
Additions	-	-	165,424	3,136	662	330,304	499,526
Disposals and write-off	-	-	(186,340)	(1,908)	(6,999)	-	(195,247)
Transfer in (out)	-	-	144,252	-	-	(144,252)	-
Transfer from right-of-use assets	-	-	-	-	3,355	-	3,355
Transfer to intangible assets	-	-	-	-	-	(270)	(270)
Transfer to deferred project cost	-	-	-	-	-	(108,282)	(108,282)
31 December 2024	84,286	98,430	10,814,274	298,789	60,740	248,611	11,605,130
Accumulated depreciation:							
31 December 2022	-	88,427	9,429,386	274,855	61,736	-	9,854,404
Depreciation for the year	-	2,840	360,825	15,860	768	-	380,293
Accumulated depreciation on disposals	-	-	(147,568)	(9,524)	-	-	(157,092)
31 December 2023	-	91,267	9,642,643	281,191	62,504	-	10,077,605
Depreciation for the year	-	662	448,107	4,125	515	-	453,409
Accumulated depreciation on disposals	-	-	(186,233)	(2,197)	(6,687)	-	(195,117)
Accumulated depreciation on right-of-use assets	-	-	-	-	3,355	-	3,355
31 December 2024	-	91,929	9,904,517	283,119	59,687	-	10,339,252
Allowance for impairment loss:							
31 December 2022	-	-	146,119	-	-	12,922	159,041
Decrease during the year	-	-	(7,690)	-	-	-	(7,690)
31 December 2023	-	-	138,429	-	-	12,922	151,351
31 December 2024	-	-	138,429	-	-	12,922	151,351
Net book value:							
31 December 2023	84,286	7,163	909,866	16,370	1,218	158,189	1,177,092
31 December 2024	84,286	6,501	771,328	15,670	1,053	235,689	1,114,527
Depreciation for the year							
2023 (Baht 364 million included in cost of services, and the balance in selling and administrative expenses)							380,293
2024 (Baht 449 million included in cost of services, and the balance in selling and administrative expenses)							453,409

(Unit: Thousand Baht)

	Separate financial statements						
	Revaluation basis	Cost basis					
	Land	Buildings and building improvement	Telecommunication and tooling equipment	Furniture, fixtures and office equipment	Motor vehicles	Telecommunication equipment under installation	Total
Cost / Revalued amount:							
31 December 2022	75,200	54,445	1,786,542	22,626	18,990	269,206	2,227,009
Additions	-	-	174	85	-	134,260	134,519
Disposals and write-off	-	-	-	(51)	-	-	(51)
Transfer in (out)	-	-	297,646	-	-	(297,646)	-
31 December 2023	75,200	54,445	2,084,362	22,660	18,990	105,820	2,361,477
Additions	-	-	103,705	114	-	180,415	284,234
Disposals and write-off	-	-	-	(161)	(6,999)	-	(7,160)
Transfer in (out)	-	-	82,953	-	-	(82,953)	-
Transfer from right-of-use assets	-	-	-	-	3,355	-	3,355
Transfer to deferred project cost	-	-	-	-	-	(108,282)	(108,282)
31 December 2024	75,200	54,445	2,271,020	22,613	15,346	95,000	2,533,624
Accumulated depreciation:							
31 December 2022	-	54,429	1,443,028	22,131	18,244	-	1,537,832
Depreciation for the year	-	7	140,622	249	656	-	141,534
Accumulated depreciation on disposals and write-off	-	-	-	(37)	-	-	(37)
31 December 2023	-	54,436	1,583,650	22,343	18,900	-	1,679,329
Depreciation for the year	-	7	206,432	172	90	-	206,701
Accumulated depreciation on disposals and write-off	-	-	-	(161)	(6,999)	-	(7,160)
Accumulated depreciation transfer from right-of-use assets	-	-	-	-	3,355	-	3,355
31 December 2024	-	54,443	1,790,082	22,354	15,346	-	1,882,225
Net book value:							
31 December 2023	75,200	9	500,712	317	90	105,820	682,148
31 December 2024	75,200	2	480,938	259	-	95,000	651,399
Depreciation for the year							
2023 (Baht 141 million included in cost of services, and the balance in selling and administrative expenses)							141,534
2024 (Baht 206 million included in cost of services, and the balance in selling and administrative expenses)							206,701

14.1 The Group arranged for an independent professional valuer to appraise the value of certain assets in 2024 for land. The basis of the land was revalued using the market approach.

Had the land been carried in the financial statements based on historical cost, their net book values as of 31 December 2024 and 2023 would have been as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Land	32,045	32,045	26,661	26,661

14.2 As at 31 December 2024, certain equipment items of the Group have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounting to approximately Baht 9,946 million (2023: Baht 9,923 million) (separate financial statements: Baht 1,271 million (2023: Baht 1,268 million)).

15. Intangible assets

The net book value of intangible assets as at 31 December 2024 and 2023 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	Computer software	Computer software
Cost		
31 December 2022	448,720	74,251
Addition	62,246	565
Disposal	(48)	(2)
31 December 2023	510,918	74,814
Addition	1,787	-
Transfer from equipment	271	-
31 December 2024	512,976	74,814
Accumulated amortisation		
31 December 2022	380,690	73,052
Amortisation	27,403	493
Accumulated amortisation on write-off	(14)	(1)
31 December 2023	408,079	73,544
Amortisation	16,575	493
31 December 2024	424,654	74,037
Allowance for impairment loss		
31 December 2022	31,218	-
Increase during the year	5,946	-
31 December 2023	37,164	-
31 December 2024	37,164	-
Net book value		
31 December 2023	65,675	1,270
31 December 2024	51,158	777

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Amortisation for the year included in				
Cost of services	3,906	3,734	440	440
Selling and administrative expenses	12,669	23,669	53	53
Total	16,575	27,403	493	493

16. Goodwill

Mainly of Goodwill was arising from the Company bought shares of Portalnet Co., Ltd.

The Company has determined recoverable amounts of its cash generating units (CGUs) based on value in use calculation using cash flow projections from financial budgets approved by the management covering a 6 years period of Portalnet Co., Ltd., which some of them are based on the contract period.

Key assumptions used in value in use calculations summarise as follows:

(Unit: Percent per annum)

	2024	2023
Terminal growth rate	0%	0%
Discount rate (WACC)	12%	8%

The management has determined the growth rate based on past performance, the combine growth rate of the market and the country's gross domestic product, applying conservative principles and assuming a constant income between 1 and 6 years and a discount rate, which relates to the specific risk in that operating segment.

As at 31 December 2024 and 2023, the management has considered and believed that no impairment was required for goodwill.

17. Short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023	2024	2023
Short-term loans from banks	MMR	MMR	562,900	1,465,362	290,000	928,662
Trust receipts	MMR	MMR	-	9,662	-	-
Total			562,900	1,475,024	290,000	928,662

Short-term loans from financial institutions of the Group are secured by cross-guarantee by the Group, transfer and assign of right over collection of any contract/project as specified in loan agreements.

In addition, short-term loan agreements with banks contain certain covenants as specified in the agreements that, among other things, require the Group to comply.

18. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Trade accounts payable - related parties (Note 6)	1,984	8,375	162,480	143,891
Trade accounts payable - unrelated parties	534,578	483,369	119,448	134,408
Other payables - related parties (Note 6)	11,840	16,275	12,703	16,122
Other payables - unrelated parties	22,699	22,601	9,015	9,503
Accrued expenses	101,529	107,101	19,622	18,121
Interest payables	264	1,009	195	623
Total trade and other payables	672,894	638,730	323,463	322,668

19. Leases

19.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 3 - 10 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Buildings improvement	Telecommunication and tooling equipment	Motor vehicles	Total
1 January 2023	88,086	105,184	20,715	213,985
Increase (decrease)	(6,609)	554	(645)	(6,700)
Depreciation for the year	(22,634)	(26,237)	(4,742)	(53,613)
31 December 2023	58,843	79,501	15,328	153,672
Increase	100	27,463	7,519	35,082
Depreciation for the year	(21,885)	(25,971)	(5,166)	(53,022)
31 December 2024	37,058	80,993	17,681	135,732

(Unit: Thousand Baht)

	Separate financial statements			
	Buildings improvement	Telecommunication and tooling equipment	Motor vehicles	Total
1 January 2023	19,010	105,184	2,342	126,536
Increase (decrease)	(2,087)	554	(645)	(2,178)
Depreciation for the year	(3,613)	(26,237)	(1,064)	(30,914)
31 December 2023	13,310	79,501	633	93,444
Increase	-	27,463	7,519	34,982
Depreciation for the year	(3,412)	(25,971)	(1,488)	(30,871)
31 December 2024	9,898	80,993	6,664	97,555

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Lease payments	166,355	188,153	115,227	112,984
Less: Deferred interest expenses	(14,141)	(17,384)	(10,927)	(11,496)
Total	152,214	170,769	104,300	101,488
Less: Portion due within one year	(50,482)	(52,465)	(26,902)	(31,105)
Lease liabilities - net of current portion	101,732	118,304	77,398	70,383

Movements of the lease liability account during the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Balance at beginning of year	170,769	227,140	101,488	132,703
Increase (decrease)	35,083	(6,070)	34,982	(2,067)
Accretion of interest	7,838	10,168	5,193	6,502
Repayments	(60,700)	(60,469)	(36,587)	(35,650)
Decrease from unrealised gain on exchange	(776)	-	(776)	-
Balance at end of year	152,214	170,769	104,300	101,488

A maturity analysis of lease payments is disclosed in Note 39 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Depreciation expense of right-of-use assets	53,022	53,613	30,871	30,914
Interest expense on lease liabilities	7,838	10,168	5,192	6,502
Expense relating to short-term leases	3,030	4,702	-	-

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2024 of Baht 64 million (2023: Baht 65 million) (the Company only: Baht 37 million, (2023: Baht 36 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

19.2 Group as a lessor

The Group has entered into operating leases for equipment of the lease term is approximately 5 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2024 and 2023 as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Within 1 year	510,331	459,126	244,937	260,253
Over 1 and up to 5 years	1,011,417	1,124,131	236,373	531,089
Total	1,521,748	1,583,257	481,310	791,342

20. Provisions

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	Maintenance warranties	Maintenance warranties
1 January 2023	87,947	19,922
Increase during the year	17,930	4,536
Utilised	(37,779)	(5,824)
Reversal	(6,380)	-
31 December 2023	61,718	18,634
Increase during the year	5,791	707
Utilised	(26,146)	(3,883)
Reversal	(11,864)	(2,742)
31 December 2024	29,499	12,716
2023		
Current	43,267	12,583
Non-current	18,451	6,051
	61,718	18,634
2024		
Current	19,556	10,839
Non-current	9,943	1,877
	29,499	12,716

Maintenance warranties

The Group recognised a provision for expected warranty claims on products and equipment during the last two years, based on past experience of the level of repairs. The Group expect most of these costs to be incurred in the next financial year and all to have been incurred within two years of the reporting date. In calculating the provision for warranties, the Group applied assumptions, based on current contract work levels and current information available about repairs of products and equipment with three months to three years warranty periods, for all types of contract work.

21. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2024
Value added tax payable	2,167	13,862	-	-
Withholding Tax deduct at source	10,445	11,376	2,404	4,889
Undue output VAT	52,916	92,616	16,953	23,368
Others	32,495	26,724	4,035	5,382
Total other current liabilities	98,023	144,578	23,392	33,639

22. 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 financial statements		Separate financial statements	
	2024	2023	2024	2023
Provision for long-term employee benefits at beginning of year	181,753	175,318	41,908	43,334
Included in profit or loss:				
Current service cost	10,068	10,138	1,772	2,018
Interest cost	4,531	4,247	810	832
Increase (decrease) from employee transfer during the year	(7)	-	1,491	-
Gain on settlement	(2,936)	-	-	-
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	290	-	32	-
Financial assumptions changes	6,438	-	644	-
Experience adjustments	4,069	-	1,680	-
Benefits paid during the year	(2,722)	(7,950)	(976)	(4,276)
Provision for long-term employee benefits at end of year	201,484	181,753	47,361	41,908

As at 31 December 2024, the Group expects to pay long-term employee benefits during the next year amounting to Baht 12.6 million (separate financial statements: Baht 11.2 million) (2023: Baht 5.7 million (separate financial statements: nil)).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 8 - 16 years (separate financial statements: 8 years) (2023: 7 - 15 years (separate financial statements: 7 years)).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Discount rate	2.18 - 2.43	2.28 - 2.97	2.18	2.28
Salary increase rate	3.0 - 4.5	3.0 - 4.5	3.0 - 4.5	3.0 - 4.5
Turnover rate	0 - 23	0 - 24	0 - 23	0 - 24

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below:

(Unit: million Baht)

	Consolidated financial statements				Separate financial statements			
	Liability increase (decrease)				Liability increase (decrease)			
	Increase 1%		Decrease 1%		Increase 1%		Decrease 1%	
	2024	2023	2024	2023	2024	2023	2024	2023
Discount rate	(16)	(14)	18	16	(3)	(2)	3	2
Salary increase rate	18	18	(16)	(16)	3	3	(3)	(2)
	Increase 20%		Decrease 20%		Increase 20%		Decrease 20%	
	2024	2023	2024	2023	2024	2023	2024	2023
Turnover rate	(15)	(15)	17	18	(2)	(2)	2	2

23. Surplus on revaluation of land

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Balance at beginning of year	41,792	41,792	38,831	38,831
Balance at end of year	41,792	41,792	38,831	38,831

The revaluation surplus cannot be used to offset deficit or for dividend payment.

24. Share capital and warrants

Share capital

Movements of ordinary shares, paid-up share capital and share premium of the Company during the year ended 31 December 2024 were as follows:

	Number of ordinary shares	Registered share capital
	(Thousand share)	(Thousand Baht)
Registered share capital		
As at 1 January 2024		
Ordinary shares	721,000	721,000
Decrease in share capital	(103,000)	(103,000)
Increase in share capital	103,000	103,000
As at 31 December 2024	721,000	721,000

	Number of ordinary shares	Paid-up share capital	Share premium
	(Share)	(Baht)	(Baht)
<u>Issued and paid-up share capital</u>			
As at 1 January 2024	618,000,000	618,000,000	1,238,860,501
Increase in share capital	71	71	776
As at 31 December 2024	618,000,071	618,000,071	1,238,861,277

On 23 December 2024, the Extraordinary General Meeting of the Company's shareholders passed the resolutions as follows:

- 1) The reduction of the Company's registered share capital by cancelling unissued shares 103 million amounted to Baht 103 million from the current registered share capital of Baht 721 million to be the registered share capital of Baht 618 million, comprising ordinary shares of 103 million shares with a par value of Baht 1 per share, as well as the amendment to Clause 4 of the Memorandum of Association so as to reflect the reduction of the Company's registered share capital.
- 2) The issue and offering of warrants representing the right to purchase the newly issued ordinary shares (SAMTEL-W2) to the existing shareholders proportionate to their respective shareholdings (Right Offering) in the amount of not exceeding 103 million units, without any cost at the ratio of 6 existing issued shares to 1 warrant. The warrants have a period of 2 years from the first issuance date. The exercise ratio is 1 warrant:1 share, with an exercise price of Baht 8 each, which may be adjusted pursuant to the conditions for the adjustment of the rights.
- 3) The increase of the Company's registered share capital for an additional amount of not exceeding Baht 103 million from the existing amount of Baht 618 million to be the new registered share capital of Baht 721 million, by issuing not exceeding 103 million new ordinary shares at the par value of Baht 1 each, as well as the amendment to Clause 4 of the Memorandum of Association so as to reflect the increase of the Company's registered capital.
- 4) The allocation of newly issued shares in the amount of not exceeding 103 million shares with a par value of Baht 1 each in order to accommodate the exercises of the warrants No. 2 (SAMTEL-W2) to the existing shareholders proportionate to their respective shareholdings (Right Offering).

The Company has already registered the increase in paid-up share capital with the Ministry of Commerce.

Warrants

Movements in warrants for the year ended 31 December 2024 were summarised below.

Issued by	Allocated to	Approval Date	Determined exercising date		As at 31 December 2023	Decrease during the period							
												Expired period of warrant	As at 31 December 2024
						Exercise							
			First exercise	Last exercise	Outstanding warrants	Exercise	Exercise ratio for ordinary shares per 1 warrant	Issued ordinary shares during the year	Exercise Price	Amount	Warrants		
					(Unit)	(Unit)	(Unit)	(Share)	(Baht)	(Baht)	(Unit)	(Unit)	
The Company	Existing - shareholder (SAMTEL-W1)	27 April 2021	30 November 2021	17 May 2024			1.005		11.936				
				102,998,131	(71)	71		847.46		(102,998,060)	-		
		Total		102,998,131	(71)	71		847.46		(102,998,060)	-		

- a) On 27 April 2021, the Annual General Meeting of the Company's shareholders passed a resolution to issue warrants (SAMTEL-W1) up to 103,000,000 units of warrants to the existing shareholders of the Company in proportion to their shareholdings (rights offering) at the ratio of 6 newly issued shares to 1 warrant, without any cost. The exercise ratio is 1 warrant: 1.005 share, with an exercise price of Baht 11.936 per 1 ordinary share. The warrants have a life of 3 years and are exercisable on the last business day of the first six months following issuance date of the warrant which was 30 November 2021, and the last exercise date is when the warrant reaches its 3-year expiration following issuance date of the warrant which was 17 May 2024.

On 21 May 2024, the Company reported on the results of sale of newly issued ordinary shares derived from exercised warrants No. 1 (SAMTEL-W1), by issued 71 new ordinary shares with total amount of Baht 847.46.

- b) On 23 December 2024, the Extraordinary General Meeting of the Company's shareholders passed a resolution to issue warrants (SAMTEL-W2) up to 103,000,011 units of warrants to the existing shareholders of the Company in proportion to their shareholdings (rights offering) at the ratio of 6 newly issued shares to 1 warrant, without any cost. The exercise ratio is 1 warrant: 1 share, with an exercise price of Baht 8.00 per 1 ordinary share. The warrants have a life of 2 years and the first exercise date is the last business day of the first 6 months following the issuance date of the warrant, which is 31 July 2025 and the last exercise date is when the warrant reaches its 2-year expiration, following the issuance date of the warrant which is 15 January 2027.

As at 31 December 2024, the Company has not yet allocated the above warrants to its shareholders.

25. Statutory reserve

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

26. Revenues from sales and the contract work

26.1 Service and rental income

Service and rental income for the years ended 31 December 2024 and 2023 summarised as followings:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Type-two telecom license without its own network	51,408	50,612	51,408	50,612
Type-one internet license	126,384	120,672	-	-
Other service income	1,593,680	1,420,515	557,159	429,409
Equipment rental income	510,331	459,125	244,937	260,253
Total service and rental income	2,281,803	2,050,924	853,504	740,274

26.2 Contract balances

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Contract assets				
Accrued income	2,109,043	2,089,106	1,012,466	981,958
Retention receivable	8,528	4,687	-	-
Total contract assets	2,117,571	2,093,793	1,012,466	981,958
Less: Allowance for impairment loss	(19,081)	(22,732)	(17,960)	(21,610)
Total contract assets, net	2,098,490	2,071,061	994,506	960,348
Contract liabilities				
Unearned revenue	(9,636)	(27,720)	-	(606)
Total contract liabilities	(9,636)	(27,720)	-	(606)

During the current year, the Group recorded provision for expected credit losses on contract assets by Baht 19.1 million (2023: Baht 22.7 million) (separate financial statements: Baht 18.0 million (2023: Baht 21.6 million)).

26.3 Revenue recognised in relation to contract balances

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Revenue recognised that was included in contract liabilities at the beginning of the year	24,784	13,894	606	-

26.4 Revenue to be recognised for the remaining performance obligations

As at 31 December 2024, revenue aggregating to Baht 4,361 million (2023: Baht 4,622 million) is expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers (separate financial statements: Baht 2,359 million (2023: Baht 1,862 million)). The Group expects to satisfy the performance obligations within 5 years.

26.5 Cost to be incurred to completion of work under customer contracts

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Beginning balance	101,815	166,846	114,675	148,236
Addition	286,361	89,738	253,501	52,105
Transfer to cost	(180,554)	(154,769)	(133,816)	(85,666)
Ending balance ending of year	207,622	101,815	234,360	114,675

27. Other income

Other income for the years ended 31 December 2024 and 2023 consist of:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Gain on exchange rate	2,003	800	3,522	-
Dividend income from subsidiaries (Note 13)	-	-	21,000	47,515
Management fee income (Note 6)	-	-	78,120	79,320
Gain on reversal of accrued project cost	44,808	61,376	-	-
Income from pursuing a legal case	-	11,124	-	-
Income from insurance claims	11,599	-	13	-
Others	7,436	25,075	13,035	17,083
Total other income	65,846	98,375	115,690	143,918

- On 29 September 2016, Samart Comtech Co., Ltd., a subsidiary, filed a lawsuit with the Central Administrative Court, seeking settlement of a government agency as a trade account receivable and retention receivable that was past due totaling approximately Baht 536 million for providing computer system installation services. Finally, on 29 November 2022, the Supreme Administrative Court affirmed the judgment and ordered such government agency to repay the full amount of debt with interest and court fees to the subsidiary which have been fully received in the year 2023. Therefore, the subsidiary company recorded such interest and fees from the aforementioned legal case totaling of Baht 11 million and Baht 248 million as other income and reversed allowance for expected credit losses of Baht 8 million and Baht 37 million in the consolidated income statement for the year 2023 and 2022, respectively.
- In 2024, Samart Comtech Company Limited, a subsidiary, recognised other revenue of Baht 11.4 million from an insurance company. The total amount insured amount received was considered compensation for property damage caused by fire.

28. Finance income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Interest income on bank deposits	3,826	2,264	955	750
Interest income on loans to related parties	-	-	55,912	87,229
Interest income on loans to unrelated parties	2,175	966	-	-
Interest income on loans to employees	299	231	28	12
Interest income on lease	-	5,113	-	-
Total	6,300	8,574	56,895	87,991

29. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Interest expense on:				
Bank loans and trust receipts	19,285	58,184	8,246	26,219
Loans from related parties	-	-	36,482	35,480
Liabilities under lease agreements	7,838	10,168	5,193	6,502
Total interest expenses	27,123	68,352	49,921	68,201
Bank charges	854	1,830	426	565
Total finance cost	27,977	70,182	50,347	68,766

30. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Raw materials, equipment and cost of project used	1,588,523	1,628,812	635,356	474,657
Salaries, wages and other employee benefits	790,339	786,766	118,200	116,827
Depreciation and amortisation	523,007	461,309	238,065	172,941
(Increase) decrease in inventories of finished goods and work in progress	12,018	(92,671)	27,860	(15,381)
Advertising and marketing expense	3,747	4,689	3,685	4,485

In addition, the Group has expenses that are other expenses by nature, but which are not included in the above; such as training expenses and other expenses.

31. Income tax

(Income) income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Current income tax:				
Current income tax charge	9,613	9,315	3,556	2,309
Adjustment of corporate income tax expense from prior year	17	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	13,079	15,387	(27)	(6,054)
(Income) income tax expenses reported in the profit or loss	22,709	24,702	3,529	(3,745)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Deferred tax relating to actuarial loss on defined benefit plan	2,830	-	471	-
Income tax income charged to other comprehensive income	2,830	-	471	-

Reconciliation between (income) income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2024 and 2023 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Accounting profit before tax	138,086	90,882	33,977	28,041
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	27,617	18,176	6,796	5,608
Adjustment of corporate income tax expense from prior year	17	-	-	-
Effects of:				
Utilisation of tax loss carry forward	(9,120)	(7,746)	-	-
Income not subject to tax	-	(5)	(4,200)	(9,562)
Non-deductible expenses	2,514	8,602	1,006	417
Additional expense deductions allowed	(414)	(293)	(73)	(54)
Total	(7,020)	558	(3,267)	(9,199)
Deferred tax assets not recognised	30	2,592	-	-
(Increase) decrease in deferred tax assets not recognised	2,065	3,376	-	(154)
(Income) income tax expenses reported in profit or loss	22,709	24,702	3,529	(3,745)

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Deferred tax assets				
Allowance for expected credit losses of trade receivables and accrued income	23,828	25,477	7,479	8,811
Allowance for diminution in value of inventories	18,139	18,035	9,200	9,210
Allowance for non-financial assets impairment	6,709	15,833	2,425	2,425
Profit in outstanding inventories	334	526	-	-
Profit in outstanding equipments and intangible assets	23,455	31,990	-	-
Deferred cost	3,732	3,461	-	-
Accumulated depreciation - equipment	33,405	36,037	4,431	3,137
Assets under finance lease agreements	1,410	1,347	305	221
Right-of-use assets	2,497	2,653	1,349	1,609
Allowance for expected credit losses of non-current financial assets	247	321	79	101
Provision for long-term employee benefits	37,217	35,142	9,472	8,382
Accrued vacation leave	734	714	152	121
Unrealised loss from revaluation of listed equity investments	20,468	20,592	20,468	20,592
Unrealised loss on exchange of forward contract	-	811	-	352
Unused tax loss	123,784	113,108	176	-
Total	295,959	306,047	55,536	54,961
Deferred tax liabilities				
Revaluation surplus on land	10,448	10,448	9,708	9,708
Unrealised gain on exchange of forward contract	160	-	76	-
Total	10,608	10,448	9,784	9,708
Deferred tax-net	285,351	295,599	45,752	45,253

Deferred tax assets and liabilities in statement of financial position were as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Deferred tax assets	285,351	295,599	45,752	45,253
Deferred tax - net	285,351	295,599	45,752	45,253

As at 31 December 2024, the subsidiary company has deductible temporary differences and unused tax losses totaling Baht 66 million (2023: Baht 134 million), on which deferred tax assets have not been recognised as the subsidiary company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax loss are summarised as below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
31 December 2024	-	61,859	-	-
31 December 2025	26,471	28,810	-	-
31 December 2026	10,819	12,255	-	-
31 December 2027	12,143	17,642	-	-
31 December 2028	13,389	13,252	-	-
31 December 2029	2,745	-	-	-
	65,567	133,818	-	-

32. Promotional privileges

Subsidiary has been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges of the subsidiary are as follows:

Details	Smarterware Co., Ltd.
1. Certificate No.	59-1099-1-00-2-0
2. Promotional privileges for	Software development
3. The significant privileges are:	
3.1 Exemption from corporate income tax on net income from promoted operations commencing as from the date of first earning operating income. Furthermore, accumulated losses incurred during the corporate income tax exemption period, the subsidiary is allowed to utilise the losses as a deduction against net income for a period of 5 years after the expiry of the tax exemption period, whether from any one year or from several years.	For a period of 5 years until 30 March 2023
3.2 Exemption from income tax on dividends paid from the income of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.	Granted
4. Date of first earning operating income	31 March 2018

Revenues of Smarterware Co., Ltd. for the years are software development services which could be divided between BOI promoted activities and Non-BOI promoted activities.

(Unit: Thousand Baht)

	2024	2023
Non-BOI promoted	-	43,020
Total service income	-	43,020

33. 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 years ended 31 December 2024 and 2023, the Company did not present diluted earnings per share because the exercise price of warrants is higher than the average market price of the Company's ordinary shares for the period. As a result, such warrants shall not have dilutive impact an earnings per share.

34. 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.

For management purposes, the Group is organised into business groups based on products and services and have three reportable segments as follows:

1. Network Infrastructure Solutions

Provide advanced solutions for telecommunications and data communication networks from consultation, survey, design, installation and implementation and system management services, as well as professional maintenance services for wired and wireless networks, including core networks, access networks, network equipment and end devices and various communications services via both high-speed networks and satellite communications.

2. Enhanced Technology Solutions

Provide solutions for information technology systems, including advanced systems customisation for customers requiring accuracy and high stability. The solutions range from consultation, engineering design and software development to installation, project management, management, and maintenance services.

3. Business application

Provide advanced software application services that enhance the capability and efficiency of the operations of corporate clients and the efficiency of service provision by clients in the public sector.

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 on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group financing activities (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between business segments are as set out in Note 6 to the consolidated financial statements.

Inter-segment revenues are eliminated on consolidation.

34.1 The results of operations separated by business segment

The following tables present revenue and profit information regarding the Groups' operating segments for the years ended 31 December 2024 and 2023, respectively.

(Unit: Million Baht)

	Network infrastructure solutions		Enhanced technology solutions		Business application		Adjustments and eliminations		Consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenues from sales, contract work and services										
- Related parties	327	348	480	1,198	10	10	(731)	(982)	86	574
- Third parties	1,220	1,246	1,497	1,467	1,380	1,202	-	-	4,097	3,915
Total revenues from sales, contract work, services and rental	1,547	1,594	1,977	2,665	1,390	1,212	(731)	(982)	4,183	4,489
Cost of sales, contract work, services and rental	(1,403)	(1,408)	(1,704)	(2,181)	(1,208)	(1,103)	693	804	(3,622)	(3,888)
Gross profit	144	186	273	484	182	109	(38)	(178)	561	601
Other income									66	98
Selling and distribution expenses									(137)	(150)
Administrative expenses									(339)	(370)
Other expense									-	(39)
Finance income									6	9
Finance cost									(28)	(70)
Reversal of impairment loss on financial assets									9	12
Income tax expenses									(23)	(25)
Non-controlling interests of the subsidiaries									-	6
Profit for the year									115	72

34.2 Assets separate by business segment are as follows:

(Unit: Million Baht)

	Network infrastructure solutions		Enhanced technology solutions		Business application		Adjustments and eliminations		Consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Assets										
Trade accounts receivable	164	309	791	1,976	198	280	(221)	(520)	932	2,045
Accrued income	274	368	1,094	1,329	799	479	(77)	(110)	2,090	2,066
Inventories	15	94	87	-	10	26	(2)	(3)	110	117
Property, plant and equipment	1,024	1,127	56	20	51	52	(16)	(22)	1,115	1,177
Others									2,268	2,251
Total assets									6,515	7,656
Total liabilities	4,213	5,115	2,290	3,339	590	1,029	(4,202)	(5,374)	2,891	4,109
Increase (decrease) in non-current assets other than financial instruments and deferred tax assets	(131)	(150)	54	(148)	(67)	137	(55)	(94)	(199)	(255)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Revenue from contracts with customers				
Revenue from sales	19	261	16	56
Revenue from contract work	1,883	2,177	662	436
Services income (excluding the revenue from Type-two telecom license)	1,720	1,541	557	429
Total revenue from contracts with customers	3,622	3,979	1,235	921
Revenue from Type-two telecom license	51	51	51	51
Rental income	510	459	245	260
Total revenues	4,183	4,489	1,531	1,232
Timing of revenue recognition:				
Revenue recognised at a point in time	19	261	16	56
Revenue recognised over time	3,603	3,718	1,219	865
Total revenues from contracts with customers	3,622	3,979	1,235	921

Geographic information

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

Major customers

For the year 2024, the Group has revenue from three major customers arising from sales by enhanced technology solutions segments in amount of Baht 936 million, from sales by business application segments Baht 1,153 million, and from sales network solutions segments Baht 172 million (2023: from there major customer arising from sales by enhanced technology solutions segments in amount of Baht 733 million, from sales by business application segments Baht 636 million, and from sales network solutions segments Baht 961 million).

35. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group contributed to the fund monthly at the rate of 3 percent to 10 percent of basic salary and their employees contributed to the fund monthly at the rate of 3 percent to 15 percent of basic salary. The fund, which is managed by Bangkok Bank Public Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contribution for the year 2024 amounting to approximately Baht 36 million (2023: Baht 35 million) (separate financial statements: Baht 6 million (2023: Baht 6 million)) were recognised as expenses.

36. Dividends

Dividend declared for the years ended 31 December 2024 and 2023 consist of the following:

	Approved by	Total dividends	Dividend per share	Paid on
		(Million Baht)	(Baht)	
2024				
Dividend on 2023 income	Annual General Meeting of the shareholders on 25 April 2024	37.08	0.06	8 September 2023
Less: Interim dividend paid on earnings for the six-month period of 2023	Board of Directors Meeting of the shareholders on 10 August 2023	(24.72)	(0.04)	
Dividend on 2023 income payment in 2024	Board of Directors Meeting of the shareholders on 13 August 2024	12.36	0.02	16 May 2024
Interim dividend for the six-month period on 2024 income		18.54	0.03	6 September 2024
Total dividend paid for 2024		30.90	0.05	
2023				
Dividend on 2022 income	Annual General Meeting of the shareholders on 20 April 2023	129.78	0.21	9 September 2022
Less: Interim dividend paid on earnings for the six-month period of 2022	Board of Directors Meeting of the shareholders on 11 August 2022	(37.08)	(0.06)	
Dividend on 2022 income payment in 2023	Board of Directors Meeting of the shareholders on 10 August 2023	92.70	0.15	12 May 2023
Interim dividend for the six-month period on 2023 income		24.72	0.04	8 September 2023
Total dividends paid for year 2023		117.42	0.19	

37. Commitments and contingent liabilities

The Group has commitments and contingent liabilities other than those disclosed in other notes as follows:

37.1 Commitments

37.1.1 Samart Infonet Co., Ltd., a subsidiary company, entered into a contract with a company, related to the provision of services to an international internet exchange center. The subsidiary is obligated to comply with the conditions stipulated in the contract and pay a service fee totaling approximately Baht 0.02 million per month (2023: Baht 0.02 million per month).

37.1.2 Samart Comtech Co., Ltd., a subsidiary company, entered into purchase and equipment installation agreements with many local companies for the development of the Land Information System (Phase 2). As at 31 December 2023, the subsidiary was obligated to pay for equipment and service fee totaling approximately Baht 31 million (2024: nil).

37.1.3 Samart Comtech Co., Ltd., a subsidiary company, entered into purchase and equipment installation agreements for Digital Trunked Radio System (DTRS). As at 31 December 2024, the subsidiary is obligated to pay for equipment and service fees totaling approximately Baht 3 million (2023: Baht 6 million).

37.1.4 Portalnet Co., Ltd., a subsidiary company, entered into purchase, equipment installation and maintenance agreements with many companies for the installation and maintenance for computer software applications for core business operation. As at 31 December 2024, the subsidiary is obligated to pay for equipment and service fee and comply with the conditions stipulated in the contract amounting to Baht 127 million and EUR 0.1 million or equivalent to totaling Baht 130 million (2023: Baht 360 million, EUR 0.5 million and USD 0.1 million or equivalent to totaling Baht 382 million).

37.1.5 As at 31 December 2024, The Company has outstanding commitment totaling approximately Baht 56 million (2023: Baht 56 million) in respect of the uncalled portion of their investments in its subsidiaries.

37.1.6 The Group entered into the service agreements with various companies between 1 and 5 years. The Company and its subsidiary companies have to pay a monthly facility service fee at the rate stipulated in the agreements.

37.2 Bank guarantees

There were outstanding bank guarantees issued by the banks on behalf of the Group, in respect of certain performance bonds as required in the ordinary course of business for the Group. The details of bank guarantees are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Performance guarantees	1,678	1,509	722	577
Guarantee electricity use, among others	39	265	21	-
	1,717	1,774	743	577

37.3 Related party guarantees

As at 31 December 2024, the Company was guarantor of credit facilities and rental of equipment of its subsidiary companies from banks and a leasing company amounting to Baht 2,090 million (2023: Baht 4,596 million).

Generally, the guarantees are effective for as long as the underlying obligations have not been discharged by the Group. Guarantee fees are charged by the Group.

37.4 Litigation

37.4.1 On 23 January 2019, the Company, as a member of the STSL Consortium Group (“the Consortium”), entered into an agreement with a state enterprise for the purchase and installation of an information system and the development of the core business information system, as described in Note 8 c) to the financial statements. The agreement is for a period of 730 days from the date of the agreement. Subsequently, both parties agreed to extend the agreement period for 7 months due to the COVID-19 pandemic, resulting in the agreement expiring on 22 August 2021. The Consortium fulfilled the agreement and delivered the first part of the work in its entirety. However, the state enterprise declined to inspect and pay for the services of this part. They unilaterally made changes to the delivery terms outside of the agreement, with which the Consortium attempted to comply. Despite multiple delivery and payment requests, the state enterprise persistently refused to accept the work, causing delays in other parts of the agreement and impeding progress in the contractual work.

On 24 August 2021, the state enterprise notified of termination of the agreement with the Consortium and demanded the seizure of the collateral, which was a letter of guarantee issued by bank of Baht 20 million. As a result, the Company recorded a loss from the project termination of Baht 20 million. On 25 August 2021, the Consortium sent a letter objecting the termination by the state enterprise as unfair. They highlighted that the termination occurred due to the escalating severity of the COVID-19 pandemic situation. They emphasised that the government has a policy to extend agreements without imposing penalties on private entities affected by such situations, asserting that the termination was an unlawful exercise of rights and contrary to the terms of the agreement. Additionally, the Consortium demanded full payment for the work already performed and compensation for the termination of the agreement.

On 7 December 2021, the Consortium engaged a law firm to file a lawsuit against the state enterprise with the Civil Court, seeking payment for all completed work, damages resulting from the agreement termination, and the return of the collateral with interest, totaling Baht 874.8 million, along with interest at a rate of 5% per annum from the filing date until full payment. Subsequently, on 25 July 2023, the state enterprise counter-sued in the Civil Court, claiming compensation and fines totaling Baht 700.4 million, with interest at a rate of 5% per annum from the filing date until full payment. On 16 October 2023, the Civil Court ordered both cases to be considered together because all parties are same litigant and related to each other and most of the evidence are the same which will be convenient for the consider cases.

The management and legal advisor of the Company are of the opinion that the termination of the agreement is based on unfair and unreasonable grounds provided. They assert that the delay arose from factors beyond the Consortium's control, for which they are not at fault. They believe that the Civil Court will ultimately rule in favour of the Consortium. The Consortium shall not be held liable to pay for the fines and damages claimed by the state enterprise. They anticipate that the state enterprise would be ordered to pay the service fee as stipulated in the agreement, and return the amount paid under the letter of guarantee to the Consortium, given that the Consortium had complied with the agreement under dispute. Therefore, as at 31 December 2024, the Company has not recorded additional provision in the accounts.

At present, the case is under consideration by the Civil Court.

37.4.2 On 18 December 2014, Samart Communication Services Co., Ltd., a subsidiary company, entered into a contract with a government agency to renovate a building for educational purposes, with a contract value of Baht 106.9 million. The work was scheduled to commence on 19 December 2014 and be completed by 11 February 2016. Subsequently, the subsidiary was granted several extensions until 19 April 2021 and was exempted from penalties due to the government agency's site not being ready for work to commence as per the contract, as well as construction design issues that conflicted with the actual site conditions, requiring resolution and approval from the government agency. As a result, the subsidiary was unable to complete the work as stipulated in the contract. Consequently, the project supervisor, who was a government officer appointed by the government agency, had to return to their original duties, leaving the project without a supervisor. Therefore, in 2018 the government agency hired an external company, private entity, to take over the supervisor role, with the contract commencing for a period of 360 days.

Subsequently, on 18 September 2024, the government agency filed a lawsuit with the Central Administrative Court against the subsidiary for failing to complete the work in time. As a result of the delay, the government agency incurred additional costs for project supervision fees paid to another company. Consequently, the government agency sued the subsidiary to recover the project supervision fees, including interest, totaling Baht 4.4 million.

The legal advisor of the subsidiary believes that the Central Administrative Court will render a judgment on this case within 2 to 3 years from the date the lawsuit was filed. However, the management and legal advisor of the subsidiary are confident that the subsidiary will not be held liable for this claim, as the delays were caused by the government agency itself, resulting in multiple project postponements, rather than any fault of the subsidiary. The legal advisor of the subsidiary also believes that had the government agency not delayed the site handover, the subsidiary could have completed the work as per the original contract by 11 February 2016, with the original project supervisor still in place, eliminating the need to hire another company for project supervision. Therefore, as of 31 December 2024, the subsidiary did not record any additional provision for liabilities in the accounts.

Currently, the case remains under consideration by the Administrative Court.

38. Fair value hierarchy

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 2024		
	Level 1	Level 2	Total
Assets measured at fair value			
Financial assets measured at FVTPL			
Listed equity investments	5	-	5
Land	-	84	84
Derivatives			
Foreign currency forward contracts	-	1	1

(Unit: Million Baht)

	Separate Financial Statements		
	As at 31 December 2024		
	Level 1	Level 2	Total
Assets measured at fair value			
Financial assets measured at FVTPL			
Listed equity investments	5	-	5
Land	-	75	75

(Unit: Million Baht)

	Consolidated Financial Statements		
	As at 31 December 2023		
	Level 1	Level 2	Total
Assets measured at fair value			
Financial assets measured at FVTPL			
Listed equity investments	4	-	4
Land	-	84	84
Liabilities measured at fair value			
Derivatives			
Foreign currency forward contracts	-	4	4

(Unit: Million Baht)

	Separate Financial Statements		
	As at 31 December 2023		
	Level 1	Level 2	Total
Assets measured at fair value			
Financial assets measured at FVTPL			
Listed equity investments	4	-	4
Land	-	75	75
Liabilities measured at fair value			
Derivatives			
Foreign currency forward contracts	-	2	2

39. Financial instruments

39.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, accrued income, short-term loans to, investments and short-term loans from. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Trade receivables and contract assets

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 and contract assets are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the majority of sales and services are supplied to credit worthy customers such as stated enterprises, government agencies and the banking sector.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. For trade receivables from projects that have different credit risk characteristics, expected credit losses are assessed on individual basis. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Market risk

There are two types of market risk comprises interest rate risk and currency risk. The Group enters into foreign exchange forward contracts to hedge the foreign currency risk arising on the import of goods and services.

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 entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within 1 year.

From the analysis of foreign currency sensitivity, the Group's exposure of foreign currency changes is not material.

As at 31 December 2024 and 2023, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets as at 31 December		Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	2024	2023	2024	2023	2024	2023
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollars	-	-	0.1	3.3	34.1461	34.2233
Yuan	-	-	0.7	-	4.7130	-

Forward exchange contracts outstanding as at 31 December 2024 and 2023 are summarised below.

As at 31 December 2024				
Foreign currency	Bought amount		Contractual exchange rate of bought amount	Contractual maturity date
	Consolidated financial statements	Separate financial statements		
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollars	1.8	0.7	32.33 - 35.86	January - November 2025

As at 31 December 2023				
Foreign currency	Bought amount		Contractual exchange rate of bought amount	Contractual maturity date
	Consolidated financial statements	Separate financial statements		
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollars	2.9	1.3	33.74 - 36.58	March - July 2024

Interest rate risk

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

As at 31 December 2024 and 2023, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements							
	Fixed interest rates		Floating interest rates		Non-interest bearing		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Financial Assets								
Cash and cash equivalents	-	-	878	882	8	69	886	951
Trade and other receivables	-	-	-	-	976	2,136	976	2,136
Other current financial assets	-	-	-	-	6	4	6	4
Other non-current financial assets	-	-	-	-	20	19	20	19
	-	-	878	882	1,010	2,228	1,888	3,110
Financial liabilities								
Loans from banks	-	-	563	1,465	-	-	563	1,465
Trust receipts	-	-	-	10	-	-	-	10
Trade and other payables	-	-	-	-	673	639	673	639
	-	-	563	1,475	673	639	1,236	2,114

Effective interest rates of financial assets and liabilities were separately shown in related notes to financial statements.

(Unit: Million Baht)

	Separate financial statements							
	Fixed interest rates		Floating interest rates		Non-interest bearing		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Financial Assets								
Cash and cash equivalents	-	-	322	390	4	5	326	395
Trade and other receivables	-	-	-	-	271	345	271	345
Short-term loans to related parties	-	-	1,354	2,017	-	-	1,354	2,017
Other current financial assets	-	-	-	-	5	4	5	4
Other non-current financial assets	-	-	-	-	5	4	5	4
	-	-	1,676	2,407	285	358	1,961	2,765
Financial liabilities								
Loans from banks	-	-	290	929	-	-	290	929
Trade and other payables	-	-	-	-	323	323	323	323
Short-term loans from related parties	-	-	2,503	2,603	-	-	2,503	2,603
	-	-	2,793	3,532	323	323	3,116	3,855

Effective interest rates of financial assets and liabilities were separately shown in related notes to financial statements.

From the analysis of interest rate sensitivity, the Group's exposure of interest rate changes is not material.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through setting aside cash reserves and obtaining adequate cash flow from banks to support operations. The Group has credit facilities to sufficiently support the implementation of the current project and its growth. In this regard, the risk concerning debt repayment is considered low.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2024 and 2023 based on contractual undiscounted cash flows.

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2024				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from banks	-	563,164	-	-	563,164
Trade and other payables	-	672,894	-	-	672,894
Lease liabilities	-	56,539	109,816	-	166,355
Total non-derivatives	-	1,292,597	109,816	-	1,402,413
Derivative - financial instruments					
Financial assets - forward exchange contracts	-	800	-	-	800
Total derivative - financial instruments	-	800	-	-	800

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from banks	-	1,476,034	-	-	1,476,034
Trade and other payables	-	638,730	-	-	638,730
Lease liabilities	-	60,129	128,025	-	188,154
Total non-derivatives	-	2,174,893	128,025	-	2,302,918
Derivative - financial instruments					
Financial liabilities - forward exchange contracts	-	4,053	-	-	4,053
Total derivative - financial instruments	-	4,053	-	-	4,053

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2024				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	290,195	-	-	290,195
Trade and other payables	-	323,463	-	-	323,463
Short-term loan from related parties	2,507,688	-	-	-	2,507,688
Lease liabilities	-	31,280	83,947	-	115,227
Total non-derivatives	2,507,688	644,938	83,947	-	3,236,573
Derivative - financial instruments					
Financial assets - forward exchange contracts	-	381	-	-	381
Total derivative - financial instruments	-	381	-	-	381

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	929,671	-	-	929,671
Trade and other payables	-	322,668	-	-	322,668
Short-term loan from related parties	2,605,783	-	-	-	2,605,783
Lease liabilities	-	36,115	76,869	-	112,984
Total non-derivatives	2,605,783	1,288,454	76,869	-	3,971,106
Derivative - financial instruments					
Financial liabilities - forward exchange contracts	-	1,758	-	-	1,758
Total derivative - financial instruments	-	1,758	-	-	1,758

39.2 Fair values of financial instruments

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

40. Capital management

The primary objective of the Group capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2024, the Group's debt-to-equity ratio was 0.8:1 (2023: 1.2:1) and the Company's was 1.5:1 (2023: 1.9:1).

41. Subsequent event after reporting date

On 20 February 2025, the meeting of the Company's Board of Directors passed the resolution to propose to the Annual General Meeting of the shareholders for approval of the dividend payment, in respect of profit for the year 2024, of Baht 0.11 per share, or a total of Baht 67.98 million. The Company paid an interim dividend of Baht 0.03 per share, a total of Baht 18.54 million, in September 2024 and is to pay the remaining Baht 0.08 per share, or a total of Baht 49.44 million.

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2025.

Attachments which is disclosed in the Company's website

Attachment	
Attachment 1	Detatils of Directors, Managements, Controlling Person, The Person Taking The Highest Responsibility in Accounting and Finance, The Person Supervising Accounting and Company Secretary
Attachment 2	Details of the Directors of Subsidiaries
Attachment 3	Details of the Heads of the Internal Audit and Compliance Units
Attachment 4	Assets for business undertaking and details of asset appraisal
Attachment 5	Corporate Governance Policy, Business Ethics and Charter of the Board of Directors and Committees
Attachment 6	Report of the Audit Committee



Please find more details of the Company's information from the attachment which are on website www.samtel.com*.

- * In case this Annual Registration Statement / Annual Report (Form 56-1 One Report) references information disclosed on the Company's website, the disclosed information shall be deemed to be part of Annual Registration Statement / Annual Report (Form 56-1 One Report). The Board of Directors certifies the correctness and completeness of disclosed information and annual information disclosure in the Annual Registration Statement / Annual Report (Form 56-1 One Report).



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