



บริษัท ไทยนามพลาสติกส์ จำกัด (มหาชน)
Thai Nam Plastic Public Company Limited



Annual Report 2023 (56-1 One Report)

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Message from the Chairman

To Shareholders Investors and Stakeholders
Thai Nam Plastic Public Company Limited

In the year 2023, the overall Thai economy continued to recover steadily, with a growth rate of 1.9%, slightly decelerating from the previous year's expansion of 2.5% as the economy improved. This resulted in sustained growth in Thailand's automotive industry, with car production in 2023 totaling 1.84 million units, a decrease of 41,852 units, representing a decrease of 2.22% compared to the previous year when car production was 1.88 million units. Additionally, total car sales reached 1.89 million units. The total car sales amounted to 1.89 million units, with export sales comprising 1.12 million units. This represents an increase of 117,283 units, or 11.73%, compared to the previous year when export sales were 1.00 million units. Due to increased economic expansion in major trading partners, car sales have risen accordingly. However, domestic car sales stood at 0.78 million units, declining by 73,608 units, or 8.67%, compared to the previous year when domestic sales were 0.85 million units. Consequently, the Company, which manufactures and sells synthetic leather used for car's interior trims and generates the main revenue from selling synthetic leather products in the automotive industry, experienced an increase in sales.

For the fiscal year 2566, the Company's sales, as per the financial statements, totaled 1,586.44 million baht, an increase of 173.34 million baht, representing a growth of 12.27% compared to the previous year when sales amounted to 1,413.10 million baht. The net profit amounted to 29.98 million baht, reflecting an increase of 36.21 million baht compared to the previous year's net loss of 6.23 million baht. For the fiscal year 2566, the Company's sales, as per the financial statements, totaled 1,586.44 million baht, an increase of 173.34 million baht, representing a growth of 12.27% compared to the previous year when sales amounted to 1,413.10 million baht. The net profit amounted to 29.98 million baht, reflecting an increase of 36.21 million baht compared to the previous year's net loss of 6.23 million baht. While the separate financial statements recorded sales of 1,300.55 million baht, an increase of 31.95 million baht, representing a growth of 2.52% compared to the previous year when sales were 1,268.60 million baht, the net profit decreased by 5.76 million baht compared to the previous year's net profit of 27.65 million baht. This decrease was attributed to the continued impact of fluctuating oil prices and raw material costs on selling cost.

In the year 2024, it is expected that the Thai economy will experience a growth rate ranging from 2.2% to 3.2%, an increase from the previous year 2023, supported by significant factors such as expansion in private consumption and investment, continuous recovery in the tourism sector, and a resurgence in export activities. However, there remain significant risks from the global economic slowdown, high household debt levels, and potential escalation of international conflicts, which may further impact oil prices, raw material costs, and transportation costs. Furthermore, the Federation of Thai Industries has set a production target for automobiles in the year 2024 at 1.90 million units, an increase from the production volume in 2023 of 58,337 units, representing a growth of 3.17%. This target includes production for domestic sales of 0.75 million units and for exports of 1.15 million units. This is attributed to Thailand's position as a base for pickup truck production for global exports, which may shield it from the impacts of economic slowdown.

In order to align with the economic conditions in the year 2024 and to achieve our business objectives for sustainable growth and returns, the Company has adopted a prudent and cautious approach to business operations. This includes enhancing production efficiency, reducing manufacturing costs, and efficiently managing energy and raw material costs. Simultaneously, the Company remains committed to research and development of new products utilizing efficient manufacturing technologies and environmentally friendly raw materials, devoid of toxic components, to deliver globally standardized quality products that meet the needs of customers in the automotive and related industries. Furthermore, the Company prioritizes conducting business operations with a focus on sustainability, taking into consideration principles of ESG: Environment, Social, Governance, which covering aspects related to environmental sustainability, social responsibility, and corporate governance to foster sustainable growth of the company under the principles of fairness, transparency, and accountability.

For the year 2024, the Company assures that the board of directors, executive, and employees will collaboratively develop and elevate the production of synthetic leather products sustainably, aiming to deliver returns to shareholders, employees, and society consistently. On behalf of the Board of Directors of THAI NAM PLASTIC PUBLIC COMPANY LIMITED, I extend heartfelt gratitude to shareholders, customers, partners, and stakeholders for the continuous trust and support throughout the years. We earnestly hope for continued support from you all in the future endeavors of our company.



Mrs. Siriphorn Mangkornkarn
Chairman

Financial Summary**Consolidated Financial Statements**

Statement of Income (Million Baht)	2023	2022	2021
Revenue from sales	1,586.44	1,413.10	1,051.23
Cost of sales	1,270.05	1,154.57	765.51
Gross profit	316.39	258.53	285.72
Gain from exchange rate	-	-	10.41
Other incomes	15.16	6.07	9.95
Operating expenses	266.93	244.55	197.36
Finance costs	22.76	16.74	15.48
Income tax expense	11.88	9.54	6.89
Profit (loss) for the year	29.98	(6.23)	86.35
Basic earnings (loss) per share (Baht)	0.09	(0.02)	0.25
Statement of Financial Position (Million Baht)	2023	2022	2021
Property, Plant and Equipment	234.44	255.10	268.17
Total assets	1,286.75	1,282.95	1,089.29
Total liabilities	746.65	778.93	568.47
Total shareholders' equity	540.10	504.02	520.82
Paid-up share capital	340.81	340.81	319.52
Par value (Baht/share)	1.00	1.00	1.00
Book value (Baht/share)	1.58	1.48	1.63
Financial Ratios	2023	2022	2021
Current Ratio (times)	1.84	1.83	1.85
Accounts Receivable Turnover (times)	4.98	4.67	5.00
Day in Accounts Receivable (days)	73.36	78.23	73.07
Inventories Turnover (times)	2.35	2.65	2.45
Day in Inventories (days)	155.39	137.50	148.80
Accounts Payable Turnover (times)	4.86	5.33	5.46
Day in Accounts Payable (days)	75.07	68.50	66.87
Assets Turnover (times)	1.23	1.10	0.97
Gross Profit (%)	19.94	18.30	27.18
Net Profit (%)	1.89	(0.44)	8.21
Interest Payment Capability (times)	2.84	1.20	7.02
Debt to Equity (times)	1.38	1.55	1.09
Debt to Total Assets (times)	0.58	0.61	0.52

Financial Summary**Separate Financial Statements**

Statement of Income (Million Baht)	2023	2022	2021
Revenue from sales	1,300.55	1,268.60	941.98
Cost of sales	1,072.50	1,034.04	729.35
Gross profit	228.05	234.56	212.63
Dividend income	-	5.50	5.00
Gain from exchange rate	-	14.59	38.92
Other incomes	13.64	8.19	12.12
Operating expenses	193.24	221.23	161.69
Finance costs	14.98	7.61	5.17
Income tax expense (tax income)	11.58	6.35	10.95
Profit (loss) for the year	21.89	27.65	90.86
Basic earnings (loss) per share (Baht)	0.06	0.08	0.27
Statement of Financial Position (Million Baht)	2023	2022	2021
Property, Plant and Equipment	394.92	416.30	387.10
Total assets	1,276.07	1,293.24	1,088.65
Total liabilities	631.80	655.81	458.89
Total shareholders' equity	644.26	637.42	629.76
Paid-up share capital	340.81	340.81	319.52
Par value (Baht/share)	1.00	1.00	1.00
Book value (Baht/share)	1.89	1.87	1.97
Financial Ratios	2023	2022	2021
Current Ratio (times)	1.77	1.80	1.76
Accounts Receivable Turnover (times)	3.93	3.93	4.11
Day in Accounts Receivable (days)	92.95	92.93	88.77
Inventories Turnover (times)	2.37	2.89	2.80
Day in Inventories (days)	154.11	126.31	130.33
Accounts Payable Turnover (times)	4.86	5.49	5.75
Day in Accounts Payable (days)	75.13	66.47	63.53
Assets Turnover (times)	1.02	0.98	0.87
Gross Profit (%)	17.54	18.49	22.57
Net Profit (%)	1.68	2.18	9.65
Interest Payment Capability (times)	3.23	5.47	20.69
Debt to Equity (times)	0.98	1.03	0.73
Debt to Total Assets (times)	0.50	0.51	0.42

Part 1

Business Operations and Performance

1. Structure and Business Operations

1.1 Policies and Overview of Business

Thai Nam Plastic Public Company Limited is a leading manufacturer of plastic products in Thailand, which started its business on 22 May 1970, with the main products being artificial leather products and plastic sheets for the automotive industry for automotive interior trim. The Company also produces products for the footwear and sports equipment industry, furniture, and leather fashion industry, including household plastic sheets with the use in civil engineering and agriculture. For more than 53 years, the Company remains committed to conducting research and development of new products continuously, especially non-toxic products with international standard quality and environmentally friendly that the world attaches great importance to, both now and in the future, with constant on-time delivery as scheduled for the customers' satisfaction.

Vision, Objectives, Goals, or Strategies for the Company's Operations

Vision

To be the leader in synthetic leather and plastic sheet products of international quality used in the automotive industry around the world and related industries

Mission

1. Focus on the development of personnel to be well-equipped in terms of management and specific skills to support change as well as good welfare and compensation.
2. Prioritize and promote a safety culture as well as the environment throughout the organization.
3. Engage in product development in all car manufacturers and supply chains, including other industries in every region sustainably.
4. Support research works and develop production technology and new raw materials to enhance product quality and certify new product images.
5. Participate in activities to reduce costs and increase productivity throughout the organization.
6. Focus on measuring and inspection equipment usage in the production process and the implementation of automation in the production process.
7. Develop information systems in all sectors to support efficient work and decision making.

Significant Changes and Developments

The Company and its subsidiaries have had significant changes and developments as follows:

Day Month Year	Significant Change Events
22 May 1970	Thai Nam Plastics Company Limited is established, with investment promotion received from the Board of Investment (BOI) in June 1970.
3 November 1983	Established T.N.P. INDUSTRY COMPANY LIMITED (SUBSIDIARY).
27 February 1992	Became a SET listed company with the initials “TNPC” securities.
10 March 1994	Converted into a public company the name of Thai Nam Plastics Public Company Limited.
31 October 1994	Established Sunprene (Thailand) Company Limited (associated company). The Company holds 45 percent of shares.
15 October 1999	The Company and T.N.P. Industry Company Limited (subsidiary) jointly signed a contract revising the debt structure with financial institutions.
24 January 2002	Established Thai Nam-Kyowa Company Limited (Subsidiary) The Company holds 50 percent of shares.
26 April 2002	T.N.P. Industry Company Limited received a certificate for quality assurance and product standard (ISO9001:2000).
19 December 2002	The Company received a certificate for quality and product standards ISO9001:2000).
20 June 2003	Thai Nam-Kyowa Company Limited received a certificate for quality assurance and product standard (ISO9001:2000).
26 June 2006	The Company and Thai Nam-Kyowa Company Limited received a certificate for quality and product standards (ISO/TS 16949:2002).
6 November 2007	Established Taweewattana Logistics Company Limited (subsidiary)
28 April 2008	The Company and T.N.P. Industry Company Limited refinance all debts from the former financial institution creditors to only one financial institution creditor.
4 December 2009	Sold investment in Sunprene (Thailand) Company Limited which was a joint venture company.
24 November 2010	Invested in South Africa by establishing TNV Plastics (Proprietary) Limited subsidiary, the Company holds 100 percent of shares.
7 April 2011	T.N.P. Industry Company Limited received a certificate for quality assurance and product standard (ISO9001:2008).
28 April 2015	The Company has registered a change in the par value from 5 baht per share to 1 baht per share accordingly to the resolution of the Annual General Meeting of Shareholders No. 46/2015 dated 24 April 2015
7 April 2016	The Company bought 50 percent of shares of Thainam-Kyowa Company Limited from Kyowa Leather Cloth Company Limited and changed its name to Thainam Automotive Performance Company Limited, making the Company a shareholder of 99.99 percent.
9 June 2016	The Company issued warrants to purchase ordinary shares of the Company No. 1 (TNPC-W1) to the existing shareholders of 53,252,049 units and increased capital to support the exercise of such rights of TNPC-W1.

Day Month Year	Significant Change Events
1 August 2016	Thainam Automotive Performance Co., Ltd. reduced the size of the business by reducing the registered capital from 40 million baht to 10 million baht, divided into 1 million ordinary shares. However, it is still a major shareholder of 999,995 shares or 99.99 percent.
31 May 2017	The Company gave the right to the holders of TNPC-W1 warrants to exercise the right to purchase ordinary shares No. 1
30 November 2017	The Company gave the right to the holders of TNPC-W1 warrants to exercise the right to purchase ordinary shares No. 2
31 May 2018	The Company gave the right to the holders of TNPC-W1 warrants to exercise the right to purchase ordinary shares No. 3
3 July 2018	The Company and Thainam Automotive Performance Co., Ltd. have received certificates for quality and product standards (ISO/TS 16949:2016 and T.N.P. Industry Company Limited has received a certificate of quality assurance and the product standard (ISO9001:2015
30 November 2018	The Company gave the right to the holders of TNPC-W1 warrants to exercise their rights to purchase ordinary shares No. 4
31 May 2019	The Company gave the right to the holders of TNPC-W1 warrants to exercise the right to purchase ordinary shares No. 5
7 June 2019	The company hereby grants the rights to the holders of TNPC-W1 warrants to exercise their final common stock purchase rights at a ratio of 1:1.03. Each unit of warrant entitles the holder to purchase 1.03 common shares at a price of 2.19 baht per share. These warrants will cease to be registered securities on the Stock Exchange of Thailand on 8 June 2019.
24 June 2019	The Stock Exchange of Thailand has accepted the registration of an increase in the company's paid-up capital from the conversion of 382 TNPC-W1 warrants into common shares for trading on the stock exchange.
6 November 2019	The Company has been supported by the Board of Investment's investment promotion measures for machinery upgrades to improve production efficiency, which have been granted exemptions or reductions in import duties on new machinery until January 15, 2023 and corporate income tax exemptions for up to 72.23 million baht over a period of 3 accounting years.
During 2020	The Company has developed synthetic leather made from polyurethane plastic for use in car seats and interior decoration, replacing genuine leather. However, the Company's operations were affected by the COVID-19 pandemic from April to July 2020, lowering the performance.
During 2021	The Company was able to produce and sell synthetic leather products made from polyurethane plastic, which is a new product for use in the automotive and related industries.
18 May 2022	The Company has issued common shares to support the distribution of dividends, totaling 21,297,107 shares with a par value of 1 baht per share and has registered the change in registered paid-up capital from 319,516,823 baht to 340,813,930 baht.
14 December 2022	The Company has improved its business structure to reduce duplicate operating expenses by registering the dissolution of three subsidiaries: Thai Nam Automotive Performance Company Limited, Taweewattana Logistics Company Limited and T.N.P. Industry Company Limited.
7 April 2023	Thai Nam Automotive Performance Company Limited and Taweewattana Logistics Company Limited have completed the liquidation.
11 October 2023	T.N.P. Industry Company Limited, an indirect subsidiary, has filed for bankruptcy due to unpaid debts that cannot be settle, and the Bankruptcy Court has issued a bankruptcy order.

1.2 Nature of Business

The Company engages in the manufacturing of synthetic leather and plastic sheets for the automotive industry, sports footwear and equipment industry, furniture industry, fashion leather goods industry, as well as soft plastic sheets used in household applications, civil engineering, and agriculture.

1.2.1 Revenue structure of the Company and subsidiaries

The Company's revenue structure for the past 3 years is classified by product lines as follows:

Products	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
- Artificial leather for the automotive Industry, sports shoes and other industries	1,036.29	79.68	957.57	75.48	640.31	67.98
- Flexible film/sheet	225.64	17.35	271.23	21.38	243.24	25.82
- Other	38.62	2.97	39.79	3.14	58.43	6.20
Total	1,300.55	100.00	1,268.60	100.00	941.98	100.00

The subsidiary's revenue structure for the past 3 years is classified by product lines as follows:

❑ Taweewattana Logistics Company Limited

Products	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
- Artificial leather and Flexible film/sheet	-	-	0.70	100.00	0.46	100.00

❑ Thai Nam Automotive Performance Company Limited

Products	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
- Sheet cutting and foam laminate services	-	-	3.15	100.00	10.57	100.00

❑ TNV Plastics (Proprietary) Limited

Products	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
- Artificial leather for the automotive industry	-	-	189.75	100.00	178.04	100.00

1.2.2 Product Information

(1) Product Characteristics and Business Innovation Development

Product Information

The Company engages in the manufacturing of synthetic leather and plastic sheets for the automotive industry, sports footwear and equipment industry, furniture industry, fashion leather goods industry, as well as soft plastic sheets used in household applications, civil engineering, and agriculture. The synthetic leather and plastic sheets for the automotive industry include both PVC and PU types used for car seats and interior trims. These products are categorized as Non-Toxic, meeting international quality standards and environmentally friendly. The company prioritizes sustainable business practices and adheres to the principles of ESG: Environment, Social, Governance which encompassing aspects related to environmental sustainability, social responsibility, and corporate governance.

In this regard, the Company has standardized pricing criteria based on the quality of products, aligning with the supplies and demands of the automotive industry market. The majority of customers are domestic automobile manufacturers in Thailand. Therefore, the selling prices are primarily denominated in Thai Baht.

Promotion of Investment

The Company has significant factors impacting opportunities or limitations in conducting business, having received investment promotion from the Board of Investment (BOI) since June 26, 1970, with privileges extended until April 29, 2025. Additionally, on November 6, 2019, the company obtained investment promotion for machinery replacement to enhance the efficiency of Synthetic Leather and Plastic Sheet production for the industrial sector, with an annual production capacity of 28,900 tons, having been granted privileges and benefits from the promotion certificate dated April 29, 2023, as follows:

1. Permission to bring a certain number of foreigners who are skilled workers or experts to enter the Kingdom for a period of time as the Board of Investment deems appropriate.
2. Permission to foreigners who are craftsmen or experts permitted to stay in the Kingdom to work only in the positions and duties approved by the Board of Investment.
3. Exemption of import duty on new machinery as approved by the Board of Investment, which must be imported by 15 January 2023.
4. Exemption of corporate income tax for net profits from business operations that has been promoted to invest in the proportion of 100 percent of the investment in automation in which the value does not exceed 69.68 million baht for a period of 3 years.
5. Exemption of bringing dividends from promoted businesses which is exempt from corporate income tax to include in the calculation of income tax throughout the period that the promoted person is exempt from corporate income tax.
6. Exemption of import duties on raw and essential materials that must be imported from abroad for use in production for export.
7. Exemption of import duties on goods imported by promoted persons for re-exportation.
8. Permission to bring or transfer money out of the Kingdom in foreign currencies.

The project specific conditions as follows:

1. The machinery used in the promoted operations shall be new:
 - 1.1 Machinery granted exemption or tariff reduction for import duty shall be imported by January 15, 2023.
 - 1.2 Approval for machinery item listing shall be submitted before utilizing the privileges and benefits of exemption or tariff reduction for imported machinery duty, following the format and procedures stipulated by the Board.
2. The procedures shall be completed and ready for operation by January 15, 2023. Notification for commencing operations shall be submitted following the format specified by the Board.
3. The paid-up registered capital shall not less than 319,500,000 baht.
4. The key objectives of the promoted project shall be adhered to, including the following aspects:
 - 4.1 The type of products: SYNTHETIC LEATHER AND PLASTIC SHEET
 - 4.2 The scale of operations involves an annual production capacity of approximately 9,120 tons of SYNTHETIC LEATHER AND PLASTIC SHEET. (8 hours / day : 284 days / year) By-products include scraps or waste from the production process
5. Investment size (excluding land and working capital) shall be no less than 1,000,000 baht.
6. A report on past performance, along with an audit report following the investment promotion measures to enhance production efficiency, shall be submitted for approval within 120 days from the end of the accounting period. This is for the purpose of applying for tax exemptions for corporate income within that accounting period.
7. The corporate income tax exemption under Sections 31 paragraph 1 and paragraph 3 shall not exceed 72,230,000 Baht. However, this amount may be adjusted based on the actual investment amount in automated systems or robots on the day that the project has received the promotion.
8. The factory shall be located in the designated area of Samut Sakhon Province, provided that the factory site is not within the restricted zone as defined by the provincial city plan announcement. Additionally, permission must be obtained from the Ministry of Industry or relevant government agencies. Moreover, within a 15-year period from the start of operations, relocating the factory to another area is prohibited unless authorized by the committee.

(2) Marketing and Competition in 2023 and Trends for 2024

Marketing and Competition

In 2023, the Thai economy and automotive industry continued to recover steadily from the previous year. The production volume of automobiles was 1,841,663 units, a decrease of 41,852 units or 2.22% compared to the previous year, which had a production volume of 1,883,515 units. This was below the target set at 1,950,000 units. The production was divided into 685,628 units for domestic sales and 1,156,035 units for export. While the domestic sales of cars amounted to 775,780 units, decreasing by 73,608 units or 8.67%, while the export sales of cars amounted to 1,117,539 units, increasing by 117,283 units or 11.73%.

The Company continues to be a leader in the production of synthetic materials and materials for interior trims for pickup trucks, passenger cars, and agricultural vehicles. In the past year 2023, the overall Thai automotive industry experienced a slowdown from mid-year to the end of the year due to the impact of the COVID-19 pandemic, which subsided in the early part of the year, returning the trading business to normal at the beginning of the year. However, the prolonged impact of the conflict between Russia and Ukraine has kept oil prices at high levels. In conjunction with the conflicts in the Middle East which caused the supply chain issues, as transportation of goods and raw materials still heavily relies on shipping routes through the Red Sea and the Middle East. This has resulted in an economic slowdown and had an impact on the Thai economy in the middle and end of the year 2023. Additionally, the opening of the electric car market in China has affected the market share for automotive products that the Company has delivered domestically, impacting some aspects of the Company's production and sales. At the same time, the Company remains steadfast in implementing cost reduction policies in production by adjusting and reducing various expenses, coupled with enhancing production efficiency and inventory management. This includes aligning product shipments with the economic slowdown that began in the second quarter of 2023, and improving efficiency by reallocating staff and adjusting work hours to better suit the production needs of customer groups.

The Company is one of the manufacturers of automobile parts for interior trims used by automobile part manufacturers both domestically and internationally. In 2023, the Company saw an increase in sales of synthetic leather products to the automotive industry compared to the previous year. Synthetic leather products used for car seats remain the main product in the automotive group, accounting for 68% of total sales, with a total sales volume of 3.71 million meters, down from the previous year by 0.16 million meters. Furthermore, the value of sales in the automotive industry market increased by 0.76%, despite a decrease in sales volume which is attributed to the increased sales of PU synthetic leather products. PU products have higher quality and price compared to PVC synthetic leather products. Simultaneously, the Company also experienced an increase in sales from PVC synthetic leather products, particularly targeting the automotive customer group, such as FORD, which has achieved success in exporting to various countries.

In the year 2023, the Thai economy experienced significant fluctuations, starting from the early part of the year with a surge in consumer spending due to the containment of epidemic diseases and increased domestic trade and travel. Consequently, the Company received a significant number of orders in the early part of the year. However, due to instability in various regions, energy prices remained high, leading to a decrease in domestic automobile sales compared to the previous year. Nevertheless, the Company continued to see an increase in sales compared to the previous year. As a result of the successful sales of PU synthetic leather products, which are new products, significant value has been generated in terms of production and sales for the Company. However, the postponement of consumption in the country and the impact of the Thai government's permission to import electric vehicles for sale domestically, supported by government incentives, have affected the Company, which is an unavoidable manufacturer of automobile parts in the country.

In 2024, the trend of Thailand's automotive industry is expected to slow down and adjust to levels closer to the previous year, according to estimates by the Thai Automotive Industry Association. They have set a production target for cars at 1,900,000 units, an increase from the 58,337 units produced in 2023, representing a rise of 3.17%. This includes 750,000 units produced for domestic sales, accounting for 39.47% of the total production volume. Moreover, for exports, there are plans to export 1,150,000 units, accounting for 60.53% of the total production volume. Factors that may impact parts manufacturers in Thailand's automotive industry include issues related to household leasing and credit rejection rates of up to 50%. Additionally, there has been a significant increase in the number of cars seized and auction from the end of 2023 to the beginning of 2024. In addition, the influx of electric vehicles from China, particularly completely built-up (CBU) units, entering the market has had an impact. These vehicles are being imported and marketed, benefitting from tax incentives provided by the Thai government's Board of Investment (BOI). However, there are no regulations compelling the purchase of parts or materials for these vehicles within Thailand. Consequently, the Company must swiftly adapt and seek business partnerships with EV manufacturers from China, as well as parts manufacturers from China who have established production bases in Thailand.

Target Customers and Distribution Channels

In light of this, the Company continues its marketing strategy targeting specific customer groups and distribution channels as a major manufacturer of automotive seats in the country to support leading automobile manufacturers with production bases both domestically and internationally. Additionally, the Company has developed new products in the PU Leather category, particularly synthetic leather products used in the automotive industry as substitutes for genuine leather and in the electric vehicle manufacturing industry. This initiative aims to expand into new markets and increase revenue for the Company, establishing the Company as the first manufacturer of this products in the country. At the same time, the Company finds it necessary to adapt in order to establish more business partnerships with automotive parts manufacturers from China, as well as electric car manufacturers from China with product prices, specifications, and product requirements differ from the Company's current clients. Additionally, the Company has a policy to increase synthetic leather products in the furniture manufacturing group for export and synthetic leather products used in related industries to diversify the product portfolio and reduce reliance on excessive sales from any particular market segment.

The Company generates revenue from the sale of synthetic leather products for the automotive industry and general industries, as well as soft plastic sheets. In the year 2023, the sales amounted to 1,300.55 million baht, an increase of 31.95 million baht or 2.52% compared to the previous year's sales of 1,268.60 million baht. This comprised domestic sales of 1,232.66 million baht and international sales of 67.89 million baht, with a proportion of 95:5 between domestic and international sales, respectively. The distribution channels include direct sales to customers who are direct manufacturers (garment factories), as well as agents and wholesalers in several countries, including China, Indonesia, Malaysia, and countries in the African region, as well as South America. The details of sales are separated by product and divided into domestic and export as follows:

Products	2023		2022		+ / (-)	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic Sales:						
1. Artificial leather for the automotive industry and other industries	1,034.01	79.51	948.79	74.79	85.22	8.98
2. Flexible film/sheet	197.42	15.18	239.56	18.88	(42.14)	(17.59)
3. Other	1.23	0.09	2.04	0.16	(0.81)	(39.71)
Sub-total	1,232.66	94.78	1,190.39	93.83	42.27	3.55
Export Sales:						
1. Artificial leather for the automotive Industry and other industries	2.28	0.18	8.78	0.69	(6.50)	(74.03)
2. Flexible film/sheet	28.22	2.17	31.67	2.50	(3.45)	(10.89)
3. Other	37.39	2.87	37.76	2.98	(0.37)	(0.98)
Sub-total	67.89	5.22	78.21	6.17	(10.32)	(13.20)
Total Sales Revenue	1,300.55	100.00	1,268.60	100.00	31.95	2.52

(3) Procurement of products

Production capacity

In the year 2566, the Company's production volume of synthetic leather products and soft plastic sheets reached 4,600 metric tons, which accounts for 28.40% of the attainable capacity, set at 16,200 metric tons per year. This production volume decreased from the previous year by 529 metric tons or a decrease of 10.30%.

Procurement of raw materials

The Company's main raw materials include PVC resin, PU, PP foam, plasticizer, stabilizer, pigment, yarn, and fabric used with synthetic leather. Approximately 80% of these main raw materials are procured domestically from multiple suppliers, while the remaining 20% are non-specific sourced from abroad. Therefore, the Company does not encounter issues regarding the sourcing of raw materials or shortages thereof.

The impact of technological changes on raw material usage.

The current technological advancements in manufacturing primarily focus on producing products to meet consumer demands in various categories and usage characteristics, such as thickness, durability, flexibility, color, and patterns. However, the manufacturing process still relies significantly on PVC as a key component. The changes mainly involve the modification of raw material compositions, such as using general non-toxic substances. Therefore, there is no significant impact on raw material usage.

The environmental impact.

The Company operates two production processes which are the Calender Process and the Casting Process, both of which have minimal environmental impact. This is because the Company has standard pollution control which include mist eliminators for filtering emissions from plasticizers, improving air quality in the surrounding areas. Additionally, the Company utilizes raw materials that do not contain environmentally harmful substances, resulting in environmentally friendly products.

(4) Assets Used in Business Operations

The Company and its subsidiary's assets consist of land, buildings, and machinery as of 31 December 2023 as follows:

Land and Buildings

The Company	Ownership Types	Book value (Million Baht)	Encumbrance
<input type="checkbox"/> <u>Thai Nam Plastics Public Company Limited</u> <u>Property</u> (1) Factory Land No. 1, Petchkasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon, Area of 15 rai, 2 ngan, 18 square wa (2) Factory Land 2, Bang Pla Road, Ban Ko Sub-district, Mueang Samut Sakhon District, Samut Sakhon, Area of 85 rai 1 ngan 47.3 square wa <u>Building</u> (1) Factory Building and Factory Office 1 No. 40, Moo 7, Petchkasem Road, Om Noi Sub-district, Krathum Baen District Samut Sakhon (2) Factory Building and Factory Office 2 No. 89/1 - 2 Moo 4 Bangpla Road Ban Ko Sub-district, Mueang District, Samut-Sakhon (3) Factory and Office Building, No. 87/9 Moo 4 Bang Pla Road, Ban Koh Sub-district Muang District, Samut Sakhon	Owner Owner Owner Owner	2.17 158.43 1.50 80.82 8.28	Mortgages as collateral for credit limit at financial institutions. Mortgages as collateral for credit limit at financial institutions.
<input type="checkbox"/> <u>Subsidiary company</u> Taweewattana Logistics Co., Ltd. Thai Nam Automotive Performamce Co., Ltd. TNV Plastics (Proprietary) Limited	-None- -None- -None-	-None- -None- -None-	-None- -None- -None-

Machinery

<u>The Company</u>	<u>Machinery with Book Value</u> (More than 10 percent of total assets)
<input type="checkbox"/> Thai Nam Plastic Public Co., Ltd. <input type="checkbox"/> Subsidiary companies Taweewattana Logistics Co., Ltd. Thai Nam Automotive Performamce Co., Ltd. TNV Plastics (Proprietary) Co., Ltd.	-None- -None- -None- -None-

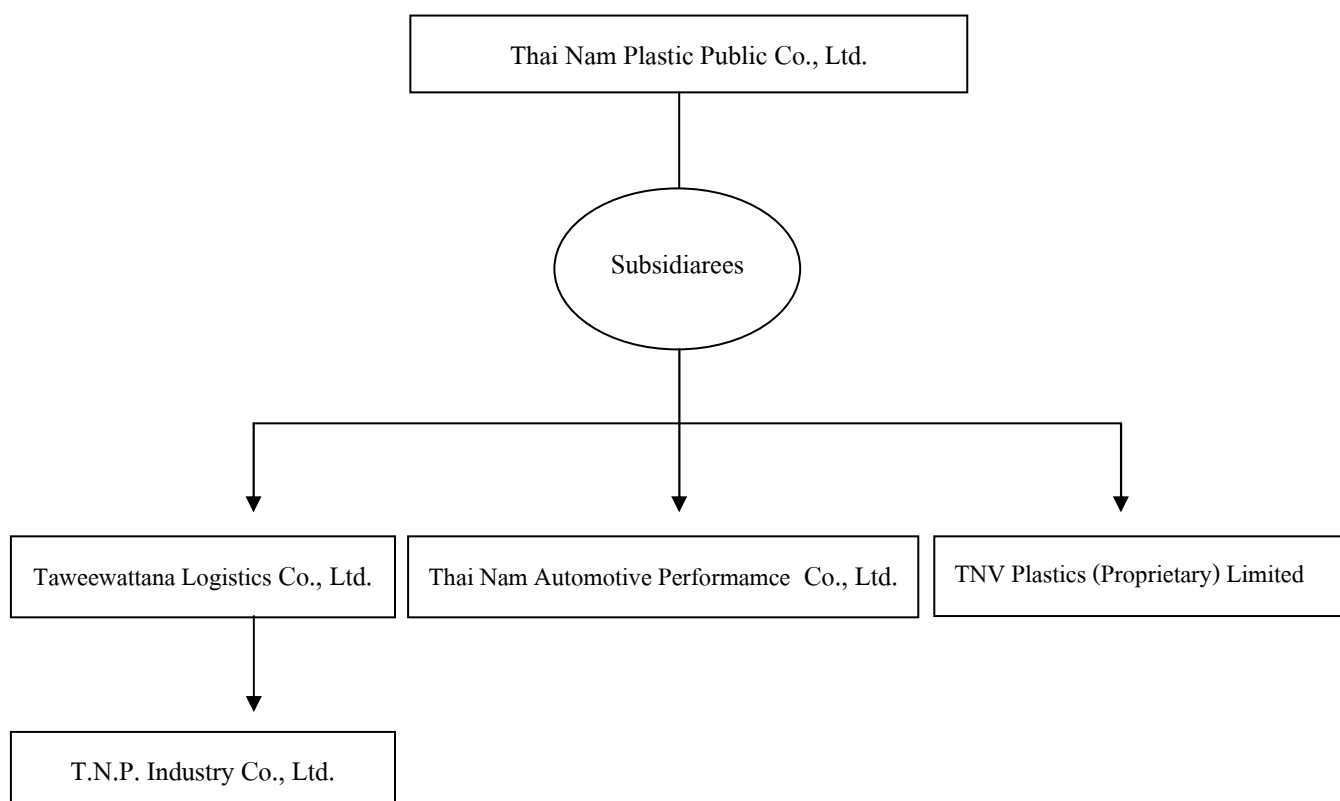
Long-term Property Lease

The Company has leased a vacant land to Mitsubishi Chemical (Thailand) Company Limited to build a factory under a 15-year land lease agreement. The lease agreement of the said land is effective from 1 January 2010 to 31 December 2024, with an increase in rental rates of 5 percent every 3 years.

(5) Work that has not yet been Delivered

In 2023, the Company does not have any work that has not yet been delivered.

1.3 Shareholding Structure of the Company



Shareholding Structure

The Company does not have any shareholders holding more than 10% of the shares, nor do any individuals have conflicting interests in subsidiary companies or affiliated companies collectively holding more than 10 percent of the voting shares. The Company has an investment policy in subsidiary companies, namely Taweewattana Logistics Company Limited, and Thai Nam Automotive Performance Company Limited, in which the Company holds 99.99% of the shares. his investment is aimed at conducting business in the sale of synthetic leather products and receiving cut sheet/laminate foam services, representing the long-term investment policy of the Company.

The investment in TNV Plastics (Proprietary) Limited, a subsidiary located in South Africa, in which the Company holds 100% equity, constitutes a long-term investment policy aimed at manufacturing, distributing, importing, and exporting polyvinyl chloride (PVC) products for use in the automotive industry. The objective is to expand the market for automotive products and enhance the competitiveness in foreign markets in the future.

Furthermore, the Company has a policy to streamline business operations to reduce redundant expenses. This involved conducting the dissolution of 3 subsidiary companies and indirect subsidiaries, namely Thai Nam Automotive Performance Company Limited, Taweewattana Logistics Company Limited, and TNP Industry Company Limited. These actions have been completed in the year 2023.

Major Shareholders

The first 10 major shareholders of the company as of 31 December 2023 as follows:

Names	Number of Shares hold	Percent
1. Bangkok Bank Public Company Limited	33,442,126	9.81
2. Mr. Paisan Sumrangitdumrong	16,647,094	4.88
3. Mrs. Siriwan Sriphahol	16,629,577	4.88
4. Mr. Somsakul Asawacharoenthavorn	16,207,100	4.76
5. Mr. Makorn Suwanarpa	15,882,813	4.66
6. Miss Umaphorn Sawangwan	15,651,565	4.59
7. Miss Noi Saetang	15,510,150	4.55
8. Mr. Kritasorn Mangkornkarn	14,367,947	4.22
9. Miss Piyatida Mangkornkan	13,089,536	3.84
10. Mr. Kong Mangkornkarn	12,943,882	3.80
Sub-total	170,371,790	49.99
Other	170,442,140	50.01
Grand Total	340,813,930	100.00

Remark

(1) Source: Thailand Securities Depository Co.,Ltd. (TSD)

(2) Group “Mrs. Siriphorn Mankornkarn” including:

Names	Number of Shares hold	Percent
1. Mrs. Siriphorn Mangkornkarn	9,210,714	2.70
2. Mr. Kong Mangkornkarn	12,943,882	3.80
3. Miss Piyatida Mangkornkan	13,089,536	3.84
4. Mr. Kritasorn Mangkornkarn	14,367,947	4.22
Sub-total	49,612,079	14.56

1.4 Registered Capital and Paid-up capital

<u>Registered Capital and Paid-up capital</u>	<u>31 December 2023</u>	<u>31 December 2022</u>
Registered Capital	340,813,930 Baht	340,817,945 Baht
Paid-up Capital	340,813,930 Baht	340,813,930 Baht
Par value per share	1 Baht	1 Baht

1.5 Other Securities Issuance

-None-

1.6 Dividend Payment Policy

According to the dividend pay-out policy of the Company, the annual dividend pay-out shall not exceed 50 percent of the net profit after corporate income tax. This policy may be revised depended on company operation, financial situation and future investment projects. When the Board of Directors has its resolution to pay the dividend, the resolution shall be put as an agenda and shall be approved by the shareholder's meeting. The Company's has paid dividends to shareholders over the past 3 year are as follows:

Dividend Payment	2023	2022	2021
Net profit (Million Baht)	27.65	90.86	(69.08)
Earnings per share (Baht per share)	0.08	0.27	(0.22)
Dividend (Million Baht)	6.82	37.29	3.99
Dividend per share (Baht per share)	0.02	0.1167	0.0125
Dividend payment ratio per net profit	24.65%	41.04%	-NA-

The subsidiary company does not fix dividend payment policy to shareholders. It will consider year by year according to its yearly net profit after corporate income tax.

2. Risk Management

2.1 Policy and Risk Management Plan

The Company acknowledges and prioritizes the management of business risks, which are crucial for driving the organization towards its business objectives and constitute a vital part of effective corporate governance. This approach is widely recognized and considered a best practice for assessing both internal and external changes, aimed at mitigating potential impacts on business operations as well as on stakeholders, including society, communities, the environment, and shareholders. The Company has established measures for preventing and managing risks that are deemed acceptable to maximize benefits. This entails collaborative risk assessment by all executive units within the organization to comprehensively cover operational risks. Furthermore, the Company has promoted a culture of effective risk management and instilled awareness in risk management among all employees in the organization, aiming to establish a solid foundation for the company's risk management both in the short and long term.

2.2 Risk Factors for the Company's Business Operations

Emerging Risk

The Company has assessed newly emerging risks by considering factors such as cyber threats, risks associated with compliance with personal data protection acts, and risks arising from greenhouse gas emissions leading to global warming and climate change. Currently, rising temperatures result in constantly changing weather patterns, thereby impacting livelihoods and future business operations. Consequently, the Company is taking action to mitigate these risks by efficiently utilizing valuable energy resources and incorporating renewable energy sources.

Risks to the investment of security holders

The Company engages in the manufacturing of synthetic leather and plastic sheets for automobiles interior trims of the automotive industries, footwear/sports equipment industries, as well as leather furniture, fashion accessories, and civil engineering and agricultural engineering works. Investing in the Company may involve short-term fluctuations depending on market conditions and circumstances. Therefore, it is advisable to invest for the long term to mitigate the risk of short-term price fluctuations. In the year 2023, the Company analyzed risk factors that may impact its business operations, including both internal and external factors, as well as related economic and industry trends which could be summarized as follows:

Production Risk

- Changes in raw material prices will affect production costs, particularly in the case of PVC compound and paste resin, which are the primary materials used in manufacturing synthetic leather and plastic sheets. Additionally, sourcing raw materials for synthetic leather production for sale to customers in the automotive industry and automotive parts, is determined by customer specifications and requirements. Therefore, it is necessary to use raw materials with specific properties. For instance, stabilizers and plasticizers which are raw materials that the Company and other manufacturers in the same industry must use to produce the products meeting the quality standards required by customers. Therefore, there is no significant difference in sourcing raw materials, the origins, or price fluctuations between the Company and other manufacturers. During the year 2023, the fluctuations in oil prices and raw material prices began to decrease compared to the previous year, leading production costs to return to a normal state. In this regard, the Company has criteria for reviewing product prices with customers when there are significant changes in raw material prices, in the year 2023, the Company adjusted the selling prices of its products to align with the still relatively high raw material prices. This adjustment helped mitigate the risk of significant fluctuations in raw material prices.

- The changes in production technology, the Company has two production processes for manufacturing synthetic leather and plastic sheets which are the calendering process and the casting process. Currently, there have been no significant technological changes in the production methods from the two systems. Although the production process utilizing the calendering method may constitute a relatively long-standing manufacturing technology, the Company has continuously developed and refined the production process to enhance the efficiency and modernity of machinery, while maintaining sufficient production capacity to deliver products meeting the standardized quality requirements of customers. Therefore, there is no risk posed by changes in the aforementioned manufacturing technology.

Marketing Risk

- Competition in pricing is not highly elevated primarily as the Company's products are synthetic leather used predominantly by customers in the automotive industry. The customers specify product qualifications that shall adhere to industry standards. Moreover, the competitors producing similar synthetic leather products accepted by customers are few in number. While in general consumer product markets such as footwear, furniture, fashion leather products, packaging, and printing supplies, characterized as commodities, experience relatively high price competition, the Company does not prioritize engaging in price competition. Instead, focusing on product quality and providing services tailored to customer needs at appropriate prices. Simultaneously, the Company remains committed to researching and developing the quality of synthetic leather products in collaboration with partners consistently. This is to enhance the competitiveness in terms of product quality, aligning it with the price of goods.
- In terms of substitute products, the risk is relatively low, as the Company's products, especially synthetic leather products, which are the Company's main products, have genuine leather and fabric as alternative products. These are product categories that can be used interchangeably, depending on the purposes and market demands of the manufacturers who will utilize them. The physical properties and prices of the products are determining factors for usage requirements. Genuine leather products are currently scarce, and also relatively difficult and expensive to maintain. While the fabric products offer a variety of physical properties that can be designed and woven into diverse patterns, at a lower cost. However, they may require more maintenance and have lower durability. Conversely, synthetic leather products can be developed to closely mimic genuine leather properties, with the advantage of being more durable and easier to maintain. Furthermore, there is also a moderate price range between genuine leather and fabric products, given their distinctly different properties. This allows automotive industry operators to categorize interior trim products into genuine leather, synthetic leather, or fabric, based on their quality and price disparities, thereby catering to the varying preferences of target customer groups.
- In terms of revenue dependency, the Company primarily relies on synthetic leather products within the automotive industry sector. Approximately 70% of the revenue comes from sales within the automotive industry market. This reliance on a single market segment entails a relatively high level of risk, as dependence on one market. However, considering revenue stability, the automotive industry stands out as a crucial sector in Thailand, boasting production bases for various automotive brands from the United States, Europe, Japan, and China. Both the government and private sector have collaborated to establish clear goals and development plans to make Thailand a significant global hub for automobile production and export and also support transitioning towards becoming a major hub for alternative energy-powered vehicles in the future. This effort represents a strong foundation for engaging in business with the automotive industry continuously. Therefore, the company's revenue dependency risk is not significant.

Financial Risk

- For the financial liquidity in the fiscal year 2023, the Company experienced increased sales revenues due to the economic conditions and the overall recovery of the automotive industry. Simultaneously, the Company had to invest more in upgrading machinery and production processes to enhance production efficiency. Additionally, there were investments in developing PU synthetic leather products to replace genuine leather for car seats and interior decoration. This aimed at expanding into new markets which resulted in almost tight financial liquidity. However, the Company has a policy of managing cash reserves and cash equivalents adequately to support its operations. It has arranged credit facilities from financial institutions to provide reserves in case of necessity and to mitigate the impact of fluctuations in cash flow that may arise due to uncertain economic conditions, such as geopolitical conflicts and global economic fluctuations.
- Regarding credit provision, the Company's trade credit carries relatively low risk. This is because the majority of its customers are reputable, large-scale companies in the automotive industry with stable financial standings. Additionally, the company has a diverse and extensive customer base. Moreover, its longstanding relationships with these businesses foster trust and reliability, mitigating any associated risks. Therefore, there is no risk in this aspect. Except in the case of new customers, for whom the Company has established criteria and procedures for credit assessment on the case basis, the executives have formulated policies and procedures to appropriately control credit for related businesses. Therefore, it is anticipated that significant losses will not be incurred.
- In terms of financial costs, the Company derives its financial resources from utilizing credit facilities from financial institutions, including overdrawn amount, trade credits, short-term loans, and long-term loans, with interest rates adjusted according to market rates. Some carries fixed interest rates lower than market rates. The Company believes that the fluctuation of interest rates in the financial market in the future will not significantly impact its operational performance and cash flows. The Company does not employ other financial derivatives to hedge against such risks.
- Regarding exchange rates, due to the fact that the Company engages in certain international currency transactions, there may be risks associated with exchange rate fluctuations. However, in order to mitigate these risks, the Company will implement measures to assess and enter into forward contracts for the purchase of foreign currency in advance, as deemed appropriate in each case. This is to safeguard against and minimize the impact of exchange rate risks associated with such foreign currency transactions.
- In terms of liquidity, the Company manages the risk of illiquidity by maintaining adequate levels of cash and cash equivalents to support the operations, as well as ensuring sufficient short-term credit facilities from financial institutions to provide reserves when necessary and to mitigate the impact of cash flow volatility.

Investment Risk

The Company has invested in South Africa, with TNV Plastics (Proprietary) Limited as its subsidiary, engaged in manufacturing, distributing, importing, and exporting synthetic leather products for the automotive industry. This aims to enhance business opportunities and expand market presence in the region. However, investing in this region still entails risks associated with commercial transactions and financial matters, particularly concerning the exchange rate of the South African's currency, ZAR. The Company is aware of these risks and considers employing necessary tools and measures to manage them effectively, while ensuring they remain at acceptable levels.

Human Resource Risks

The risk associated with human resource management could have long-term implications on the Company's operations. Key factors contributing to this risk include potential gaps in succession planning for main positions, particularly in production and marketing. Recognizing this risk, the Company is proactive in addressing it by focusing on recruiting and developing personnel in each functional area. This is complemented by ongoing training programs aimed at transferring knowledge, skills, and experiences from current executives. Furthermore, to develop leadership potential to ensure readiness for key position replacements. This is to mitigate human resource risks. Consequently, the Company finds it necessary to extend the employment of some employees upon reaching retirement age. This is done in align with accelerating the development of internal personnel and recruiting external talent to ensure a continuous succession of roles within the organization.

Economic Risks

Economic fluctuations are a significant risk factor directly impacting the Company's operations, including the volatility of oil prices in the global market, which affects raw material prices and transportation costs. Consequently, production costs increase. Therefore, the Company negotiates with customers to adjust product prices in line with the increased production costs. Additionally, it has outlined strategies to mitigate the impact of these factors through cost control measures and production cost reduction, including raw materials, labor, and other expenses. Moreover, the Company manages financial liquidity carefully to align with economic conditions.

Social and Environmental Risks

The Company places significant emphasis on social and environmental aspects as they are crucial factors affecting its reputation and image. The company prioritizes controlling and managing production processes to meet or exceed standards set by laws and regulations, aiming to minimize environmental impact. Additionally, the Company strengthens partnerships, supports, and assists beneficial activities for society and communities, including those related to healthcare, education, and various charitable endeavors. Furthermore, the Company prioritizes the use of environmentally friendly products, including non-toxic raw materials and recyclable materials, aligning with customer preferences. Therefore, the Company has no risks related to the aforementioned issues.

Industry Risk

The automotive industry's condition directly impacts the Company's operations since the main revenue comes from selling synthetic leather products to customers in the automotive manufacturing sector in Thailand. In addition, Thailand serves as a production base for cars sold domestically and exported globally. Therefore, changes in the automotive industry, especially the global automotive sector, significantly affect the Company's business operations. In 2023, the automotive industry continued to recover steadily following the COVID-19 pandemic and the resolution of tensions between Ukraine and Russia. Therefore, during that year, the Company implemented policies to enhance production efficiency and improve product quality to expand its customer base and diversify its product distribution to other industries. At the same time, the Company adjusted promptly to events by actively monitoring news and developments in the automotive industry and related sectors continuously. This proactive approach aimed to mitigate risks and minimize the impact of industry changes.

3. Driving Business for Sustainability

3.1 Sustainability Management Policies and Objectives

The Company is committed to conducting business and developing its products in a sustainable manner, under the quality policy of "Standard Quality, Impressive Service, Progressive Development, Organizational Problem Solving, Business Expansion, with the goal of environmentally friendly product production". The Company will operate by creating value and enhancing organizational value according to the principles of good corporate governance for social responsibility and environmental care.

3.2 Management of Stakeholder Impact in the Business Value Chain

The Company has been a leading manufacturer of plastic products in Thailand since 1970, specializing in main products such as synthetic leather products and plastic sheets for automotive interior trims. Additionally, the Company manufactures products for industries such as footwear and sports equipment, furniture, fashion leather goods, as well as plastic sheets used in household, civil engineering, and agricultural applications. The Company remains committed to continuous research and development of new products, particularly those that are non-toxic, meet international quality standards, and are environmentally friendly, reflecting global concerns both now and in the future. Additionally, the Company remains steadfast in providing products of internationally standardized quality by collaboratively planning and developing production processes to meet the specific needs of the customers. Furthermore, the Company is capable of promptly meeting customer demands by delivering products on schedule and swiftly addressing any issues or providing post-sales consultations, all in accordance with the automotive industry quality management standard, IATF 16949 which has been a source of long-standing satisfaction for the customers.

3.3 Environmental Sustainability Management

The Company has established environmental policies and promotes the efficient use of resources to be implemented in preventing pollution and minimizing the potential impacts resulting from its business operations. This is achieved through utilizing environmentally friendly production processes and materials. Additionally, the Company consistently engages in energy conservation activities and environmental preservation initiatives within the community.

3.4 Sustainability management in social dimension

The Company prioritizes on conducting business with a strong sense of Corporate Social Responsibility. It focuses on implementing activities within the organization and for society continuously, demonstrating awareness of social responsibility throughout its operational lifespan. Guided by principles of effective, transparent, and accountable corporate governance, the Company has established policies that support beneficial societal activities consistently. Additionally, the Company supports stakeholders, including shareholders, employees, customers, communities, society, and the environment, in fostering sustainable and continuous development and growth such as:

❑ Good corporate governance

The Company has developed a Corporate Governance Policy in writing, along with a Business Ethics and Code of Conduct handbook, as guiding principles. These documents are intended to ensure that the board of directors, management, and employees collectively drive the business in accordance with fair and legal frameworks, protecting the rights of all stakeholders.

☐ The practice regarding human rights and labor rights.

The Company emphasizes on fundamental human rights and promotes respect for rights and freedoms without discrimination based on race, religion, skin color, age, gender, sexual orientation, physical disabilities, etc. However, the Company does not condone the use of child labor, coercion, or sexual harassment.

The Company has a policy to care for and treat employees as members of the same family, ensuring equal and fair treatment for all employees at every level. Additionally, appropriate compensation and benefits are provided to enhance the quality of life for employees.

☐ Responsibility towards customers and business partners

The Company aims to achieve utmost customer satisfaction by producing products of international quality standards that meet the customers' requirements and delivering on time. Emphasis is placed on the benefits to consumers, with a commitment to honesty and fairness in both product quality and pricing. Additionally, there is a steadfast dedication to maintaining long-term relationships with both customers and business partners.

☐ Community involvement and environmental and social development

The Company prioritize on the quality of life and the environment of the community by fostering positive relationships with community and social development, in addition to engage in community-oriented activities. In the year 2023, the Company continued to support educational initiatives aimed at enhancing the quality of life for youth by providing scholarships and organizing National Children's Day activities for students in various schools in Om Noi sub-district, Krathum Baen district, Samut Sakhon province, and Ban Koh sub-district, Mueang district, Samut Sakhon province. Furthermore, the Company organized religious activities to support and nurture religious beliefs, with both the Company and employees participating in various religious ceremonies and activities at local temples annually.

☐ Conducting operations with integrity

The Company is committed to conducting business with integrity, adhering to ethics, complying with laws and regulations, and demonstrating opposition to corruption. Internal and external audits are conducted rigorously, promoting fair competition.

☐ Adherence to environmental standards

The Company has established a focus on sustainability, considering the principles of ESG which are Environmental, Social, and Governance. The Company prioritizes environmental conservation and preservation consistently, recognizing the importance of social and environmental responsibility as integral to its business operations. The Company has improved its production processes and utilizes non-toxic raw materials to ensure environmentally friendly products that align with customer preferences. Additionally, the Company has engaged employees in caring for and conserving the environment, as well as utilizing energy efficiently, to establish sustainable environmental practices. Through energy conservation initiatives, the Company supports and embeds employee involvement in using energy and resources within the organization in a cost-effective and value-driven manner, fostering sustainable business growth.

4. Management Discussion and Analysis (MD&A)

4.1 Analysis of Company and Subsidiaries' Performance in the Year 2023

Overview of the Company and subsidiaries' business operations in 2023 as of 31 December 2023 as follows:

Performance	2023	2022	Increase/(Decrease)	
	(Million Baht)	(Million Baht)	(Million Baht)	(Percentage)
<u>Consolidated Financial Statements</u>				
Revenues from sales	1,586.44	1,413.10	173.34	12.27%
Net profit	29.98	(6.23)	36.21	581.22%
Earnings per share (Baht per share)	0.09	(0.02)	0.11	550.00%
<u>Separate Financial Statements</u>				
Revenues from sales	1,300.55	1,268.60	31.95	2.52%
Net profit	21.89	27.65	(5.76)	(20.83)%
Earnings per share (Baht per share)	0.06	0.08	(0.02)	(25.00)%

In the year 2023, the Thai economy continued to recover, with an economic expansion rate of 1.9%, leading to a continuous recovery in the automotive industry. Total car production for the whole year reached 1.84 million units, decreasing by 2.22% compared to the previous year's production of 1.88 million units. Moreover, total car sales increased to 1.89 million units, marking a 2.36% rise from the previous year's sales of 1.85 million units. Domestic car sales, amounting to 0.78 million units, decreased by 8.67% from the previous year's sales of 0.85 million units, while car exports increased to 1.12 million units, representing an 11.73% rise from the previous year's export volume of 1.00 million units. This overall scenario in the Thai automotive industry resulted in increased sales for the Company and its subsidiaries engaged in the production of synthetic leather and plastic sheets used in car interiors. The operational outcomes for the fiscal year 2023 can be summarized as follows:

Sales Revenues

In the year 2023, the Company had sales revenue totaling 1,586.44 million Baht, an increase of 173.34 million Baht, representing a growth of 12.27% compared to the previous year's sales of 1,413.10 million Baht. Additionally, the separate financial statements showed sales revenue of 1,300.55 million Baht, an increase of 31.95 million Baht, equating to a growth rate of 2.52% from the previous year's sales revenue of 1,268.60 million Baht. These increases were primarily attributed to the continued economic recovery, leading to sustained growth in the Thai automotive industry. Moreover, fluctuations in oil prices continued to impact the prices of major raw materials. Consequently, the Company adjusted its product prices to align with the increased production costs.

Other Income

In the year 2023, the Company had other income totaling 15.16 million Baht, an increase of 9.09 million Baht, representing a growth rate of 149.75% compared to the previous year's other income of 6.07 million Baht. Additionally, the separate financial statements showed other income of 13.64 million Baht, an increase of 5.44 million Baht, equating to a growth rate of 66.34% from the previous year's other income of 8.20 million Baht. The majority of this other income came from compensation received from insurance companies and revenue from land leasing.

Cost of Sales

In the year 2023, the Company incurred a cost of products sold totaling 1,270.05 million Baht, representing 80.06% of sales revenue. This marked a decrease of 1.64% from the previous year, where it stood at 81.70% of sales revenue, resulting in an gross profits margin increase to 19.94% compared to the previous year's 18.30%. Additionally, the separate financial statements showed a cost of products sold of 1,072.50 million Baht, accounting for 82.47% of sales revenue, which increased by 0.96% points from the previous year's 81.51% of sales revenue. Consequently, the gross profits margin decreased to 17.53% compared to the previous year's 18.49%. These changes in the cost of products sold were influenced by the continued high prices of main raw materials, attributed to volatility in global oil prices.

Operating Expenses

In the year 2023, the Company incurred distribution costs in accordance with the consolidated financial statement totaling 49.80 million Baht, a decrease of 4.75 million Baht, representing a decrease of 8.71% compared to the previous year's 54.55 million Baht. Moreover, the separate financial statements showed distribution costs amounting to 38.68 million Baht, a decrease of 7.94 million Baht, representing a decrease of 17.03% compared to the previous year's 46.62 million Baht. This reduction in distribution costs was influenced by decreased transportation costs due to the alleviation of various crises.

In 2023, the total administrative expenses according to the consolidated financial statement amounted to 185.83 million baht, an increase of 2.54 million baht, representing an increase of 1.39% compared to the previous year, which had expenses totaling 183.29 million baht. Meanwhile, the separate financial statements had administrative expenses totaling 132.47 million baht, which increased by 4.16 million baht, representing a 3.24% increase compared to the previous year, which had expenses totaling 128.31 million baht. The majority of the increased operational expenses were due to the enhancement of employee benefits to align with the economic conditions.

Loss from Exchange Rates

In 2023, the Company incurred loss from exchange rates in accordance with the consolidated financial statement amounting to 29.58 million baht, representing an increase of 20.79 million baht or 236.52% compared to the previous year, when loss from exchange rates totaled 8.79 million baht. In the separate financial statements, loss from exchange rates amounted to 2.47 million baht, whereas in the previous year, there was a profit from exchange rates of 14.60 million baht. The fluctuations were due to changes in foreign currency exchange rates. The Company has debtor from loans and accounts receivable in foreign currencies.

Bad Debt and Expected Credit Losses

In 2566, the Company recognized bad debts and expected credit losses in the consolidated financial statements there were provisions for bad debts and expected credit losses amounting to 2.08 million baht. The separate financial statements, the Company recognized bad debts and expected credit losses amounting to 19.63 million baht, representing a decrease of 26.68 million baht or 57.62% compared to the previous year's amount of 46.30 million baht, arising from provisions for loan and trade receivables.

Financial Cost

In 2566, the Company incurred financial costs according to the consolidated financial statement totaling 22.76 million baht, which increased by 6.02 million baht, representing an increase of 35.96% compared to the previous year, which had financial costs of 16.74 million baht. Additionally, the financial costs specific to business operations amounted to 14.98 million baht, increasing by 7.37 million baht, reflecting a percentage increase of 96.85% from the previous year's figure of 7.61 million baht. This increase was attributed to the use of revolving credit to procure additional raw materials and an increase in interest rates by financial institutions.

Income Tax

In 2023, the Company's income tax, as per the consolidated financial statement, amounted to 11.89 million baht, increasing by 2.35 million baht, representing a percentage increase of 24.63% compared to the previous year, which had income tax of 9.54 million baht. Additionally, the income tax specific to the separate financial statements totaled 11.59 million baht, increasing by 5.24 million baht, reflecting a percentage increase of 82.52% from the previous year's figure of 6.35 million baht.

Comprehensive Income

In 2023, the Company's operating results, according to the consolidated financial statements, showed gross profits of 316.39 million baht, equivalent to 19.94% of sales revenue, marking an increase from the previous year's figure of 18.30%. After deducting operating expenses, the earnings before tax amounted to 41.87 million baht, compared to 3.61 million baht in the previous year. With an income tax expense of 11.86 million baht, the net profit stood at 29.98 million baht. However, there were items that will not be reclassified to be included in future profit or loss, totaling 8.23 million baht, and a difference of foreign exchange rate resulting from the conversion of financial statements amounting to 21.14 million baht, resulting in a comprehensive loss for the year of 42.89 million baht.

The operational results according to the separate financial statements indicate an gross profits of 228.05 million baht, equivalent to 17.53 percent of sales revenue, a decrease from the previous year's 18.49%. After deducting operating expenses, the earnings before tax amounted to 33.47 million baht, compared to the previous year's earnings before tax of 34.00 million baht, with an income tax of 11.59 million baht resulting in a net profit of 21.89 million baht. Additionally, there are items that will not be reclassified subsequently to profit or loss to 8.23 million baht, leading to a net profit for the year of 13.65 million baht.

Asset

In the year 2023, the Company's consolidated financial statements showed total assets amounting to 1,286.75 million baht, an increase of 3.80 million baht, representing 3.47% from the previous year's total assets of 1,282.95 million baht. The significant changes stemmed from an increase in cash and cash equivalents by 17.50 million baht, an increase in inventory by 89.22 million baht, a decrease in accounts receivable by 76.34 million baht, and a decrease in land, buildings, and equipment by 20.66 million baht. Additionally, the separate financial statements reported gross assets of 1,276.07 million baht, a decrease of 17.17 million baht, representing 1.33% from the previous year's gross profits of 1,293.24 million baht. The notable changes came from a decrease in accounts receivable by 70.16 million baht. Investment in the Company decreased by 12.60 million baht, property, plant and equipment decreased by 21.38 million baht, and inventories increased by 79.40 million baht.

Liability

In the year 2023, the Company had liabilities according to the consolidated financial statements totaling 746.65 million baht, a decrease of 32.27 million baht, representing 4.14% compared to the previous year's total liabilities of 778.93 million baht. The significant changes came from a decrease in trade payable by 29.06 million baht and a decrease in long-term loans from financial institutions by 34.00 million baht, while overdraft and short-term loans from financial institutions increased by 18.33 million baht. Estimated employee benefit obligations increased by 17.99 million baht. Additionally, the separate financial statements reported liabilities of 631.80 million baht, a decrease of 24.01 million baht, representing 3.66% compared to the previous year's total liabilities of 655.81 million baht. The significant changes came from a decrease in trade payable by 31.59 million baht and a decrease in long-term loans from financial institutions by 34.00 million baht, while overdrafts and short-term loans from financial institutions increased by 18.33 million baht. Estimated employee benefit obligations increased by 17.99 million baht.

Shareholders' Equity

In the year 2023, the Company had shareholders' equity according to the consolidated financial statements totaling 540.10 million baht, consisting of issued and fully paid-up share capital amounting to 340.81 million baht, surplus from changes in shareholding proportionate ownership of subsidiaries amounting to 0.03 million baht, legal reserve allocated from retained earnings amounting to 34.35 million baht, and retained earnings yet to be allocated amounting to 143.94 million baht. Additionally, the separate financial statements reported shareholders' equity of 644.26 million baht, comprising issued and fully paid-up share capital of 340.81 million baht, legal reserve allocated from retained earnings amounting to 34.35 million baht, and retained earnings yet to be allocated amounting to 269.10 million baht.

Cash Flow

In the year 2023, the continuous recovery of the overall economy had an impact on Thailand's automotive industry, resulting in growth from the previous year. Consequently, the Company and its subsidiaries experienced an increase in sales revenue according to the consolidated financial statements, reaching 1,586.44 million baht compared to the previous year's sales revenue of 1,413.10 million baht. Net cash from operating activities amounted to 92.08 million baht, with a net cash flow from financing activities consisting of overdraft and short-term loan from financial institutions totaling 17.85 million baht, and a cash flow from investing activities resulting from equipment sales amounting to 3.24 million baht.

While the Company and its subsidiaries had significant cash flows, including expenses for investing in equipment for the enhancement of machinery align with the project to improve production efficiency amounting to 26.77 million baht, repayment of long-term loans from financial institutions totaling 34 million baht, payment of lease liabilities of 4.03 million baht, dividend payments of 6.71 million baht, and interest payments of 22.74 million baht, resulting in cash and cash equivalents and net cash flow of 18.32 million baht. Considering the cash and cash equivalents totaling 22.60 million baht at the beginning of the year, the remaining cash and cash equivalents at the end of the year 2023 amounted to 40.10 million baht.

For the significant financial ratios of the Company and its subsidiaries in the year 2023, the quick ratio stood at 0.65, a decrease from the previous year's ratio of 0.79. The current ratio of current assets to current liabilities was at 1.84, an increase from the previous level of 1.83. Meanwhile, the ability to collect and pay trade debts, as measured by the turnover rate of accounts receivable, was at 4.98 cycles, an increase from the previous year's 4.67 cycles. The average collection period of 73 days, a decrease from the previous year's 78 days. The Company has a policy of granting a 60-day repayment period to accounts receivable, which is not in line with the aforementioned credit policy given to customers. This discrepancy is due to the ongoing slow recovery of the economy, resulting in delayed trading transactions.

For inventory turnover, the turnover rate was 2.35 cycles, a decrease from the previous year's rate of 2.65 cycles, resulting in an average inventory period of 155 days, an increase from the previous year's period of 138 days. Regarding accounts payable, the Company had an average payment period of 4.86 cycles, a decrease from the previous year's period of 5.33 cycles, considering as an average payment period of 75 days, an increase from the previous year's period of 69 days. The Company received payment terms for accounts payable ranging from 60 to 90 days.

The Source of Capital

The source of capital used in the normal course of business activities of the Company and its subsidiaries primarily comes from cash flow from operating activities. The liquidity of the operating cash flow mainly fluctuates according to the revenue from sales. In the fiscal year 2023, the Company experienced increased sales revenues, attributed to the economic recovery and continuous growth in the automotive industry compared to the previous year. Additionally, there were adjustments to increase the selling prices of products to consistent with the increased cost of raw materials. While the Company also increased investment in equipment to enhance machinery efficiency and reduce production costs to increase competitiveness in the automotive industry market. Additionally, the Company had obligations to repay a portion of the loans from financial institutions. Therefore, to ensure sustainable growth in business operations, the Company utilized short-term loans from financial institutions to enhance liquidity for purchasing raw materials and covering various operational expenses.

Factors that may affect future operations or financial position

Factors that may significantly impact the operations of both the Company and its subsidiaries include unexpected production shutdowns, which could result from internal and external factors. Internal factors, which can still be managed, include implementing efficient preventive maintenance measures for machinery, providing training to employees in production processes and equipment maintenance, and implementing accident prevention and workplace safety measures. Additionally, obtaining insurance coverage to protect against potential risks to the Company's life and property.

While external factors that may impact the Company include natural disasters, pandemics, and conflicts between countries occurring in various regions, among others, which are beyond the Company's control and may be unpredictable. Therefore, to mitigate the impact of such events, the Company plans to prepare by staying vigilant and preventing incidents through closely monitoring relevant news and information.

Furthermore, there might be factors stemming from the performance of subsidiary companies experiencing consistent losses, indicating significant uncertainty that raises doubts about the continuous operational capability. Therefore, the Company has outlined strategies to address these issues by reducing operational expenses. Subsidiary companies are currently undergoing operational improvements by refining production processes to control production costs and expanding markets to increase sales for future profitability.

4.2 Progress of sustainable organizational development (ESG)

The Company operates with the objective of achieving sustainable growth and ensuring consistent returns for shareholders, employees, and society, while adhering to the principles of ESG: Environment, Social, Governance which encompasses every dimension, including environmental sustainability, social responsibility, and ethical governance, as follows:

E: Environment

The Company recognizes and prioritizes the environmental impact, thus adopting energy conservation policies aimed at utilizing energy efficiently to preserve resources. Additionally, the Company implements alternative energy policies, including projects utilizing solar energy through solar panel installations, to reduce electricity production costs and conserve energy for environmental sustainability. Moreover, the Company conducts training and instills awareness among employees under the energy conservation policy titled "Thai Nam: Steady, Progressive endurance, Valuing energy, Preserving resources."

S: Social

The Company prioritizes and is committed to respecting human rights and the fundamental rights of individuals by adhering to fairness and equality for all, while also focusing on innovation, research, and development of products tailored to meet customer needs and ensure satisfaction, particularly for customers in the automotive and related industries. Simultaneously, the Company conducts its business in conjunction with social care and environmental stewardship, utilizing environmentally friendly raw materials in product manufacturing and engaging in continuous social activities.

G: Governance

The Company emphasizes on conducting business under good corporate governance to ensure sustainable and enduring growth. It has a board of directors that manages operations with integrity, transparency, and accountability. There is the disclosure of important information, including financial data and relevant reports, accurately and promptly. Additionally, the Company is responsible for personal data, modifying data storage methods for internal database access to comply with the Personal Data Protection Act (PDPA).

4.3 Summary of Statements of Financial Position, Statements of Income, Statements of Cash Flows and Financial Ratios in 2021-2023:

Statements of Financial Position

Thai Nam Plastic Public Company Limited and Its Subsidiaries

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Consolidated Financial Statements	2023	%	2022	%	2021	%
Assets						
Current assets						
Cash and cash equivalents	40,101	3.12	22,604	1.76	27,814	2.55
Trade and other current receivables	280,670	21.81	357,013	27.83	248,757	22.84
Inventories	585,288	45.49	496,071	38.67	373,831	34.32
Total current assets	906,059	70.41	875,688	68.26	650,403	59.71
Non-current assets						
Investment property	7,764	0.60	7,764	0.61	7,764	0.71
Property, plant and equipment	234,440	18.22	255,104	19.88	268,171	24.62
Right-of-use assets	54,120	4.21	65,270	5.09	76,058	6.98
Deferred tax assets	77,705	6.04	72,160	5.62	79,852	7.33
Other non-current assets	6,666	0.52	6,964	0.54	7,043	0.65
Total non-current assets	380,695	29.59	407,262	31.74	438,888	40.29
Total Assets	1,286,754	100.00	1,282,950	100.00	1,089,291	100.00
Liabilities and Shareholders' Equity						
Current liabilities						
Bank overdraft and short-term borrowings from financial institutions	172,041	13.37	153,707	11.98	153,224	14.07
Trade and other current payables	246,663	19.17	275,726	21.49	157,655	14.47
Current portion of long-term borrowings from financial institution	42,000	3.26	30,000	2.34	9,000	0.83
Current portion of lease liabilities	5,472	0.43	4,135	0.32	3,024	0.28
Accrued income tax expenses	3,998	0.31	-	-	9,925	0.91
Current provisions for employee benefit	22,568	1.75	14,717	1.15	19,188	1.76
Total current liabilities	492,741	38.29	478,285	37.28	352,017	32.32
Non-current liabilities						
Long-term borrowings from financial institution	79,000	6.14	125,000	9.74	38,000	3.49
Lease liabilities	69,490	5.40	80,362	6.26	86,983	7.99
Non-current provisions for employee benefit	104,725	8.14	94,580	7.37	90,801	8.34
Non-current liabilities	698	0.05	698	0.05	665	0.06
Total non-current liabilities	253,913	19.73	300,641	23.43	216,450	19.87
Total Liabilities	746,655	58.03	778,926	60.71	568,466	52.19
Shareholders' Equity						
Share capital - Issued and paid-up share capital						
340,813,930 ordinary shares, Baht 1.00 each	340,814	26.49	340,814	26.56	319,517	29.33
Share premium on ordinary shares	0.45	-	0.45	-	0.45	-
Surplus from change in the ownership interest in subsidiary	35	-	928	0.07	928	0.09
Retained earnings						
Appropriated legal reserve	34,348	2.67	34,348	2.68	34,348	3.15
Unappropriated	143,943	11.19	128,117	9.99	175,626	16.12
Other components of shareholders' equity	20,959	1.63	(184)	(0.01)	(9,595)	(0.88)
Total Shareholders' Equity	540,099	41.97	504,023	39.29	520,824	47.81
Total Liabilities and Shareholders' Equity	1,286,754	100.00	1,282,950	100.00	1,089,291	100.00

Thai Nam Plastic Public Company Limited

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Separate Financial Statements	2023	%	2022	%	2021	%
Assets						
Current assets						
Cash and cash equivalents	3,316	0.26	3,302	0.26	2,937	0.27
Trade and other current receivables	296,127	23.21	366,287	28.32	279,706	25.69
Inventories	492,533	38.60	413,134	31.95	302,522	27.79
Total current assets	791,976	62.06	782,723	60.52	585,166	53.75
Non-current assets						
Investment in subsidiaries	-	-	12,604	0.97	12,604	1.16
Investment property	7,764	0.61	7,764	0.60	24,845	2.28
Property, plant and equipment	394,923	30.95	416,302	32.19	387,099	35.56
Right-of-use assets	2,332	0.18	511	0.04	1,047	0.10
Deferred tax assets	79,004	6.19	73,258	5.66	77,812	7.15
Other non-current assets	66	0.01	75	0.01	75	0.01
Total non-current assets	484,090	37.94	510,513	39.48	503,483	46.25
Total Assets	1,276,066	100.00	1,293,236	100.00	1,088,649	100.00
Current liabilities						
Bank overdraft and short-term borrowings from financial institutions	172,041	13.48	153,707	11.89	153,224	14.07
Trade and other current payables	204,970	16.06	236,563	18.29	140,052	12.86
Current portion of long-term borrowings from financial institution	42,000	3.29	30,000	2.32	9,000	0.83
Current portion of lease liabilities	649	0.05	232	0.02	224	0.02
Accrued income tax expenses	3,998	0.31	-	-	9,925	0.91
Current provisions for employee benefit	22,568	1.77	14,717	1.14	19,188	1.76
Total current liabilities	446,226	34.97	435,220	33.65	331,613	30.46
Non-current liabilities						
Long-term borrowing from financial institution	79,000	6.19	125,000	9.67	38,000	3.49
Lease liabilities	1,153	0.09	313	0.02	546	0.05
Non-current provisions for employee benefit	104,725	8.21	94,580	7.31	88,068	8.09
Non-current liabilities	698	0.05	698	0.05	665	0.06
Total non-current liabilities	185,577	14.54	220,592	17.06	127,279	11.69
Total Liabilities	631,802	49.51	655,811	50.71	458,892	42.15
Shareholders' Equity						
Share capital - Issued and paid-up share capital						
340,813,930 ordinary shares, Baht 1.00 each	340,814	26.71	340,814	26.35	319,517	29.35
Share premium on ordinary shares	0.45	-	0.45	-	0.45	-
Retained earnings						
Appropriated legal reserve	34,348	2.69	34,348	2.66	34,348	3.16
Unappropriated	269,101	21.09	262,262	20.28	275,891	25.34
Total Shareholders' Equity	644,264	50.49	637,424	49.29	629,757	57.85
Total Liabilities and Shareholders' Equity	1,276,066	100.00	1,293,236	100.00	1,088,649	100.00

statements of Income

Thai Nam Plastic Public Company Limited and Its Subsidiaries

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Consolidated Financial Statements	2023	%	2022	%	2021	%
Revenues						
Revenue from sales	1,586,443	100.00	1,413,099	100.00	1,051,229	100.00
Gain from exchange rate	-	-	-	-	10,412	0.99
Other incomes	15,164	0.96	6,069	0.43	9,953	0.95
Total Revenues	1,601,607	100.96	1,419,168	100.43	1,071,594	101.94
Expenses						
Cost of sales	1,270,046	80.06	1,154,566	81.70	765,507	72.82
Distribution costs	49,797	3.14	54,550	3.86	50,631	4.82
Administrative expenses	185,826	11.71	183,289	12.97	144,583	13.75
Loss from exchange rate	29,583	1.86	8,793	0.62	-	-
Bad debt and expected credit losses (reversal)	1,727	0.11	(2,075)	(0.15)	2,158	0.21
Total Expenses	1,536,979	96.88	1,399,124	99.01	962,879	91.60
Profit from operating activities	64,628	4.07	20,045	1.42	108,715	10.34
Finance cost	22,761	1.43	16,736	1.18	15,479	1.47
Profit before income tax expense	41,867	2.64	3,308	0.23	93,235	8.87
Tax expense	11,885	0.75	9,538	0.67	6,888	0.66
Profit (Loss) for the year	29,982	1.89	(6,229)	(0.44)	86,348	8.21
Earning (Loss) per share (Baht per share)	0.09		(0.02)		0.25	

Thai Nam Plastic Public Company Limited

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Separate Financial Statements	2023	%	2022	%	2021	%
Revenues						
Revenue from sales	1,300,552	100.00	1,268,599	100.00	941,983	100.00
Dividend income	-	-	5,500	0.43	5,000	0.53
Gain from exchange rate	-	-	14,595	1.15	38,922	4.13
Other incomes	13,642	1.05	8,195	0.65	12,120	1.29
Total Revenues	1,314,195	101.05	1,296,889	102.23	998,025	105.95
Expenses						
Cost of sales	1,072,496	82.46	1,034,040	81.51	729,355	77.43
Distribution costs	38,683	2.97	46,624	3.68	44,320	4.71
Administrative expenses	132,467	10.19	128,307	10.11	94,719	10.06
Loss from exchange rate	2,468	0.19	-	-	-	-
Bad debt and expected credit losses (reversal)	19,625	1.51	46,303	3.65	22,649	2.40
Total Expenses	1,265,740	97.32	1,255,275	98.95	891,043	94.59
Profit from operating activities	48,455	3.73	41,614	3.28	106,982	11.36
Finance cost	14,981	1.15	7,613	0.60	5,171	0.55
Profit before income tax expense	33,473	2.57	34,002	2.68	101,811	10.81
Tax expense	11,585	0.89	6,351	0.50	10,953	1.16
Profit for the year	21,888	16.52	27,651	21.55	90,858	95.92
Earning per share (Baht per share)	0.06		0.08		0.27	

Statements of Cash Flows

Thai Nam Plastic Public Company Limited and Its Subsidiaries

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Consolidated Financial Statements	2023	2022	2021
Cash flows from operating activities			
Profit (loss) for the year	29,982	(6,229)	86,348
Adjustments to reconcile profit (loss) for the year to net cash provided by operating activities			
Bad debt	11,195	-	-
Expected credit losses (reversal)	(9,468)	(2,075)	2,158
Loss on declining in value of inventories (reversal)	10,878	(32,274)	(1,972)
Loss on impairment of equipment (reversal)	(135)	(2,691)	-
Depreciation and amortization expenses	51,994	54,210	54,182
(Gains) Loss on disposal of equipment	1,415	1,984	1,734
Unrealized (gain) loss on exchange rate	29,699	9,957	(7,467)
Interest income	(744)	(427)	(421)
Withholding tax written-off	-	936	74
Employee benefit expense	8,812	9,477	7,359
Gain from liquidation of subsidiaries	(3,197)	-	-
Interest expenses	22,761	16,736	15,479
Tax expense	11,885	9,538	6,888
Profit provided by operating activities before changes in operating assets and liabilities	165,077	59,141	164,362
(Increase) decrease in operating assets			
Trade and other current receivables	71,380	(101,393)	(77,790)
Inventories	(107,098)	(92,640)	(123,183)
Other non-current assets	(299)	(258)	(2,235)
Increase (decrease) in operating liabilities			
Trade and other current payables	(25,341)	119,626	35,068
Provision for employee benefit	(1,108)	(15,179)	(11,997)
Other non-current assets	-	33	-
Cash received (paid) from operations	102,611	(30,670)	(15,775)
Interest income received	744	427	421
Income tax expense paid	(11,275)	(16,346)	(708)
Net cash provided by (used in) operating activities	92,080	(46,589)	(16,061)
Cash flows from investing activities			
Cash payment for purchase of equipments	(26,772)	(34,906)	(16,327)
Cash receipts from disposal of equipments	3,243	2,691	593
Cash payments for purchase of right-of-use assets	(593)	-	-
Net cash used in investing activities	(24,122)	(32,215)	(15,734)
Cash flows from financing activities			
Increase (decrease) in bank overdraft and short-term loan from financial institutions	17,851	1,244	41,151
Cash receipts from long-term loan from financial institutions	-	117,000	-
Cash payment for long-term loan from financial institutions	(34,000)	(9,000)	(3,000)
Cash payment for repayment of lease liabilities	(4,029)	(3,087)	(1,176)
Dividend paid	(6,715)	(15,816)	(3,807)
Interest expense paid	(22,742)	(16,692)	(15,479)
Net cash provided by (used in) financing activities	(49,635)	73,649	17,689
Net increase (decrease) in cash and cash equivalents	18,323	(5,155)	(14,116)
Cash and cash equivalents-beginning of year	22,604	27,814	41,795
Effect of translation adjustment on foreign currency financial statements	(825)	(55)	135
Cash and cash equivalents-ending of year	40,101	22,604	27,814

Thai Nam Plastic Public Company Limited

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Separate Financial Statements	2023	2022	2021
Cash flows from operating activities			
Profit (loss) for the year	21,888	27,651	90,858
Adjustments to reconcile profit (loss) for the year to net cash provided by operating activities			
Bad debt	11,195	-	-
Expected credit losses (reversal)	8,430	46,303	22,649
Loss on declining in value of inventories (reversal)	10,878	(22,124)	1,088
Loss on impairment of equipment (reversal)	(135)	(2,691)	-
Depreciation and amortization expenses	41,991	42,257	40,894
(Gains) Loss on disposal of equipment	1,415	1,669	1,844
Unrealized (gain) loss on exchange rate	4,617	(14,885)	(40,214)
Dividend income	-	(5,500)	(5,000)
Employee benefit expense	8,812	12,210	7,124
Loss on return of capital by subsidiaries	533	-	-
Reversal loss on impairment of investments in subsidiary	(3,000)	-	-
Interest expenses	14,981	7,613	5,171
Tax expense	11,585	6,351	10,953
Profit provided by operating activities before changes in operating assets and liabilities	133,191	98,855	135,367
(Increase) decrease in operating assets			
Trade and other current receivables	46,012	(140,794)	(83,447)
Inventories	(90,278)	(88,488)	(85,269)
Other non-current assets	8	-	-
Increase (decrease) in operating liabilities			
Trade and other current payables	(31,324)	96,401	26,048
Provision for employee benefit	(1,108)	(15,179)	(11,679)
Other non-current assets	-	33	-
Cash received (paid) from operations	56,502	(49,173)	(18,980)
Income tax expense paid	(11,275)	(16,262)	(338)
Net cash provided by (used in) operating activities	45,228	(65,435)	(19,318)
Cash flows from investing activities			
Cash receipts from return of capital by subsidiaries	15,071	1,798	-
Cash payment for purchase of equipments	(24,696)	(29,823)	(14,580)
Cash receipts from disposal of equipments	3,243	2,689	473
Cash payment for purchase of right-of-use assets	(593)	-	-
Dividend received	-	5,500	5,000
Net cash used in investing activities	(6,975)	(19,837)	(9,107)
Cash flows from financing activities			
Increase (decrease) in bank overdraft and short-term loan from financial institutions	17,851	1,244	41,151
Cash receipts from long-term loan from financial institutions	-	117,000	-
Cash payment for long-term loans from financial institutions	(34,000)	(9,000)	(3,000)
Cash payment for repayment of lease liabilities	(412)	(224)	(490)
Dividend paid	(6,715)	(15,816)	(3,807)
Interest expense paid	(14,962)	(7,568)	(5,171)
Net cash provided by (used in) financing activities	(38,239)	85,636	28,684
Net increase (decrease) in cash and cash equivalents	14	364	259
Cash and cash equivalents-beginning of year	3,302	2,937	2,680
Cash and cash equivalents-ending of year	3,316	3,302	2,938

Financial Ratios**Thai Nam Plastic Public Company Limited and Its Subsidiaries**

Financial Ratios - Consolidated Financial Statements	2023	2022	2021
Liquidity Ratio			
- Current Ratio (Times)	1.84	1.83	1.85
- Quick Ratio (Times)	0.65	0.79	0.79
- Account Receivable Turnover (Times)	4.98	4.67	5.00
- Day in Accounts Receivable (Days)	73.36	78.23	73.07
- Inventories Turnover (Times)	2.35	2.65	2.45
- Day in Inventories (Days)	155.39	137.50	148.80
- Account Payable Turnover (Times)	4.86	5.33	5.46
- Day in Accounts Payable (Days)	75.07	68.50	66.87
- Assets Turnover (Times)	1.23	1.10	0.97
Leverage Ratio			
- Debt to Total Assets (Times)	0.58	0.61	0.52
- Debt to Equity (Times)	1.38	1.55	1.09
- Interest Coverage (Times)	2.84	1.20	7.02
Profitability Ratios			
- Gross Profit Margin (%)	19.94	18.30	27.18
- Earning before Interest and Tax (%)	3.33	0.74	9.69
- Net Profit Margin (%)	1.89	(0.44)	8.21

Thai Nam Plastic Public Company Limited

Financial Ratios - Separate Financial Statements	2023	2022	2021
Liquidity Ratio			
- Current Ratio (Times)	1.77	1.80	1.76
- Quick Ratio (Times)	0.67	0.85	0.85
- Account Receivable Turnover (Times)	3.93	3.93	4.11
- Day in Accounts Receivable (Days)	92.95	92.93	88.77
- Inventories Turnover (Times)	2.37	2.89	2.80
- Day in Inventories (Days)	154.11	126.31	130.33
- Account Payable Turnover (Times)	4.86	5.49	5.75
- Day in Accounts Payable (Days)	75.13	66.47	63.53
- Assets Turnover (Times)	1.02	0.98	0.87
Leverage Ratio			
- Debt to Total Assets (Times)	0.50	0.51	0.42
- Debt to Equity (Times)	0.98	1.03	0.73
- Interest Coverage (Times)	3.23	5.47	20.69
Profitability Ratios			
- Gross Profit Margin (%)	17.54	18.49	22.57
- Earning before Interest and Tax (%)	2.84	2.78	10.19
- Net Profit Margin (%)	1.68	2.18	9.65

5. General Information and Other Key Information**5.1 General Information****Company Information**

Listed Company	:	Thai Nam Plastic Public Company Limited
Securities Initial	:	TNPC
Company Registration Number	:	0107537000769
Registered Capital	:	Amount of 340,813,930 baht divided into the ordinary share amount of 340,813,930 shares at par value of 1 baht per share
Paid-up Capital	:	The amount is 340,813,930 Baht, divided into ordinary shares 340,813,930 shares with a par value of 1 Baht per share.
Business Type	:	Production and distribution of artificial leather and plastic sheet for the automotive industry, sports shoes and equipment industry, furniture and leather fashion industry, including soft plastic sheet products used in the household, civil engineering and agriculture.
Head Office and the 1 st Factory Location	:	40 Moo 7, Petchakasem Road, K.M. 23, Omnoi, Amphur Kratumban, Samutsakorn Province 74130
Telephone	:	(66 2) 119 3200, 420 9968-74
Fax	:	(66 2) 119 3233, 420 1827, 420 9967
2 nd Factory location	:	89/1-2 Moo 4, Bangpla Road, K.M. 3, Bankoh, Amphur Muang, Samutsakorn Province 74000
Telephone	:	(66 34) 468 102-8, 830 325-8, (66 34) 830 712, 830 715-9
Fax	:	(66 34) 468 101, 468 109-10
web site	:	www.thainam.com
e-mail address	:	sales@thainam.com, custserv@thainam.com

The subsidiaries information that the Company holds shares of 10 percent or more■ Taweewattana Logistics Company Limited

It has a fully paid-up registered capital of 3,000,000 Baht, divided into 300,000 ordinary shares with a par value of 10 Baht per share, with the Company holding 299,970 shares or 99.99 percent. Its main business is investment, service and plastic products distribution and has an office location at:

Office

40 Moo 7, Petchakasem Road, Omnoi, Amphur Kratumban,
Samutsakorn Province 74130

Tel : (66 2) 119 3200, 420 9968-74

Fax : (66 2) 119 3233, 420 1827, 420 9967

■ Thai Nam Automotive Performamce Company Limited

The Company has fully paid-up registered capital for 10,000,000 Baht, divided into 1,000,000 common shares with a par value of 10 Baht per share, whereby the Company holds 999,995 shares or 99.99 percent, providing Cut Sheet and Laminate Foam services to the Company's group of Thai Nam Plastics Public Company Limited.

Thai Nam Automotive Performamce Company Limited has an office and factory location at:

1. Office

40 Moo 7, Petchakasem Road, Omnoi, Amphur Kratumban,
Samutsakorn Province 74130

Tel : (66 2) 119 3200, 420 9968-74

Fax : (66 2) 119 3233, 420 1827, 420 9967

2. Factory

89/1 Moo 4, Bangpla Road, K.M. 3, Bankoh, Amphur Muang,
Samutsakorn Province 74000

Tel : (66 34) 468 102-8, 830 325-8, 830 712, 830 715-9

Fax : (66 34) 468 101, 468 109-10

■ TNV Plastics (Proprietary) Limited

It is a subsidiary located in South Africa with a fully paid-up registered capital of 1,000,000 rands or 4.28 million Baht, divided into 1,000,000 ordinary shares. The Company holds 100.00 percent of the shares to import and export polyvinyl chloride (PVC) products for the automotive industry. has an office and factory location at:

No. 4 Olive Way, Olive Grove Industrial Park,
Ou Paardevlei Road, Somerset West, 7130
South Africa

Reference Persons**1. Securities Registrar of TNPC**

Thailand Securities Depository Co., Ltd.
14th Floor, Stock Exchange of Thailand
93 Rachadapisek Road, Dindaeng,
Dindaeng, Bangkok 10400
Tel : (66 2) 009 9000
Fax : (66 2) 009 9992
E-mail address : TSDCallCenter@set.or.th
Website : www.tsd.co.th

2. Auditor

Miss Techinee Pornpenpob
Certified Public Account No. 10769
Dharmniti Auditing Co.,Ltd.
267/1 Pracharaj Sai 1 Road, Bangsue, Bangkok 10800
Tel : (66 2) 587 8080
Fax : (66 2) 586 0301

3. Lawyer

Mr. Teerasak Ch.Rojprasert
Chom Thong 47 Lawyer and Accounting Office
43/55 Soi Wutakard 47 Railway side Road,
Bangkaw, Khet Chom Thong, Bangkok
Tel : (66 2) 875 6026-7
Fax : (66 2) 875 6028

4. Secretary Company

Miss Somsuan Khondon
Thai Nam Plastic Public Company Limited
40 Moo 7, Petchakasem Road, K.M. 23, Omnoi,
Amphur Kratumban, Samutsakorn Province 74130
Tel : (66 2) 119 3235, 119 3200 #185
Fax : (66 2) 119 3233, 420 5055, 420 1827
E-mail address : somsuank@thainam.com
Website : www.thainam.com

5.2 Other Important Information

-None-

5.3 Legal Disputes

In 2023, the Company and its subsidiaries do not have any negative impact cases or cases that affect the Company's business and subsidiaries' operation significantly.

Part 2

Corporate Governance

6. Corporate Governance Policy

6.1 Corporate Governance Policy

The Board of Directors realises the importance of corporate governance in order to ensure that the Company has good and sound management which consists of efficiency, transparency and traceability. This is also to ensure that the shareholders, investors and stakeholders are treated fairly and equally according to the guidelines for corporate governance (CG) of Stock Exchange of Thailand. The Company has followed this guideline strictly and continuously.

From this commitment in applying guidelines for corporate governance continuously in the business management and operation of the Company, in the year 2023 the Company was assessed on the quality of organizing the general shareholder meeting according to the AGM checklist. The Company was rated Very Good by Securities and Exchange Commission together with the Thai Investors Association and Listed Companies Association.

Rights of Shareholders and Treatment of Shareholders

The Company realises the importance of the right of shareholders as the owner of the Company. It follows all the regulations and basic rights of the shareholder strictly as prescribed. The Company follows strictly the AGM checklist which stipulate how the general shareholder meeting should be organized e.g. right of the shareholders, right to give opinion and make important decisions together with the Company and easy access to the location of the meeting for instance. The AGM checklist guidelines is prepared by Securities and Exchange Commission (SEC) together with Thai Investor Association and Thai Listed Companies Association.

Additionally, the Company also disclosure important information important on the Company website at www.thainam.com in Thai and in English in order that the shareholders all have access to the Company information and in the year 2023, the Board of Directors has set out the guidelines to promote the right of shareholders as follows:

- The Company has assigned Thailand Securities Depository Co., Ltd. Which is the registrar of the Company to circulate appointment for shareholder meeting with all the agenda, information and attachments 14 days prior the meeting day. The same information is also available both in Thai and in English on the Company website 30 days prior the meeting days in order to facilitate the shareholders for accessing the information.
- The Company will give chances for the minority shareholders to propose new agenda in the general shareholder meetings in advance and to nominate a suitable person to become director of the Company. The activities can be done through Stock Exchange of Thailand and through the Company website.
- In the announcement or invitation for the shareholder meeting, it must contain the following information e.g. agenda of the meeting, nomination of company directors, directors' compensation, appointment of the accounting auditor and remuneration and dividend payment where the Company shall give the appropriate reasons and facts to facilitate decision making of the shareholders.

- The Company shall follow the AGM checklist when organizing the general shareholder meeting. The Company shall announce the regulations and procedure for meeting including how to vote and procedure for proxy. The relevant documents and required form for proxy must be sent to shareholders along with the appointment for meeting prior the meeting
- The Company shall nominate at least one independent director to be a choice for shareholders for proxy.
- The Board of Directors shall allow any shareholder to exercise his right to nominate each company director individually as appeared in the proxy form sent to the shareholders.
- During the shareholder meeting, the Chairman of the Board shall introduce independent director(s) and directors including audit committee and accounting auditors. The Company executives shall be invited to join the meeting in case there is questions arised from the shareholders. The Chairman of the Board shall give shareholders chance to ask their question equally. All the questions and comments shall be recorded in the meeting report.
- The Company shall not have any policy to deprive the right of shareholders in accessing the Company information and participation in the shareholder meeting. These activities are for instance such as -not distributing additional important documents in the shareholder meeting abruptly, -not adding agenda of meeting, -not informing shareholders in advance when there is any change of information, –not depriving right of shareholders when he attends the meeting late.
- Board of Directors has set out preventive measures to prevent directors, executives and employees to use inside information of the Company for their own advantages or relevant persons.
- The Company secretary and his/her team is responsible to prepare shareholder meeting report which is complete both content and format. The report has to be sent to the Stock Exchange of Thailand and to be published in the Company website within 14 days from the date of shareholder meeting.
- The Board of Directors has set out the guidelines for disclosure of information for internal stakeholders e.g. directors, managing director etc. and set out the regulation to prevent these stakeholders to join the decision making process on the relevant agenda.
- In the shareholder meeting, the Company has to distribute the document for voting for the shareholder prior meeting session for voting in important agenda. These agenda are relevant transactions, any transaction related to acquiring or disposing of assets for instance. This is to give transparency and traceability in the meeting in case there is any dispute afterwards.

Roles of Stakeholders

The Company gives importance and fully preserves stakeholders' rights. Because of different expectations by each group of stakeholders e.g. internal which are employees both in the Company and its subsidiary companies and external which are customers, competitors, creditors, governmental bodies and other institutions. The Company has focused on their rights and benefits fairly and paid prudent attention to the satisfaction of stakeholders and ensured that its treatment do not cause others trouble or unfair actions. This will increase stability and for the Company in long run.

■ Shareholders

The Company is committed to serving as a good representative of the shareholders by conducting transparent business, taking into account long-term growth in its value, providing good returns, and treating all shareholders fairly; The Company listens to shareholders' views and recommendations.

■ Employees

The Company realises the importance of human resources as invaluable resources to drive the Company to the bright future, therefore the Company supports competency development for professional job performance, treats them fairly, provides welfare together with safe and sound workplaces, and compensation compatible with similar businesses. The Company makes sure that all the basic benefits are available for all levels of employees e.g. buses, canteen, uniforms, annual physical check-up etc.

Additionally, the employees may participate in setting the Company objectives together with management so that they realise their own importance and know which direction the Company is aiming to.

■ Customers

The Company satisfies its customers by keeping its promises and delivering quality and punctual services under fair pricing; The Company shares views with their customers to foster maximum mutual interests and does not collude with competitors on prices.

■ Competitors

The Company observes free-market business competition, promotes free trade, observe rules in line with its code of conduct, and observes the law; The Company refrains from inappropriate behavior that could lead to the detriment of competitors.

■ Communities and Environment

The Company takes prudent business conduct most seriously while avoiding causing impacts on communities, society, and the environment through taking efficient measures - apart from strict observance of laws and regulations e.g. Department of Industrial Works, Ministry of Industry, pollution Control Department, Ministry of Natural Resources and Environment.

The Company also supports surrounding communities' activities e.g. giving scholarship for good students but financially handicapped, joining children day activities at the school within the community.

The Company has never been involved in such disputes in the year 2023.

Disclosure on Information and Transparency

The Company give importance to the disclosure of information and company information including financial information and news on the basis of correctness, completeness, consistency, and transparency of information. This is according to regulations set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Anybody can access to the information easily and equally. Details are as follows:

- The Company information is disclosed in annual report 2023 (form 56-1 one report) according to the regulation from by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- The Board of Directors is responsible for the validity and correctness of the financial statement and financial reports of the Company which is prepared according to the generally accepted accounting standard. The accounting policy is selected suitably to the business of the Company with consistency and due diligence. The financial statements must disclose sufficient important information in the annexes to the financial statements. The financial statements have to be certified by accounting auditor where the audit committee is responsible for the quality of the financial statements.
- The Company has to disclose any important information both in Thai and in English on the Company web site. The information has to be updated periodically.
- The Company has assigned the following persons to be responsible for communication with shareholders, investors including analysts and other concerning government institutions:
Miss Somsuan Khondon
Secretary Company
Tel : (66 2) 119 3235, 119 3200 #185
Fax : (66 2) 119 3233, 420 1827
E-mail : somsuank@thainam.com, somsuank@hotmail.com

Responsibilities of the Board of Directors

□ Structure of the Board of Director

- The Board of Directors consists of 9 persons. There are 4 directors who are executives and there are 2 directors who are not executives. Additionally, there are 3 independent directors and 3 appointed independent directors to be audit committee. The names are listed on page 50-51 of this annual report 2023 (form 56-1 one report).
- The selection process for the directors of the Company does not go through the selection committee because the selection committee has not been set up. However, the Board of Directors gives opportunity for any minority shareholder to nominate any suitable person according to become director as prescribed by regulations and guidelines from the Stock Exchange of Thailand. This information shall be informed to the shareholders through the information channel of the Stock Exchange of Thailand and on the Company web site.
- Each member of the Board of Directors is qualified and eligible to become the Company director as required by the Company, the Stock Exchange of Thailand and the law. The Board of Directors consists of group of people who have good education background, experience and abilities where they come from different backgrounds and occupations. This multi-disciplinary team of director is beneficial to the business of the Company.
- There are 3 independent directors in the Company or one-third of the total number of directors in the board as the set out by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

- The definition of independent director(s) as defined by the Company has met the minimum requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) in term of the number of shares hold by the independent director within the company. An Independent director shall not have more than 1 percent of the number of shares that can be voted.
 - Any high-ranking executive who is going to be elected to be a director in the subsidiary company has to be approved from the Board of Director.
 - This position provides advice on laws and regulations that the Board needs to be aware of, supervises Board activities, coordinates compliance with Board resolutions, and performs other responsibilities under the principles defined by securities and exchange laws. Additionally, the company secretary is a full-time employee.
- ❑ **The Sub-Committee**
- The Company Board of Directors has appointed a sub-committee to work on examination and scrutiny in some assignments as necessary in certain situation. Currently, there is only Audit Committee who is all independent directors.
- ❑ **Roles of the Board of Directors**
- The Board endorses and approves significant matters dealing with Company business, including vision, missions, strategy, financial goals and budget as well as the corporate governance apart from efficiently and effectively supervising the management's operation against plans.
 - The Board also ensures sound internal control system, internal audit system including efficient risk management and always follows up in the Board's meeting.
- ❑ **Corporate Governance Policy and Business Ethics**
- The Company performs its duty following the defined business ethics in order to communicate every employee to understand its standard performance of the Company as expected by its shareholders. The Board declares the business ethics among the shareholders, clients, employees, suppliers, competitors, society and the environment including the declaration of ethics to its employees so that the employees should follow and practice among themselves, the related persons, the organization and its society.
- ❑ **Items that may have conflict of interest**
- The Board, the management and it shareholders have considered and thoroughly organized system to get rid of the conflict of interest with trust and independency in the frame of good ethics as well as to completely disclose the information.
- ❑ **Internal Control and Risk Management**
- The Company has established, revise and develop the internal control system continuously. This includes financial control and monitoring process including the assessment of internal control system.
 - The board gives the importance on risk management. Each executive from each departmental function has to assess risk of each function and scope of work in order to make sure that all the risk assessments are all well covered. The organization has preventive measures and mechanism to handle risks.

❑ Board Meeting

- Each director may express their view and opinion independently. When the number of votes are equal, chairman of the board may exercise his right to vote arbitrarily.
- Chairman of the board will consider the agenda for the board meeting and each board member may add new agenda to the board meeting.
- The Company secretary will make an appointment for the board meeting where the agenda and meeting paper is enclosed 7 days prior the meeting date so that the directors have enough time to study.
- The board meeting reports which are approved by the board meeting are kept by the Company secretary and are readily investigated by any board member. The reports cannot be modified without the approval from the board meeting.
- In the year 2023, the Company scheduled the board meeting of 7 times. The number of meetings held in advance of the date time and place each year to each director can arrange their schedules to attend simultaneously.

❑ Directors' Remuneration

- Directors' remuneration is defined clear and transparent at the suitable rate with the resolution of the Annual Ordinary Shareholders' Meeting. Directors who are assigned as audit committee members also has additional remuneration at proportional rate.
- In the year 2023, the Company paid director's remuneration as declared in the annual report (form 56-1 one report).
- The Company has no remuneration committee. So, the performance assessment of Chief Executive Officer (CEO) or Managing Director each year is depended on the Board of Directors' duty to make the decision under the condition that CEO or Managing Director is not present in the meeting.

❑ Training and Development for Directors and Executives

- The Company has policy to promote and support the Directors to develop knowledge by attending the Directors training course at the Thailand Institute of Directors (IOD) and other training courses to increase awareness of their roles and to give knowledge about the business of the Company.
- Additionally, the Company also promote its executives and related person to develop their knowledge such as the Company secretary, the internal audit officer etc by always supporting them to attain the related courses in order to increase their knowledge and other new technology.

❑ Succession Plan

- The company has planned for the succession of work by appointing the personnel who have knowledge, competency and experience to take a position of the top executive that can succeed to the company's management appropriately in the future.

6.2 Business Ethics

The board of directors have determined the following business ethics as a practice guideline for executives and employees to allow the appropriate implementations of the Company.

To Shareholders

1. Perform duties with honesty, transparency, and impartiality towards shareholders for the Company's greatest benefits.
2. Manage with skills, expertise, and the determination to develop the Company's business with stability and generate appropriate returns to shareholders.
3. Protect the Company's interests and assets by avoiding unjustified exploitation, whether direct or indirect.
4. Report on the Company's performance accurately, truthfully, and constantly.
5. Avoid disclosing Company secrets or exploiting such information for the benefit of oneself or of other persons, as well as avoid seeking out any benefits from one's position and duties.
6. Eliminate conflicts of interest and disclose information in its entirety.
7. Respect ownership rights and treat shareholders equally.

To Customers

1. Treat customers with honesty and fairness, as well as disclose information regarding products and services to customers.
2. Adhere to binding covenants with customers and treat customers with kindness.
3. Respond to customer complaints quickly, attentively, and impartially.
4. Safeguard customer's trade secrets.
5. Provide standardized goods and services, as well as develop and devise innovations to continuously enhance goods and services value.

To Employees

1. Treat all employees with courteousness and regards to human dignity and rights.
2. Maintain a working environment that is safe for the lives, health, and properties of employees.
3. Encourage and support the skill and knowledge development of all employees through trainings as well as create a stable work environment and opportunities for progress based on each employee's potential.
4. Provide fair and appropriate compensation based on knowledge, ability, and the performance of each employee.
5. Strictly comply with laws and regulations related to the labor law.

To Partners and/or Creditors

1. Avoid soliciting, accepting, or giving unlawful benefits to partners and/or creditors.
2. Adhere to agreements and covenants with partners and/or creditors with vigil. In the event of the inability to adhere to agreements and covenants, partners and/or creditors must be informed promptly so as to jointly consider solutions.
3. Create mutual relations and understanding.
4. Exchange information and knowledge to co-develop goods and services with added value.

To Competitors

1. Act and operate within the laws and encourage fair competition.
2. Avoid seeking competitor secrets through unethical or illegal means.
3. Avoid unfair actions or tainting the reputation of competitors through untruthful accusations or slander.

To the Society and the Environment

1. Avoid actions that damages the country's reputation, natural resources, environment, and society.
2. Encourage and support community and social activities that benefits the society.
3. Cultivate a continuous and serious sense of duty toward the community and society among employees at all levels.

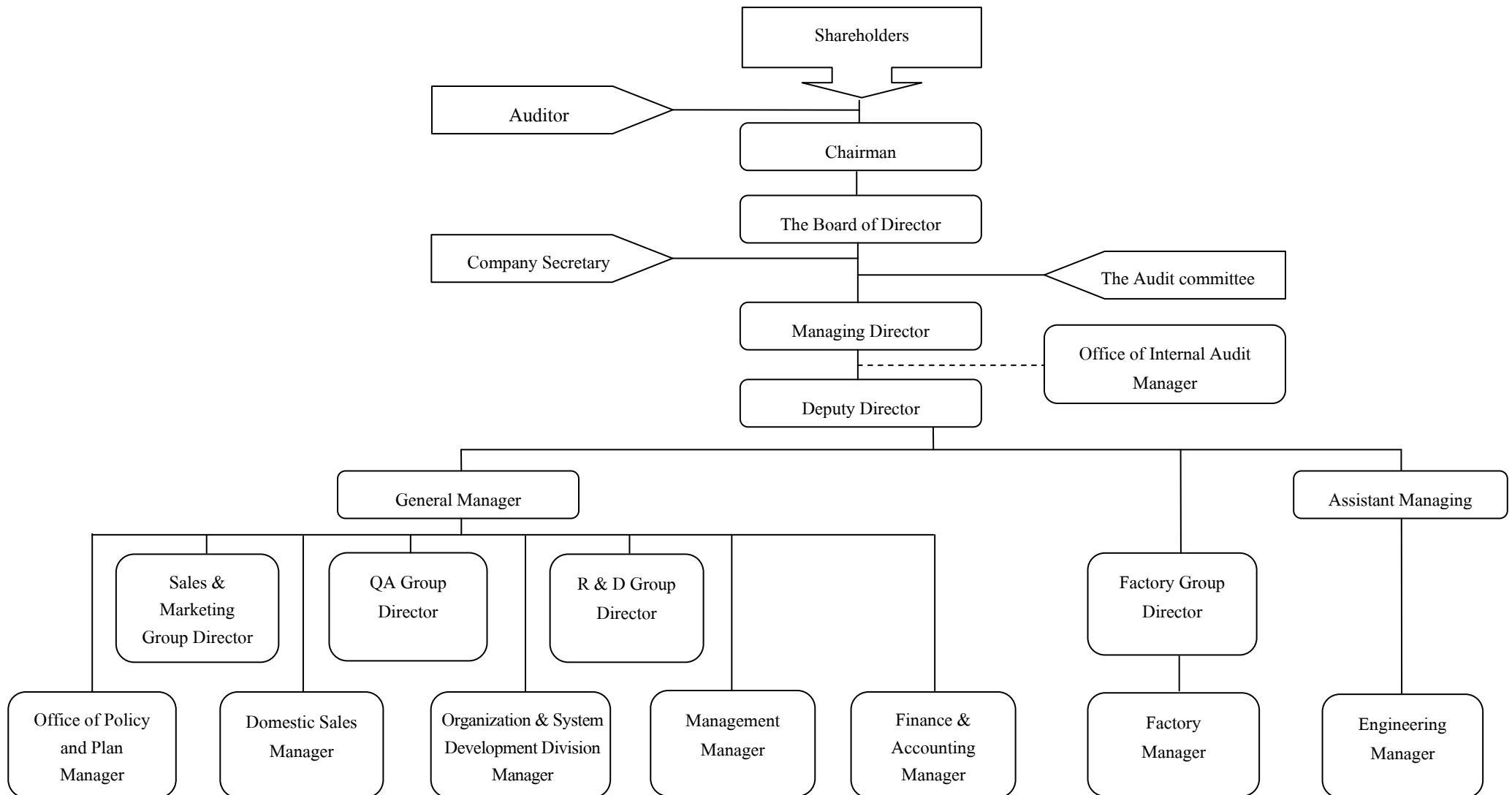
6.3 Significant Changes and Developments in Policies, Practices and Corporate Governance Systems in the Past Year

In the past year of 2023, the Company has employed good corporate governance practices as a guideline for work management and operations. The board of directors is responsible for considering the good corporate governance policy and supervising operations in accordance to set policies. The act of monitoring and ensuring that business operations comply with policies are the duties and responsibilities of the board of directors. In 2023, it is found that all employees within the organization strictly complies with the good corporate governance policy and business ethics.

7. Governance Structure and key Information about the Boards, Sub-committees, management, Employees and Others

7.1 Management Structure

Management structure of the Company as of 31st December 2023 as follows:



7.2 Board of Directors

The board of directors shall determine the Company's vision, important policies, and strategies as well as the direction of the Company's operations, supervise the management to perform effectively in accordance with the established policies and report the performance to the board of directors for acknowledgment in order to maximize the benefits of the Company and shareholders. As of 31 December 2023, the board of directors has a total of 9 members, consisting of

- ☐ Executive Directors 4 persons
- ☐ Non- Executive Directors 5 persons, which are as follows:
 - Independent Directors 3 persons (account for one-third of Board members)
 - Non-managing Directors 2 persons

Name		Position
1. Mrs. Siriphorn	Mangkornkarn	Chairman and Acting Managing Director
2. Mr. Kong	Mangkornkarn	Executive Director
3. Miss Piyatida	Mangkornkarn	Executive Director
4. Mr. Kritasorn	Mangkornkarn	Executive Director
5. Mr. Thawat	Treewanakul	Director
6. Mr. Chaiyanandh	Lapitananuvat	Director
7. Mr. Vorathep	Vithayaviroj	Chairman of the Audit Committee and Independent Director
8. Mr. Peesak	Prapaiporn	Independent Director and Member of the Audit Committee
9. Mr. Wutipong	Vechayanon	Independent Director and Member of the Audit Committee

Remark The Board of Director's profile appears in Attachment 1

Definition of Board of Directors

Executive Directors	Means :	The directors who had a position in the management and are involved in day-to-day operations of the organization.
Non- Executive Directors	Means :	The directors who do not hold a position in the management, may or may not be an independent director, and are not involved in day-to-day operations of the organization.
Independent Directors	Means :	Independent directors or outside directors who are not engaged in day-to-day management of the organization and are not major shareholders, Furthermore, Independent directors must have no such connection with a major shareholder, group of major shareholders, or other stakeholders.

The Company's Board of Directors consists of 9 persons:



Mrs. Siriphorn Mangkornkarn
Chairman and Acting Managing Director



Mr. Kong Mangkornkarn
Executive Director



Miss Piyatida Mangkornkan
Executive Director



Mr. Kritasorn Mangkornkarn
Executive Director



Mr. Thawat Treewannakul
Director



Mr. Chaiyanandh Lapitananuvat
Director



Mr. Vorathep Vithayaviroj
Chairman of the Audit Committee
And Independent Director



Mr. Peesak Prapaiporn
Independent Director and
Member of the Audit Committee



Mr. Wutipong Vechayanon
Independent Director and
Member of the Audit Committee

Scope of Duties & Responsibilities of the Board of Directors

1. Responsible for supervising all activities of the Company within the scope of the law.
2. Appoint one or more directors or any person to be the manager, managing director, and director of operations. They shall be under the control of the board of directors, who shall delegate any authority of the board of directors to the managing director, manager, director, and/or other persons in exercising their assigned authorities.
3. Authorized to remove, revoke, or change a manager, managing director, managing director of the Company's employees, or authorized persons to leave the position and/or amend that power after it is considered that such individual is not suitable to manage the business of the Company.
4. Authorized to sell or mortgage any immovable property of the Company or lease any real estate of the Company for more than three years or fewer, and/or to give for the benefit of the Company's business.
5. Determine salary, pension or bonuses, and other benefits for employees of the Company.
6. Appoint a lawyer or be a party in civil and criminal cases, and/or bankruptcy cases in relation to the business or the interests of the Company.
7. Establish rules regarding employees and operations of the Company.
8. Determine interim dividends to shareholders.
9. Select a person who has qualifications and does not have any prohibited characteristics according to the law on public limited companies to serve as a director and replace directorship vacancy due to reasons other than retirement by rotation.
10. Elect a number of directors as deemed appropriate to be members of the executive committee.

Appointment of Directors

To appoint the Company's directors, it shall be followed by the resolution of the shareholders' meeting according to the following principles and methods:

- (1) One shareholder shall have one vote for each share.
- (2) By electing the director, each shareholder shall vote all his votes (According to Item 1.) by voting for one or more director(s). This is according to resolution from the shareholders' meeting. However, by each voting, each shareholder shall vote all his votes and shall not give or separate his vote to certain person unequally.
- (3) By voting to appoint the directors, the persons who will be voted to be director shall have majority votes. The person who receive highest votes respectively shall be elected to be directors of which the number of the directors shall be equal to the number of directors available in that election. In case that the next elected persons, having the same number of votes, are more than the number of available directors in that election, the arbitration will be given by the Chairman of the meeting.

Additionally, in case that the position of director is vacant because of other reasons with the exception of periodical resignation, the appointment of the director can be resolved by the resolution from Company directors with votes not less than $\frac{3}{4}$ from the number of available directors. Directors shall elect appropriate persons to be replaceable directors in the next meeting with the exception that the period of directors is less than 2 months. Besides, the persons who are entitled to be the replaceable directors shall be entitled to be the directors only within the remaining period of the previous directors.

7.3 Audit Committee

The board of directors has appointed members of the audit committee of the Company. Such members are non-executive directors and are independent directors. The term of office is 3 years. As of 31 December 2023, the audit committee is consisting of:

	<u>Names</u>	<u>Position</u>
1.	Mr. Vorathep Vithayaviroj	Chairman of the Audit Committee
2.	Mr. Peesak Prapaiporn	Member of the Audit Committee
3.	Mr. Wutipong Vechayanon	Member of the Audit Committee
4.	Mr. Chairroj Kongsiripanich	Secretary of the Audit Committee

Scope of Duties and Responsibilities of Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate the Company's independent auditors and set their fee giving consideration to reliability and adequacy of resources, and amount of audit work by such independent auditors, including experiences of personnel assigned to audit the Company's accounts as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To prepare, and to disclose in the annual report (56-1 one report form), an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (1) an opinion on the accuracy, completeness and creditability of the Company's financial report;
 - (2) an opinion on the adequacy, of the Company's internal control system;
 - (3) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business;
 - (4) an opinion on the suitability of a auditor;
 - (5) an opinion on the transactions that may lead to conflicts of interests;
 - (6) the number of the audit committee meetings, and the attendance of such meetings by each committee member
 - (7) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter;
 - (8) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.

7. To perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee.
8. To report its performance of the audit committee to the Board of Directors at least once a quarter.
9. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts which may materially effect the Company's financial condition and operating results, the audit committee shall report it to the Board of Directors for rectification within the period of time that the audit committee thinks fit:
 - (a) a transaction which causes a conflict of interest;
 - (b) any fraud, irregularity, or material defect in an internal control system ; or
 - (c) an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

If the Board of Directors or its management does not rectify within the determined period, any member of the audit committee may report the transaction or any of the above-mentioned acts to the Securities Exchange Commission or the Stock Exchange of Thailand.

10. In order to let the audit committee act its duties through its objectives, the audit committee shall have the following powers:
 - (a) The power relating to the management;

The audit committee shall have its power to invite the management, chief of the unit or concerned employees for any meetings, declaration, giving an opinion or delivery the related and necessary documents.
 - (b) The power relating to the internal auditor;
 1. to co-ordinate and set the good understandings between the external auditors, the Board of Directors and the internal audit unit.
 2. to give an opinion to appoint, transfer, dismiss and propose the remuneration of chief of the internal audit unit.
 3. to guarantee the independence of the internal auditor.
 4. to determine the acts of internal audit unit under the governance and direct control of the audit committee.
 - (c) The power relating to the external auditor;
 1. to review and appraise the performance of the external auditor.
 2. to recommend the names of the external auditors as well as the annually auditing remuneration for the annual general shareholders' meeting's consideration.
 3. to determine other service fees and advisory fees of the external auditors.
 4. whenever receiving the facts from the external auditors regarding doubtful behavior of Managing Director or concerned persons in doing faults, the audit committee shall report the initial investigation to the Securities Exchange Commission and the external auditors within 30 (thirty) days since the information date.

If the audit committee does not perform as the external auditors indicate, the external auditors shall inform to the Securities Exchange Commission.

- (d) Powers in other area;

The audit committee has the power to investigate concerned persons in the scope of its duties and responsibilities as well as to employ independent professional advisors when necessary. In this regard, various departments are required to perform their relation to the audit committee.

7.4 Top Management

The Management as of 31 December 2023 as follows:

Names			Position	Number of Shares Hold	
				31 Dec 2022	31 Dec 2023
1	Mrs. Siriphorn	Mangkornkarn	Acting Managing Director	9,210,714	9,210,714
2	Mr. Kong	Mangkornkarn	Executive Director	12,943,882	12,943,882
3	Miss. Piyatida	Mangkornkarn	Executive Director	13,089,536	13,089,536
4	Mr. Kritasorn	Mangkornkarn	Executive Director	14,367,947	14,367,947
5	Mr. Viroat	Anantachotkakul	Assistant Managing Director	-	-
6	Mr. Pranot	Kotchabhakdi	Sales & Marketing Group Director	-	-
7	Mr. Suriya	Ruangsamret	QA Group Director	-	-
8	Mr. Hemsuwan	Padcha	Factory Group Director	-	-
9	Miss Kanjana	Boonyuenvitaya	R&D Group Director	-	-
10	Mr. Somchai	Phaophongthai	Manager Finance and Accounting	-	-

Remark The Management's profile appears in Attachment 1

Remuneration of the Management

In 2023, the remuneration for the Management consists of 10 executive directors and top managements totaling of 34.89 million baht, divided into the following forms of compensation:

- ☐ Forms of remuneration : Salary and Bonus.
- ☐ Other form of remuneration : Insurance, Health Insurance, Contribution to provident fund and Social security fund and Employee Benefits.

7.5 The Company Personnel

The number of employees and their compensation as of 31 December 2023 are as follows:

- ☐ The Company has a total of 554 employees, grouped by main line of work as follows:

<u>Main Line</u>	<u>Number of Employees</u>	<u>Compensation</u>
Production Department	343 People	108.38 Million Baht
Sales Department	20 People	16.53 Million Baht
Technical Research/Development Group	20 People	9.65 Million Baht
Quality Assurance Group	22 People	10.45 Million Baht
Logistics Coordinator	8 People	2.74 Million Baht
Production Planning Department	8 People	4.02 Million Baht
Administrative Department	74 People	24.76 Million Baht
Organization & System Development Department	20 People	12.66 Million Baht
Administrative Office	20 People	32.22 Million Baht
Accounting and Finance	19 People	10.76 Million Baht

- ☐ Total employee compensation is 232.17 million baht, divided into
- Total salary, wages, and bonuses, with the amount of 213.15 million baht.
 - Other compensation includes insurance and health insurance, provident fund contributions, contributions to the Compensation Fund and Social Security, and employee welfare in the total amount of 19.02 million baht.

The Company's Employee Development Policy

The Company and its subsidiaries place importance on the development of employees, which is considered a valuable resource of the Company, in order to develop the potential and ability of employees and to increase operational efficiency leading to the stability and sustainability of the organization as follows:

1. Provide employees with on-site and off-site training to develop skills and enhance their knowledge, as well as various technical developments in operation.
2. Encourage employees to be loyal to the organization for the sake of the common good, as well as enhance unity among employees at all levels.
3. Support employees to receive appropriate compensation and benefits for a better quality of life.
4. Provide a hygienic working environment for employees to have good physical and mental health.

7.6 Other Important Information

Secretary Company

The board of directors has resolved to appoint Miss Somchuan Khondon to serve as the Company's secretary as of 11 May 2010. The Company's secretary must perform duties as prescribed in Section 89/15 and 89/16 of the Securities Act (No. 4) B.E. 2551 which came into effect on 31 August 2008 with responsibility, caution, and honesty, as well as complying with the law, objectives, and the Company's regulations, the board of directors' resolutions, as well as the resolutions of the shareholders' meeting.

In this regard, the Company secretary has passed the Company Secretary Program (CSP), Effective Minute Taking (EMT) and Anti-Corruption: The Practical Guide (ACPG) training courses from the Thai Institute of Directors Association (IOD). The Company secretary has legal responsibilities as follows:

1. Formulate and archive directors' registers.
2. Formulate and archive notices for the board of directors' meetings, board of directors' meeting minutes, and the Company's annual reports.
3. Formulate and archive invitations for shareholders' meetings and shareholders' meeting minutes.
4. Archive reports on interests of directors/executives and submit a copy of the reports of interests under Section 89/14 to the Chairman/Chairman of the Audit Committee within 7 working days from the date of receiving the reports.
5. Other actions in accordance with the Capital Market Supervisory Board's announcements.

Biography and qualifications of the Company secretary are described in Attachment 1.

Accounting Supervisor

The Company has assigned Mr. Somchai Paopongthai, the accounting and finance manager, to be directly responsible for the supervision of the Company's accounting. The history and qualifications of the accounting supervisor are described in Attachment 1.

Investor Relations

The Company has assigned the Company Secretary to be responsible for investor relations to communicate and provide information of the Company to shareholders, investors, analysts, and related persons to receive accurate and complete information. Contact information is as follows:

Miss Somsuan Khondon

Secretary Company

Tel : (66 2) 119 3235, (66 2) 119 3200

Fax : (66 2) 119 3235, (66 2) 119 3200

E-mail : somsuank@thainam.com, somsuank@hotmail.com

Auditors and Remuneration of Auditors☐ Remuneration of Auditor

In the year 2023, auditing fee provided by the Company and its subsidiary companies was as follows:

The Company	Auditors	2023 (Baht)	2022 (Baht)
<input type="checkbox"/> Thai Nam Plastic Public Company Limited	Miss Techinee Pornpenpob Dharmniti Auditing Co.,Ltd.	1,182,500	1,170,000
<input type="checkbox"/> Subsidiary Companies:			
Taweewattana Logistics Company Limited	Miss Techinee Pornpenpob Dharmniti Auditing Co.,Ltd.	-	85,000
Thai Nam Automotive Performance Company Limited	Miss Techinee Pornpenpob Dharmniti Auditing Co.,Ltd.	-	255,000
TNV Plastics (Proprietary) Limited	Miss Techinee Pornpenpob Dharmniti Auditing Co.,Ltd.	212,500	210,000
Total		1,395,000	1,720,000

The Auditor had no relationship or conflict of interest with the company/affiliated companies/executives/major shareholders or any persons related to such persons. Thus, they were independent in auditing and commenting on the company's financial statements.

☐ Other Fee - None -

8. Report on Key Performance in Corporate Governance

8.1 The board of director's performance summary in the past year

In the year 2023, the Board of Directors of the Company outlined key policies, strategies, and operational directions, ensuring efficient management oversight in line with the established policies. This was amid an improving economic situation compared to the preceding year, following the mitigated impact of the COVID-19 pandemic and the gradual easing of tensions between Russia and Ukraine. As a result, oil prices, raw material costs, and transportation expenses began to decrease. The Company conducted its operations with meticulous caution in all aspects to maximize benefits for the Company.

8.1.1 Nomination, development, and evaluation of the board of directors' performance

Nomination of the Board of Directors

The board of directors will consider and nominate a qualified person who should be elected as a director to the board of directors. They shall consider and propose them to the shareholders' meeting for consideration. Directors will be elected by holding the majority vote of the shareholders attending the meeting. In the event that a director's position becomes vacant for reasons other than the expiration of the term, the board of directors will select a qualified person to be a replacement director at the next board of directors meeting, unless the remaining term of the board of directors is less than 2 months, in which case the person replacing such director will be able to hold office only for as long as the remaining term of the replaced director.

Nomination of Independent Directors

The board of directors will consider and nominate a qualified person who should be elected as an independent director, as well as consider and propose to the shareholders' meeting to consider and elect independent directors. The independent directors shall have qualifications related to their independence as announced by the Capital Market Supervisory Board and the Securities and Exchange Commission. They shall be capable of taking care of the interests of all shareholders equally and not causing conflicts of interest. They shall be independent from management and allowed to attend the board of directors' meetings to provide independent opinions. The qualifications of independent directors are as follows:

- (a) Holding no more than 1 percent of the total number of shares with voting rights of the company, parent company, subsidiary company, associated company, or juristic person that may have conflicts of interest. This shall include the shareholding of those related to that independent director as well.
- (b) Not being or used to be a director who is a member of the management, employee, staff, advisor who receives a regular salary, or controlling person of a company, parent company, subsidiary company, associated company, subsidiary of the same level, or juristic persons that may have conflicts, unless they have been discharged from the foregoing examples for no less than two years prior to the date of appointment.
- (c) Not being a person who has a blood relation or has a legal registration in the form of father, mother, spouse, siblings and children, and spouses of the children of the executives, major shareholders, controlling persons of the Company, persons nominated to be executives or controlling persons of the Company or subsidiaries.

- (d) Not having or used to have a business relationship with the Company, parent company, subsidiary company, associated company or juristic person that may have conflicts of interest in a manner that may impede the exercise of one's independent judgment. They shall also not be or having been a major shareholder, directors who are not independent directors, or executive of persons having business relationship with the Company, parent company, subsidiary company, associated company or juristic person who may have conflicts of interest, unless they have been discharged from the foregoing examples for no less than two years prior to the date of appointment.

Business relationships as per clause one includes ordinary transactions for business operations; renting or leasing out real estates; making transactions related to securities or services, giving or receiving financial assistance by accepting, lending, guaranteeing, or providing securities as collateral for liabilities; and other similar actions which result in the Company or the contracting party having a debt obligation towards the other party of at least 3 percent of the Company's net tangible securities or at least 20 million Baht, whichever of the lower value. The calculation of such debts shall be in accordance with the connected transactions' value calculation as announced by the Office of the Securities and Exchange Commission's regarding the disclosure and operations of listed companies in connected transactions with mutatis mutandis. Nevertheless, such debts shall include debt obligations incurred during 1 year prior to the date of business relationship with the same persons.

- (e) Not being or used to be an auditor of the Company, parent company, subsidiary company, associated company, juristic persons with possible conflicts of interest; and must not be major shareholders, non-independent directors, executives, or managing partners of an audit firm with an affiliated auditor of the Company, parent company, subsidiary company, associated company, or juristic persons with possible conflicts of interest unless such characteristics have been vacated for no less than 2 years prior to being appointed.
- (f) Not being or used to be a provider of professional services, including serving as a legal or financial advisor receiving an annual salary of more than 2 million Baht from the Company, parent company, subsidiary company, associated company, or juristic persons with possible conflicts of interest. In case such professional services provider is a juristic person, the prohibition shall also encompass being major shareholders, non-independent directors, executives, or managing partners of such professional services providers unless such characteristics have been vacated for no less than 2 years prior to being appointed.
- (g) Not being a director who has been appointed to represent the Company's directors, major shareholders, or shareholders who are related to major shareholders.
- (h) Not having any other characteristics that cause the inability to express independent opinions regarding the Company's operations.

After being appointed as an independent director with the qualifications in accordance with clause 1 (a) to (h), the independent director may be assigned by the board of directors to make judgments on business operations of the Company, parent company, subsidiary company, associated company, subsidiary companies of the same tier, or juristic persons with possible conflicts of interest; where the decision may be made in the form of a collective decision.

“Executive Directors” refer to directors serving as executives, directors with responsibilities akin to executives, and directors with signatory authority; except for signatories that can be proven as signatories of the list as approved by the board and joint signatories with other directors.

Nomination of the Company's Top Executives

The nomination of the Company's top executives will be considered by the executives where candidates will be nominated in accordance to their qualifications and experiences adequate to serve as a top executive of the Company. Persons considered as qualified will be further considered by the board of directors for appointment. The board of directors will consider persons with complete qualifications, having expertise, skills, experience, and understanding in the Company's business operations in order to effectively and successfully achieve objectives as per policies and goals as set by the board of directors.

8.1.2 Meeting Attendance and Remuneration of Individual Committees

Board Meeting Attendance

In 2023, the Company held 7 board of directors' meetings and 1 shareholders' meeting. Details of the board directors' attendance in each meeting are as follows:

Name	Position	Meeting and attending meeting	
		Board of Directors' Meeting	General Meeting of Shareholders
1. Mrs. Siriphorn Mangkornkarn	Chairman and Acting Managing Director	7/7	1/1
2. Mr. Kong Mangkornkarn	Executive Director	7/7	1/1
3. Miss Piyatida Mangkornkarn	Executive Director	7/7	1/1
4. Mr. Kritasorn Mangkornkarn	Executive Director	7/7	1/1
5. Mr. Thawat Treewannakul	Director	7/7	1/1
6. Mr. Chaiyanandh Lapitananuvut	Director	7/7	1/1
7. Mr. Vorathep Vithayaviroj	Independent Director and Chairman of the Audit Committee	7/7	1/1
8. Mr. Peesak Prapaiporn	Independent Director and Member of the Audit Committee	7/7	1/1
9. Mr. Wutipong Vechayanon	Independent Director and Member of the Audit Committee	7/7	1/1

Directors' Remuneration

The Company has fairly and logically set the remuneration of Company directors. The rate is set appropriately with the responsibilities of directors. The General Meeting of Shareholders in the year 2023 on 28 April 2023 has resolved to approve the remuneration of directors as follows:

<u>Director</u>	<u>Remuneration Rate</u>
- Non-Executive Director	20,000 Baht/person/month
- Chairman of Audit Committee	20,000 Baht/month
- Member of Audit Committee	10,000 Baht/person/month

The individual remuneration of the board of directors in 2023 are as follows:

Name	Position	Remuneration (Baht)		
		Directors	Audit Committee	Total
1. Mrs. Siriphorn Mangkornkarn	Chairman	-	-	-
2. Mr. Kong Mangkornkarn	Executive Director	-	-	-
3. Miss Piyatida Mangkornkan	Executive Director	-	-	-
4. Mr. Kritasorn Mangkornkarn	Executive Director	-	-	-
5. Mr. Thawat Treewannakul	Director	240,000	-	240,000
6. Mr. Chaiyanandh Lapitananuvat	Director	240,000	-	240,000
7. Mr. Vorathep Vithayaviroj	Chairman of the Audit Committee and Independent Director	240,000	240,000	480,000
8. Mr. Peesak Prapaiporn	Independent Director and Member of the Audit Committee	240,000	120,000	360,000
9. Mr. Wutipong Vechayanon	Independent Director and Member of the Audit Committee	240,000	120,000	360,000
Total		1,200,000	480,000	1,680,000

In this regarding, Mrs. Siriphorn Mangkornkarn, Mr. Kong Mangkornkarn, Ms. Piyatida Mangkornkarn, and Mr. Kritasorn Mangkornkarn are executive directors receiving remuneration as top executives of the Company.

8.1.3 Subsidiary Supervision

The Company has policies to supervise subsidiaries in the same way as the Company, the management is the same as the Company. The subsidiaries' board of directors are as follows:

☐ Taweewattana Logistics Company Limited

	<u>Name</u>	<u>Position</u>
1.	Mrs. Siriphorn Mangkornkarn	Managing Director
2.	Miss Piyatida Mangkornkarn	Executive Director

☐ Thai Nam Automotive Performance Company Limited

	<u>Name</u>	<u>Position</u>
1.	Mrs. Siriphorn Mangkornkarn	Managing Director
2.	Mr. Kong Mangkornkarn	Executive Director
3.	Mr. Kritasorn Mangkornkarn	Executive Director

☐ TNV Plastics (Proprietary) Limited

	<u>Name</u>	<u>Position</u>
1.	Mr. Kong Mangkornkarn	Managing Director
2.	Miss Piyatida Mangkornkarn	Executive Director

8.1.4 Monitoring to Ensure Compliance with Corporate Governance Policies and Guidelines

The Company prioritizes good corporate governance practices, by setting Corporate Governance, Business Ethics, and Employee Code of Conduct. Furthermore, the Company encourages the actual practice of such principles to instill confidence for all groups of stakeholders. In 2023, the Company has monitored good corporate governance practices to cover all relevant aspects, as well as monitoring to encourage the practice of good corporate governance as follows:

Prevention of Conflicts of Interest

The Company has set up policies for a transparent and auditable business operation. In 2023, the Company has audited transactions of possible conflicts of interest and found none related to directors, executives, and employees of the Company.

Exploitation of Internal Information

The Company has set up policies to supervise the exploitation of internal information by prohibiting directors and executives from exploiting undisclosed important information for personal benefit or for the benefit of other persons, as well as trading Company securities. In 2023, the Company has supervised the use of internal information to be in accordance with good corporate governance practices and found no directors and executives trading Company securities during periods set by the Company. The Company has set up policies regarding the use of internal information among directors and executives as follows:

1. Inform directors and executives regarding disclosing changes in Company securities of oneself, spouse, and underaged children to the SEC Office in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from change. Such matter shall be reported to the Company's secretary for acknowledgement and for the summarization of individual securities holdings among directors and executives as to enable the Company to audit the trade of securities of all directors and executives. Furthermore, directors and executives have been informed of penalties under Section 275 of the Securities and Exchange Act B.E. 2535
2. The Company has regulations prohibiting directors, executives, and employees from disclosing financial or other information that affects the Company's securities price to third parties. The Company also prohibits trading in the Company's securities during 1 month before the disclosure of financial statements or inside information are disclosed to investors. Failure to comply with such requirements is considered a violation of the Company's discipline and with subject to disciplinary action.

The Company has facilitated the accurate, complete, and timely disclosure of financial and other information in accordance with the disclosure criteria of the SEC and the Stock Exchange of Thailand. Such measure is to build confidence for shareholders and investors as well as all groups of the Company's stakeholders through communication channels of the Stock Exchange of Thailand and the Company's website.

Anti-corruption

The board of directors realizes and prioritizes good corporate governance practices. The Company has set a policy to conduct business with responsibility, transparency, equality and fairness to stakeholders. Anti-corruption policies have been determined as an important topic in the Business Ethics and Work Practices Manual as a practice guideline for directors, executives, and employees of the Company. The Company, additionally, has promoted tangible anti-corruption acts where directors, executives, and employees of the Company are required to strictly comply with anti-corruption policies, not be affiliated with all forms of corrupt acts, not privately accepting money or rewards from customers, business partners/creditors, or third parties in transactions related to the Company's operations. Moreover, directors, executives, and employees of the Company are to refrain from accepting gifts from customers, business partners/creditors or third parties except for the case of traditional givings. where the value of such items must not exceed appropriate thresholds. If employees are unsure, advice may be sought from the next superior.

The Company has, additionally, researched and received training for the consideration of attending the Private Sector Collective Action Coalition Against Corruption.

Whistleblowing and Complaints

The Company has arranged for measures to handle whistleblowing and complaints regarding behaviors in violation of the law and business ethics acts of corruption conducted by directors, executives, and employees of the Company. The channels available for employees and stakeholders for filing complaints and whistleblowing to the Company are as follows:

1. Chairman of the Audit Committee

Contact Address

Thai Nam Plastic Public Company Limited

40 Moo 7, Petchakasem Road, K.M. 23, Omnoi, Amphur Kratumban, Samutsakorn Province 74130

Tel : (66 2) 119 3230

Fax : (66 2) 119 3233, 420 5055, 420 1827

2. Secretary Company

Contact Address

40 Moo 7, Petchakasem Road, K.M. 23, Omnoi, Amphur Kratumban, Samutsakorn Province 74130

Tel : (66 2) 119 3235, 119 3200 # 185

Fax : (66 2) 119 3233, 420 5055, 420 1827

E-mail address : somsuank@thainam.com

The Company has measures of maintaining confidentiality to protect the rights of complainants and whistleblowers. Names, address, and any identifying information of the complainants and whistleblowers will be kept confidential. Access to such information are limited to persons responsible for investigating. In the year 2023, the Company has not received complaints or whistleblowing regarding behaviors in violation of the law and business ethics or acts of corruption.

8.2 Report of the Performance of the Audit Committee in the Past Year

The Company's audit committee comprises of 3 independent directors with characteristics as per the Securities and Exchange Commission's (SEC) regulations. Members of the audit committee must additionally be qualified, proficient, and experienced in management, accounting and finance, as well as legal matters. In the year 2023, the audit committee has performed duties within the authority and responsibilities as assigned by the board of directors in accordance to the Audit Committee Charter.

In the year 2023, the Company's audit committee has held 5 meetings of the audit committee and has provided regular quarterly reports on the performance and financial status of the Company and subsidiaries to the board of directors. The consideration for quarterly budget approvals are held in joint meetings with the certified public accountant and internal auditor for acknowledgement of operation results, observations, and operation hindrances. The audit committee are independently allowed to report on, express opinions, and provide suggestions to the board of directors. In the year 2023, the audit committee's holding and attendance of meetings of the audit committee are as follows:

Names	Position	Meeting of the Audit Committee	
		Number of meetings attended	Number of meetings held
1. Mr. Vorathep Vithayaviroj	Chairman of the Audit Committee	5	5
2. Mr. Peesak Prapaiporn	Member of the Audit Committee	5	5
3. Mr. Wutipong Vechayanon	Member of the Audit Committee	5	5
4. Mr. Chairroj Kongsiripanich	Secretary to the Audit Committee	5	5

9. Internal Control and Connected Transactions

9.1 Internal Control and the Internal Audit

The Board of Directors have given the importance for the internal control continuously by this has made to review and develop the internal control system for both the financial controlling system, the operation and the supervision of working including the evaluation of the efficiency of the internal controlling system of the company and subsidiary companies in order to have the confidence that the internal controlling system that has determined to have the evaluation of the sufficiency and the suitability of the internal controlling system by this will hold the principle of the good internal controlling of the Company with 5 main components as follows:

1. The control environment

The Company will contribute and support to create the environment to facilitate for the internal controlling system to operate according to the intention for both the setting of the organizational structure, the determination of the duty and the responsibility, the determination of the policy and the regulation as the written document.

2. The risk assessment

The Company has set to have the risk management system, the evaluation of the risk from external factors and the risk from internal factors that is the period for reviewing and adjusting the strategy in the business operation.

3. Control activities

The Company has set to have the activity for the internal control that has the clearness and the suitability for having the confidence of the accounting information, the information technology and the report of the company correctly and completely. This has the determination of the authority for the approval and this has the level of the approval for the suitable transaction by this has the determination of the method to protect and search for the lost of the property. And this has the practice according to the law and related regulations correctly and completely.

4. The information technology system and the communication

The company has given the importance for the information technology system and the communication of the information by this has set to have the information technology system and the system of the communication of the information that has developed the information technology system and has adjusted to keep pace with the situation all the time.

5. The monitoring system of following up an evaluating (Monitoring)

The Company has the following up of the operating result continuously. By this has set to have the process of following up and evaluating the target according to the company has placed in order to have the confidence that the system of the internal controlling has operated continuously and this has adjusted to solve to conform with the changing situation including this has reviewed the report related to the system of the internal controlling from the auditor and the internal auditor periodically.

In the year 2023, the Company had the system of the internal controlling that was enough and suitable for the business operation. This had the practice according to the procedure and the placing regulation. This hadn't found the mistake related to the system of the internal controlling that was the important content.

Chief of Internal Audit

The Audit Committee had appointed Mr. Chairaj Kongsiripanich to take the position of the Office of Internal Audit Manager of the Company due to he had the degree in accounting and he was the auditor who had been permitted to have experiences in auditing of accounting for a long time and he had understood the business operation of the Company well. This should be agreed that he had the capacity to operate this mentioned role suitably. He had the efficiency suitably and completely.

In order that, The consideration to approve to appoint, demote and remove of the person who was in the position of the Office of Internal Audit Manager of the company. This might have received the resolution from the audit committee. The Qualifications of Mr. Chairaj Kongsiripanich Office of Internal Audit Manager appears in Attachment 3.

9.2 Related Parties Transactions

Details of transactions between the Company and subsidiary companies would be appeared in notes of financial statements, No. 5, The subject of business transactions with persons or related businesses. And the Company had transactions with related companies by mentioned transactions would be normal business operations of the Company by holding of market prices or according to the agreeable contract.

Part 3
Financial Statements in 2023

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Thai Nam Plastic Public Company Limited

Opinion

I have audited the consolidated financial statements of Thai Nam Plastic Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of Thai Nam Plastic Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Thai Nam Plastic Public Company Limited and its subsidiaries as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Thai Nam Plastic Public Company Limited as at December 31, 2023, and its financial performance and its 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 describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants 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.

Material Uncertainty Related to Going Concern

I draw attention to Note 1.3.1 the subsidiary had current liabilities higher than current assets and capital deficiency loss in significant amount. The main reason is from consecutive operating loss. Such factor casts significant uncertainties and doubts on the ability to continue as a going concern of such subsidiary. I have not expressed a qualified opinion on this matter.

Key Audit Matters

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

- Allowance for the decline in value of inventory

As at December 31, 2023, the Group and Company had inventories in the statement of financial position of 585.29 Baht million and 492.53 Baht million, respectively, or 45.49% of the total assets of the Group and 38.60% of the total assets of the Company. Such inventory includes the obsolete stock which was produced as excess and old raw material, packaging and factory supplies may no longer be used in the production and may have declining value in the present. The accounting policy for inventory and detail of inventory were disclosed in Note 3.4 and 8, respectively. Inventory is stated at cost or net realizable value, whichever is lower. The management has to apply considerable judgment in considering the allowance for the decline in value of obsolete inventory by determining the allowance from the percentage of the carrying value of slow-moving or obsolete inventory. The management will set higher percentage according to the aging of inventory and analyze the individual obsolete stock. Therefore, I have identified that the measurement of inventory is a significant risk which requires special attention in the audit.

According to my audit approach on such matter, I have tested the internal control with respect to the calculation of inventory cost, observed the inventory physical count and verified the inventory aging report, inquired the management and considered the reasonableness of the assumption and approach used by the management to determine the net realizable value. This is by verifying the supporting evidence that represents the management's best estimate, especially determining the percentage used in calculating the allowance for the decline in value of inventory at different ages and testing the calculation of the allowance for the decline in value of inventory. Additionally, I have paid attention to the adequacy of the information disclosure on the accounting policy and amount with respect to the recognition of the allowance for the decline in value of inventory.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report 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 will 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 identified above when it becomes available 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, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct 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 consolidated financial statements and separate 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 consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate 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 and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. 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 we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on 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 consolidated financial statements and separate 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Techinee Pornpenpob.



(Miss Techinee Pornpenpob)

Certified Public Accountant

Registration No. 10769

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 29, 2024

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

		<u>ASSETS</u>			
		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2023	2022	2023	2022
Current assets					
Cash and cash equivalents	6	40,100,990.96	22,603,655.70	3,315,860.83	3,301,834.65
Trade and other current receivables	5.3, 7	280,670,495.98	357,012,653.60	296,127,355.32	366,287,155.88
Short-term loans to related parties	5.3	-	-	-	-
Inventories	8	585,287,572.95	496,071,216.45	492,532,751.32	413,133,527.67
Total current assets		906,059,059.89	875,687,525.75	791,975,967.47	782,722,518.20
Non-current assets					
Investments in subsidiaries	9	-	-	-	12,603,800.02
Investment property	10	7,763,896.67	7,763,896.67	7,763,896.67	7,763,896.67
Property, plant and equipment	11	234,440,424.99	255,103,930.24	394,923,208.35	416,301,620.51
Right-of-use assets	12	54,119,506.27	65,269,815.32	2,332,487.99	510,804.36
Deferred tax assets	13	77,704,844.83	72,160,392.04	79,004,193.24	73,258,177.41
Other non-current assets		6,666,242.22	6,964,065.44	66,360.00	74,781.05
Total non-current assets		380,694,914.98	407,262,099.71	484,090,146.25	510,513,080.02
TOTAL ASSETS		1,286,753,974.87	1,282,949,625.46	1,276,066,113.72	1,293,235,598.22

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Current liabilities					
Bank overdraft and short-term borrowings					
from financial institutions	14	172,040,736.04	153,707,200.23	172,040,736.04	153,707,200.23
Trade and other current payables	5.3, 15	246,663,251.32	275,725,743.68	204,970,210.04	236,562,839.28
Current portion of long-term borrowings from					
financial institution	16	42,000,000.00	30,000,000.00	42,000,000.00	30,000,000.00
Current portion of lease liabilities	17	5,471,845.87	4,135,373.50	648,900.77	232,376.04
Accrued income tax expenses		3,998,069.12	-	3,998,069.12	-
Current provisions for employee benefit	18	22,567,590.17	14,717,095.19	22,567,590.17	14,717,095.19
Total current liabilities		492,741,492.52	478,285,412.60	446,225,506.14	435,219,510.74
Non-current liabilities					
Long-term borrowings from financial institution	16	79,000,000.00	125,000,000.00	79,000,000.00	125,000,000.00
Lease liabilities	17	69,489,734.38	80,362,497.70	1,153,434.96	313,376.98
Non-current provisions for employee benefit	18	104,725,065.88	94,580,024.52	104,725,065.88	94,580,024.52
Non-current liabilities		698,297.24	698,297.24	698,297.24	698,297.24
Total non-current liabilities		253,913,097.50	300,640,819.46	185,576,798.08	220,591,698.74
TOTAL LIABILITIES		746,654,590.02	778,926,232.06	631,802,304.22	655,811,209.48

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Shareholders' equity					
Share capital	19				
Authorized share capital					
340,813,930 ordinary shares, Baht 1.00 each		340,813,930.00		340,813,930.00	
340,817,945 ordinary shares, Baht 1.00 each			340,817,945.00		340,817,945.00
Issued and paid-up share capital					
340,813,930 ordinary shares, Baht 1.00 each		340,813,930.00	340,813,930.00	340,813,930.00	340,813,930.00
Share premium on ordinary shares		454.58	454.58	454.58	454.58
Surplus from change in the ownership interest					
in subsidiary		34,939.81	927,963.25	-	-
Retained earnings					
Appropriated	20				
Legal reserve		34,348,291.08	34,348,291.08	34,348,291.08	34,348,291.08
Unappropriated		143,942,566.08	128,116,809.22	269,101,133.84	262,261,713.08
Other components of shareholders' equity		20,959,203.30	(184,054.73)	-	-
TOTAL SHAREHOLDERS' EQUITY		540,099,384.85	504,023,393.40	644,263,809.50	637,424,388.74
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,286,753,974.87	1,282,949,625.46	1,276,066,113.72	1,293,235,598.22

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

		Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Revenues					
Revenue from sales	5.4, 25	1,586,442,659.54	1,413,099,227.99	1,300,552,396.56	1,268,598,789.70
Dividend income	5.4	-	-	-	5,499,972.50
Gain from exchange rate		-	-	-	14,595,357.60
Other incomes	5.4	15,164,013.65	6,069,014.45	13,642,224.08	8,195,188.25
Total revenues		1,601,606,673.19	1,419,168,242.44	1,314,194,620.64	1,296,889,308.05
Expenses					
Cost of sales	5.4	1,270,045,662.29	1,154,566,497.29	1,072,496,394.29	1,034,040,472.02
Distribution costs		49,797,331.37	54,549,848.42	38,683,474.62	46,624,097.89
Administrative expenses	5.4	185,826,287.64	183,289,259.56	132,466,664.17	128,307,126.05
Loss from exchange rate		29,583,111.88	8,793,235.28	2,468,181.47	-
Bad debt and expected credit losses (reversal)		1,726,758.90	(2,075,135.02)	19,625,257.25	46,303,453.70
Total expenses		1,536,979,152.08	1,399,123,705.53	1,265,739,971.80	1,255,275,149.66
Profit from operating activities		64,627,521.11	20,044,536.91	48,454,648.84	41,614,158.39
Finance costs		22,760,736.05	16,736,408.10	14,981,345.84	7,612,577.51
Profit before income tax expense		41,866,785.06	3,308,128.81	33,473,303.00	34,001,580.88
Tax expense	24	11,885,262.93	9,537,558.80	11,585,093.53	6,351,016.53
Profit (loss) for the year		29,981,522.13	(6,229,429.99)	21,888,209.47	27,650,564.35
Other comprehensive income (expense)					
Components of other comprehensive income that will not be reclassified to profit or loss :					
Losses on re-measurements of defined benefit plans	18	(10,291,625.14)	(5,010,357.77)	(10,291,625.14)	(5,010,357.77)
Income tax relating to components of other comprehensive income that will not be reclassified	24	2,058,325.03	1,002,071.55	2,058,325.03	1,002,071.55
		(8,233,300.11)	(4,008,286.22)	(8,233,300.11)	(4,008,286.22)
Components of other comprehensive income (expense) that will be reclassified to profit or loss:					
Exchange differences on translating financial statement		21,143,258.03	9,411,367.97	-	-
		21,143,258.03	9,411,367.97	-	-
Other comprehensive income (expense) for the year		12,909,957.92	5,403,081.75	(8,233,300.11)	(4,008,286.22)
Total comprehensive income (expense) for the year		42,891,480.05	(826,348.24)	13,654,909.36	23,642,278.13
Earning (loss) per share (Baht per share)					
Basic earning (loss) per share	26	0.09	(0.02)	0.06	0.08

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

		Baht						
		Consolidated financial statements						
		Issued and paid-up share capital	Share premium on ordinary shares	Surplus from change in the ownership interest in subsidiary	Retained earnings		Other components of equity	Total Shareholders' equity
					Appropriated legal reserve	Unappropriated	Exchange differences on translating financial statements	
	Note							
Beginning balance as at January 1, 2022		319,516,823.00	454.58	927,963.25	34,348,291.08	175,626,296.73	(9,595,422.70)	520,824,405.94
Increase in share capital	19	21,297,107.00	-	-	-	-	-	21,297,107.00
Dividend paid	20	-	-	-	-	(37,271,771.30)	-	(37,271,771.30)
Total comprehensive income (expense) for the year								
Profit (loss) for the year		-	-	-	-	(6,229,429.99)	-	(6,229,429.99)
Other comprehensive income (expense) for the year								
Losses on re-measurements of defined benefit plans, net of tax		-	-	-	-	(4,008,286.22)	-	(4,008,286.22)
Exchange difference on translating financial statements		-	-	-	-	-	9,411,367.97	9,411,367.97
Ending balance as at December 31, 2022		340,813,930.00	454.58	927,963.25	34,348,291.08	128,116,809.22	(184,054.73)	504,023,393.40
Dividend paid	20	-	-	-	-	(6,815,488.60)	-	(6,815,488.60)
Liquidation of subsidiaries	2.2, 9	-	-	(893,023.44)	-	893,023.44	-	-
Total comprehensive income (expense) for the year								
Profit (loss) for the year		-	-	-	-	29,981,522.13	-	29,981,522.13
Other comprehensive income (expense) for the year								
Losses on re-measurements of defined benefit plans, net of tax		-	-	-	-	(8,233,300.11)	-	(8,233,300.11)
Exchange difference on translating financial statements		-	-	-	-	-	21,143,258.03	21,143,258.03
Ending balance as at December 31, 2023		340,813,930.00	454.58	34,939.81	34,348,291.08	143,942,566.08	20,959,203.30	540,099,384.85

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2023

		Baht				
		Separate financial statements				
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total Shareholders' equity
				Appropriated legal reserve	Unappropriated	
Beginning balance as at January 1, 2022		319,516,823.00	454.58	34,348,291.08	275,891,206.25	629,756,774.91
Increase in share capital	19	21,297,107.00	-	-	-	21,297,107.00
Dividend paid	20	-	-	-	(37,271,771.30)	(37,271,771.30)
Total comprehensive income (expense)						
for the year						
Profit (loss) for the year		-	-	-	27,650,564.35	27,650,564.35
Other comprehensive income (expense)						
for the year						
Losses on re-measurements of defined benefit plans, net of tax		-	-	-	(4,008,286.22)	(4,008,286.22)
Ending balance as at December 31, 2022		340,813,930.00	454.58	34,348,291.08	262,261,713.08	637,424,388.74
Dividend paid	20	-	-	-	(6,815,488.60)	(6,815,488.60)
Total comprehensive income (expense)						
for the year						
Profit (loss) for the year		-	-	-	21,888,209.47	21,888,209.47
Other comprehensive income (expense)						
for the year						
Losses on re-measurements of defined benefit plans, net of tax		-	-	-	(8,233,300.11)	(8,233,300.11)
Ending balance as at December 31, 2023		340,813,930.00	454.58	34,348,291.08	269,101,133.84	644,263,809.50

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) for the year	29,981,522.13	(6,229,429.99)	21,888,209.47	27,650,564.35
Adjustments to reconcile profit (loss) for the year to net cash provided by operating activities:				
Bad debt	11,195,148.15	-	11,195,148.15	-
Expected credit losses (reversal)	(9,468,389.24)	(2,075,135.02)	8,430,109.11	46,303,453.70
Loss on declining in value of inventories (reversal)	10,878,353.65	(32,274,410.31)	10,878,353.65	(22,123,692.34)
Loss on impairment of equipment (reversal)	(135,487.00)	(2,691,314.47)	(135,487.00)	(2,691,314.47)
Depreciation and amortization expenses	51,993,905.32	54,210,469.31	41,991,435.68	42,257,447.03
(Gains) loss on disposal of equipment	1,415,087.05	1,984,198.97	1,415,087.05	1,669,444.22
Unrealized (gain) loss on exchange rate	29,699,466.40	9,957,038.31	4,616,795.25	(14,885,310.56)
Interest income	(743,641.50)	(427,436.12)	-	(5.06)
Dividend income	-	-	-	(5,499,972.50)
Withholding tax written-off	-	935,790.49	-	-
Employee benefit expense	8,811,912.20	9,476,862.58	8,811,912.20	12,210,392.22
Loss on return of capital by subsidiaries	-	-	532,984.15	-
Reversal loss on impairment of investments in subsidiary	-	-	(2,999,700.00)	-
Gain from liquidation of subsidiaries	(3,197,266.81)	-	-	-
Interest expenses	22,760,736.05	16,736,408.10	14,981,345.84	7,612,577.51
Tax expense	11,885,262.94	9,537,558.80	11,585,093.53	6,351,016.53
Profit provided by operating activities before changes in operating assets and liabilities	165,076,609.34	59,140,600.65	133,191,287.08	98,854,600.63
(Increase) decrease in operating assets				
Trade and other current receivables	71,380,394.06	(101,392,808.49)	46,012,305.92	(140,793,584.97)
Inventories	(107,097,968.95)	(92,639,922.85)	(90,277,577.30)	(88,488,104.99)
Other non-current assets	(299,365.50)	(257,794.65)	8,421.05	-
Increase (decrease) in operating liabilities				
Trade and other current payables	(25,340,966.04)	119,625,631.50	(31,323,958.05)	96,400,720.24
Provision for employee benefit	(1,108,001.00)	(15,179,429.49)	(1,108,001.00)	(15,179,429.49)
Other non-current assets	-	33,252.24	-	33,252.24
Cash received (paid) from operations	102,610,701.91	(30,670,471.09)	56,502,477.70	(49,172,546.34)
Interest income received	743,641.50	427,436.12	-	5.06
Income tax expense paid	(11,274,715.21)	(16,345,958.65)	(11,274,715.21)	(16,262,372.05)
Net cash provided by (used in) operating activities	92,079,628.20	(46,588,993.62)	45,227,762.49	(65,434,913.33)

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash receipts from return of capital by subsidiaries	-	-	15,070,515.87	1,797,950.00
Cash payments for purchase of equipments	(26,772,372.62)	(34,906,490.62)	(24,695,634.89)	(29,823,330.15)
Cash receipts from disposal of equipments	3,243,485.69	2,691,097.26	3,243,485.69	2,688,597.26
Cash payments for purchase of right-of-use assets	(593,158.00)	-	(593,158.00)	-
Dividend received	-	-	-	5,499,972.50
Net cash used in investing activities	(24,122,044.93)	(32,215,393.36)	(6,974,791.33)	(19,836,810.39)
Cash flows from financing activities				
Increase (decrease) in bank overdraft and short-term loan				
from financial institutions	17,850,603.53	1,243,847.24	17,850,603.53	1,243,847.24
Cash receipts from long-term loan from financial institutions	-	117,000,000.00	-	117,000,000.00
Cash payments for long-term loans from financial institution	(34,000,000.00)	(9,000,000.00)	(34,000,000.00)	(9,000,000.00)
Cash payments for repayment of lease liabilities	(4,029,114.45)	(3,086,920.51)	(412,417.29)	(223,608.51)
Dividend paid	(6,714,717.45)	(15,815,951.00)	(6,714,717.45)	(15,815,923.50)
Interest expense paid	(22,741,803.98)	(16,692,084.66)	(14,962,413.77)	(7,568,254.07)
Net cash provided by (used in) financing activities	(49,635,032.35)	73,648,891.07	(38,238,944.98)	85,636,061.16
Net increase (decrease) in cash and cash equivalents	18,322,550.92	(5,155,495.91)	14,026.18	364,337.44
Cash and cash equivalents - beginning of year	22,603,655.70	27,814,281.08	3,301,834.65	2,937,497.21
Effect of translation adjustment on foreign currency				
financial statements	(825,215.66)	(55,129.47)	-	-
Cash and cash equivalents - ending of year	40,100,990.96	22,603,655.70	3,315,860.83	3,301,834.65
Supplement disclosures of cash flows information				
Non-cash transaction				
- Accepting transfer of assets from receivable to repayment loan	-	-	-	25,685,000.00
- Additions non-cash transaction of right-of-use and lease liabilities	1,669,000.00	-	1,669,000.00	-
- Increase (decrease) in accrued dividend	100,771.15	158,740.80	100,771.15	158,740.80
- Increase (decrease) in accrued interest expense	18,932.07	44,323.44	18,932.07	44,323.44
- Stock dividend	-	21,297,107.00	-	21,297,107.00
- Transfer investment property to property, plant and equipment	-	-	-	15,927,282.43

Notes to financial statements form an integral part of these statements.

THAI NAM PLASTIC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****DECEMBER 31, 2023****1. GENERAL INFORMATION****1.1 Legal status and address of the Company**

The Company had registered to be a limited company on May 22, 1970. The Company's status had been changed to be the public company limited and registered with the Ministry of Commerce on February 7, 1992.

The address of its registered office is as follows:

Head office is located at 40 Moo 7, Petchakasem Road, KM.23, Omnoi, Amphur Kratumban, Samutsakorn Province 74130.

The branch is located at 89/1-2 Moo 4, Bangpla Road, Bankoh, Amphur Muang, Samutsakorn Province 74000.

1.2 Nature of the Company's operations

The Group's main business operations is the manufacture and distribute the semi-finished plastic products- synthetic leather and film/sheet for the industries of Automotive, sports shoes, furniture and fashionable leather-flexible film/sheet for the application in household, civil engineering and agricultural functions.

1.3 Going concern of subsidiaries

1.3.1 TNV Plastics (Proprietary) Limited has suffered continuous operating loss. As at December 31, 2023 and 2022, there were higher current liabilities than current assets in the amount of Baht 456.63 million and Baht 449.65 million, respectively. The capital deficiency loss amounted to Baht 531.15 million and Baht 484.03 million, respectively, which is significant amount. Such factor casts significant uncertainties and doubts on the ability to continue as a going concern of such subsidiary. However, the management has a plan to correct the problem, adjust plan and production process to control production cost, including secure marketing channels to increase sales. The Company will provide financial support to the subsidiary. From such situation, the uncertainty that arise in the going concern of the subsidiary has lessen. However, these financial statements are prepared based on going concern. Therefore, it has not adjusted the assets at the price salable and not yet adjusted liabilities by the amount to be repaid. New classification may be necessary if the subsidiary cannot continue to operate as a going concern.

1.3.2 T.N.P. Industry Company Limited, an indirect subsidiary of the Company, had registered the dissolution on December 14, 2022. The financial statements as at the dissolution date had current liabilities exceeded more than current assets in the amount of Baht 298.03 million and capital deficits in the amount of Baht 298.03 million. The management expected that the subsidiary would not be able to pay the liabilities to the Company as a major payable as there was more liabilities than assets. As a result, it had entered into the bankruptcy process in accordance with According to the Bankruptcy Act B.E. 2483, Section 61. However, the management of the Group had monitored the progress of such situations and assessed the financial impact on the value of the assets, provisions and ongoing contingent liabilities. The management would exercise the judgment on various issues when the situation had changed and the management expected that the dissolution of such subsidiary would not impact on the business operations of the Group.

On April 12, 2023, the Central Bankruptcy Court had ordered the receivership of the subsidiary. The Official Receiver scheduled the first meeting of the creditors on September 21, 2023. There were no creditors attended the meeting. Therefore, the court ordered the bankruptcy of the subsidiary on October 11, 2023. However, as at December 31, 2023, the subsidiary was in the process of the receivership reporting to the court requesting an order to close the case. The Central Bankruptcy Court had ordered the closure of the case in accordance with Section 133 of the Bankruptcy Act B.E. 2483 on January 17, 2024.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E. 2543.

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

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 financial statements in Thai language version.

2.2 Basis for the preparation of consolidated financial statements

2.2.1 The consolidated financial statements have included the financial statements of Thai Nam Plastic Public Company Limited (“the Company”) and its subsidiaries (hereinafter called “the Group”) as follows;

Company name	Type of business	Percentage of holding		Country of Establishment
		% of share capital		
		2023	2022	
Direct shareholding				
(Shareholding by company)				
Taweewattana Logistics Co., Ltd.**	Distribution of PVC	-	99.99	Thailand
Thai Nam Automotive Performance Co., Ltd.**	Manufacture and distribute PVC/PP Foam Sheet and TPO and service of cutting sheet and Laminate Foam	-	99.99	Thailand
TNV Plastics (Proprietary) Limited	Manufacture and distribute PVC products	100.00	100.00	South Africa
Indirect shareholding				
T.N.P. Industry Co., Ltd. *	Manufacture and distribute semi-rigid PVC sheet	99.29	99.29	Thailand

* Dissolved and currently in process of liquidation

** Dissolved and liquidation

Dissolved its liquidation

- 1) On December 8, 2022 the Extraordinary Shareholders' Meeting No.1/2022 of Thai Nam Automotive Performance Co., Ltd. had a resolution to discontinue the business of the subsidiary. The subsidiary has registered the business dissolution with the Department of Business Development Ministry of Commerce on December 14, 2022. and liquidation was completed on April 7, 2023. Therefore, the Company did not include the financial statements of subsidiaries in the preparation of the consolidated financial statements from April 7, 2023 onwards.
- 2) On December 8, 2022 the Extraordinary Shareholders' Meeting No.1/2022, Taweewattana Logistics Co., Ltd. had a resolution to approve the business dissolution of the subsidiary. The subsidiary has registered to dissolve the company with the Department of Business Development, Ministry of Commerce on December 14, 2022. and liquidation was completed on April 7, 2023. Therefore, the Company did not include the financial statements of subsidiaries in the preparation of the consolidated financial statements from April 7, 2023 onwards.
- 3) On December 8, 2022 the Extraordinary Shareholders' Meeting No.1/2022 of T.N.P. Industry Co., Ltd. had a resolution to approve the business dissolution of the indirect subsidiary. The indirect subsidiary has registered the business dissolution with the Department of Business Development, Ministry of Commerce on December 14, 2022.

The business dissolution of the subsidiary has no significant effect on the group's operation.

- 2.2.2 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.
- 2.2.3 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.
- 2.2.4 The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.
- 2.2.5 The financial statements of an overseas subsidiary is translated into Thai Baht at the closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of "Currency translation changes of the financial statements of foreign entity" in shareholders' equity.
- 2.2.6 Material balances and transactions between the Group companies have been eliminated from the consolidated financial statements.

2.3 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 January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

2.4 Revised financial reporting standards to be applied in the future

The Federation of Accounting Professions has announced to apply the revised financial reporting standards 2023 and it was announced in the Royal Gazette on August 8, 2023 on altogether 4 topics: definition of the accounting estimates, disclosure of information of the accounting policy, deferred income tax related to assets and liabilities arising from one transaction and other adjustments due to the change of the Accounting Standard No. 17 “Insurance Contracts”. This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The Management of the Group and its subsidiaries have assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expenses recognition

Revenue from sale of goods is recognized 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.

Rental income and its related services from an investment property are recognized on a straight-line basis over the term of the lease. Contingent rentals are recognized as income in the accounting period in which they are occurred. The related service income is recognized over the term of the lease.

Dividend income are recognised when the right to receive the dividend is established.

Interest income is recognized on an accrual basis based on the effective interest rate.

Other income and expenses are recognized in profit or loss on the accrual basis.

3.2 Cash and cash equivalents

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

3.3 Trade and others current receivables

Trade and other receivables are stated at their invoice value less allowance for expected credit losses unless they contain significant financing components, when they are recognized at present value.

The allowance for expected credit losses is disclosed in Note 3.12 and Note 4.

3.4 Inventories

Inventories are presented at the lower of cost or net realizable value, cost of inventories is calculated as follow:

- Raw material has calculated cost by moving average method.
- Finished good, work in process and maintenance and factory supplies have calculated cost by first in - first out method.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of conversion above include an appropriate share of production overheads based on normal production capacity.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties, transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete production and the estimated costs to complete the sale.

Allowance for obsolete stocks is set up based on the outstanding inventories balance at the end of year which estimated from consideration of states and quality of inventories.

3.5 Investment in subsidiaries

Subsidiaries are entities over which the Company has the power to control their financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The financial statements of the subsidiaries are consolidated from the date the Company exercises control over the subsidiaries until the date that control power ceases.

Investment in subsidiaries in separate financial statement is accounted for under the cost method less allowance for impairment loss on the investment, (if any). The Company recognizes impairment loss (if any) on the investment in the statement of comprehensive income.

3.6 Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is stated at cost less accumulated depreciation and allowance on impairment (if any).

Depreciation of investment property under building for rent category is calculated by the straight-line method over the estimated useful life of 20 years. Depreciation of investment property is included in determining income.

3.7 Property, plant and equipment and depreciation

Land is stated at cost.

Plant and equipment are stated at cost less accumulated depreciation and impairment loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company.

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

Depreciation is calculated by cost less residual value on the straight-line method over the estimated useful life of the assets as follows:

Land improvement	10 years
Building and building improvement	10 - 20 years
Machinery and equipment	5 - 12 years
Utility system	10 years
Office equipment and equipment and tools	2 - 5 years
Vehicles	5 years

The Group have reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

3.8 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

3.9 Impairment of non-financial assets

As at the statement of financial position date, the Company assesses whether there is an indication of asset impairment. If any such indication exists, the Company will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

3.10 Finance lease

At inception of a contract, the Group assess whether the 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 assess the lease term for the non-cancellable period as stipulated in lease contract, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets-as a lessee

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also 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 the option to terminate.

In calculating the present value of lease payments, the Group use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, 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

The Group apply the short-term lease recognition exemption to its short-term leases those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

3.11 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.12 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. 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.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs of financial assets are recognized as expense in profit or loss.

Subsequent measurement of debt instruments by 3 methods depend on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Group are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derivative

Derivative is recognized at fair value and measured fair value at the end of the reporting period. Profit or loss from fair value remeasurement is recognized in profit or loss immediately unless that derivative is used for hedge.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Group use the general approach in considering the allowance for loss on impairment. For trade receivables, the Group apply a simplified approach in calculating ECLs. The Group recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Group intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

3.13 Employee benefits

Short-term employment benefits

The Group recognize salary, wage, bonus, contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

The Group have obligations in respect of the severance payments that it must pay to the employees upon retirement under The Group's article and the labor law and other employee benefit plans. The Group treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees will be recognized immediately in other comprehensive income as a part of retained earnings.

Other long-term employee benefits

The Group net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

3.14 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.15 Foreign currency transactions

3.15.1 Currency transactions

Transactions in foreign currencies throughout the years are recorded in Baht at prevailing Bank of Thailand rates at the transaction dates. Outstanding monetary assets and liabilities denominated in foreign currencies at the statement of financial position dates are translated into Baht at the prevailing rates at those dates. Gain or loss arising from translation are credited or charged against current operations.

3.15.2 Foreign operations

The financial statements of overseas subsidiary companies are translated into Thai Baht at the closing exchange rate as at statements of financial position date to assets and liabilities, and market exchange rates in which the transaction took place as to revenues and expenses. The resultant differences are recorded in statements of comprehensive income and shown as gain (loss) on exchange rate and convert financial statement in equity until investment are sold out.

3.16 Basic earnings (loss) per share

Basic earnings (loss) per share is determined by dividing profit (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

3.17 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Group records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates (20%) of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Group will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that the Group expect to apply to the period when the deferred tax assets are realised or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Group will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4. 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 amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses

In determining an allowance for expected credit losses, the management needs to make judgement and estimates the expected credit loss based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables such as GDP, the unemployment rate and the consumer price index.

Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

Impairment of investment in subsidiary

The Company reviews the impairment of investment in the subsidiary, which requires management to prepare projections of the cash flows expected to be generated by the investment in the future, and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Investment property, property, plant and equipment / Depreciation

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

In determining the fair value disclosure of investment property, the management used the income approach supported by current and previous valuations by an independent appraiser.

Impairment of non-financial asset

The Group treat assets as impaired when they are determined that the recoverable amount is lower than the carrying amount or in assessing whether there is any indication that assets may be impaired. The determination of whether the recoverable amount lower than the carrying amount requires judgement of the management to use key assumptions underlying recoverable amounts.

Deferred tax assets

Deferred tax assets are recognized 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 utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

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.

Leases

In determining the lease term of contracts with renewal and termination options the Group determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Group are used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

5. RELATED PARTIES TRANSACTION

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

5.1 The nature of relationship with related parties were summarized as follows:

Related parties	Relationship
<u>Subsidiary companies</u>	
Taweewattana Logistics Co., Ltd.	Shareholder and have common shareholder and director (Business dissolution on December 14, 2022 and liquidation on April 7, 2023)
Thai Nam Automotive Performance Co., Ltd.	Shareholder and have common shareholder and director (Business dissolution on December 14, 2022 and liquidation on April 7, 2023)
TNV Plastics (Proprietary) Limited	Shareholder and have common shareholder and director
Related parties	Relationship
<u>Indirect subsidiary company</u>	
T.N.P. Industry Co., Ltd.	Indirect shareholding by Taweewattana Logistics Co., Ltd. and have common shareholder and director (Business dissolution on December 14, 2022 and under liquidation process)
<u>Related Company</u>	
Citric Acid Industry Co., Ltd.	Shareholder and have common shareholder and director
<u>Related person</u>	
Director and key management personnel	Persons having authority and responsibility for management

5.2 The Group have pricing policy for transaction with related parties as follows:

Transactions	Pricing policies
Revenue from sales	- Thai Nam Automotive Performance Co., Ltd. and Taweewattana Logistics Co., Ltd. : Market price - TNV Plastics (Proprietary) Limited : Cost plus margin 5 - 30% - TNP Industry Co., Ltd. : Cost plus margin 0 - 5%
Rental income and service	- Agreed price according to agreement
Dividend income	- As declared
Others income and expense	- Agreed price
Purchase of goods	- Market price
Purchase of assets	- Agreed price
Loan receivable	- TNV Plastics (Proprietary) Limited : Prime rate plus 2% per annum - TNP Industry Co., Ltd. : MLR-1.0% and MLR-2.0% per annum
Compensation to director and management	- According to be approved by director and/or shareholders

5.3 Balances as at December 31, 2023 and 2022 with the related parties consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Assets				
Trade and other account receivable				
Subsidiaries				
TNV Plastics (Proprietary) Limited	-	-	300,390,066.97	287,952,076.36
T.N.P. Industry Co., Ltd.	-	-	102,048,723.23	102,055,492.48
Total	-	-	402,438,790.20	390,007,568.84
Less Allowance for expected credit losses	-	-	(365,620,604.41)	(346,247,406.82)
Net	-	-	36,818,185.79	43,760,162.02
Accrued Interest				
Subsidiaries				
T.N.P. Industry Co., Ltd.	-	-	76,769,453.57	76,769,453.57
TNV Plastics (Proprietary) Limited	-	-	19,179,743.44	19,366,872.50
Total	-	-	95,949,197.01	96,136,326.07
Less Allowance for expected credit losses	-	-	(95,949,197.01)	(96,136,326.07)
Net	-	-	-	-

SHORT-TERM LOANS TO RELATED PARTIES

The change in short-term loans to related company for the years ended December 31, 2023 and 2022 are as follows:

	Baht				
	Separate financial statements				
	As at January	During the year			As at December
	1, 2023	Increase	Decrease	Gain (loss) on exchange rate	31, 2023
<u>Subsidiary company</u>					
TNV Plastics (Proprietary) Limited	148,439,450.83	-	-	(1,434,270.57)	147,005,180.26
<u>Indirect subsidiary company</u>					
T.N.P. Industry Co., Ltd.	72,371,108.58	-	-	-	72,371,108.58
Total	220,810,559.41	-	-	(1,434,270.57)	219,376,288.84
<u>Less</u> Allowance for expected credit losses					
TNV Plastics (Proprietary) Limited	(148,439,450.83)	-	1,434,270.57	-	(147,005,180.26)
T.N.P. Industry Co., Ltd.	(72,371,108.58)	-	-	-	(72,371,108.58)
Total	(220,810,559.41)	-	1,434,270.57	-	(219,376,288.84)
Net	-				-
	Baht				
	Separate financial statements				
	As at January	During the year			As at December
	1, 2022	Increase	Decrease	Gain (loss) on exchange rate	31, 2022
<u>Subsidiary company</u>					
TNV Plastics (Proprietary) Limited	143,500,000.81	-	-	4,939,450.02	148,439,450.83
<u>Indirect subsidiary company</u>					
T.N.P. Industry Co., Ltd.	99,854,058.58	-	(27,482,950.00)	-	72,371,108.58
Total	243,354,059.39	-	(27,482,950.00)	4,939,450.02	220,810,559.41
<u>Less</u> Allowance for expected credit losses					
TNV Plastics (Proprietary) Limited	(143,500,000.81)	(4,939,450.02)	-	-	(148,439,450.83)
T.N.P. Industry Co., Ltd.	(99,854,058.58)	-	27,482,950.00	-	(72,371,108.58)
Total	(243,354,059.39)	(4,939,450.02)	27,482,950.00	-	(220,810,559.41)
Net	-				-

T.N.P. Industry Co., Ltd.

Loan in the form of promissory notes with the interest rate at MLR-1.0% per annum and MLR-2.0% per annum.

According to the asset transfer debt settlement between the Company and TNP Industry Co., Ltd. dated August 17, 2022, the Company has transferred the ownership in the machinery for debt settlement. The value of transferred machinery purchase for debt settlement in accordance with the assessment price by an independent appraiser is Baht 25,685,000 (Note 10). The subsidiary opens the bill at the price inclusive of VAT in the amount of Baht 27,482,950 to offset the debt settlement with such amount on September 1, 2022.

TNV Plastics (Proprietary) Limited

Loan at the interest rate Prime rate plus 2 per annum and due at call.

The Company has stopped the recognition of interest in the financial statements from July 1, 2014, onwards, as the two subsidiaries will not have the ability to repay the interest in the near future.

5.4 Significant business transactions for the year ended December 31, 2023 and 2022 were, as follows:

- Revenue and expenses between the Group which have been eliminated from consolidated financial statements.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Revenue from sales				
Subsidiaries				
Taweewattana Logistics Co., Ltd.	-	-	-	675,718.20
TNV Plastics (Proprietary) Limited	-	-	39,598,778.13	46,376,173.34
Total	-	-	39,598,778.13	47,051,891.54
	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Rental income				
Subsidiaries				
Thai Nam Automotive Performance Co., Ltd.	-	-	-	512,890.00
T.N.P. Industry Co., Ltd.	-	-	-	716,450.00
Total	-	-	-	1,229,340.00
Other incomes				
Subsidiaries				
Thai Nam Automotive Performance Co., Ltd.	-	-	-	834,152.37
T.N.P. Industry Co., Ltd.	-	-	-	39,296.00
Total	-	-	-	873,448.37
Dividend income				
Subsidiaries				
Thai Nam Automotive Performance Co., Ltd.	-	-	-	5,499,972.50
Cost of sale (Manufacturing expenses)				
Subsidiaries				
Thai Nam Automotive Performance Co., Ltd.	-	-	-	2,334,393.34
T.N.P. Industry Co., Ltd.	-	-	-	3,483,969.27
Total	-	-	-	5,818,362.61
Sale assets				
Subsidiaries				
TNV Plastics (Proprietary) Limited	-	-	645,512.51	508,933.96
Purchase of assets				
Subsidiaries				
Taweewattana Logistics Co., Ltd.	-	-	-	2,500.00
Thai Nam Automotive Performance Co., Ltd.	-	-	-	4,228,700.00
TNV Plastics (Proprietary) Limited	-	-	-	508,933.96
T.N.P. Industry Co., Ltd.	-	-	-	25,685,000.00
Total	-	-	-	30,425,133.96
Transfer in provisions for employee benefit				
Subsidiaries				
Thai Nam Automotive Performance Co., Ltd.	-	-	-	2,769,819.41

During the year 2022 the Company operates by the business restructuring plan of the group to enhance the flexibility of management and reduce management fee and duplicate management between the group. The Company had a resolution to register dissolving 3 subsidiaries and transfer partial business of each subsidiary to the company which consists of the following:

- Thai Nam Automotive Performance Co., Ltd.

The subsidiary transferred significant asset to the company. The value of transferred machinery sale according to the assessment price of an independent appraiser and other equipment by the agreed price. All employees are transferred to the company and shall receive the same benefits and privileges as from the subsidiary.

- Taweewattana Logistics Co., Ltd.

The subsidiary transferred to sell the key asset to the company by specifying the value of equipment sale by the agreed price.

- TNP Industry Co., Ltd.

The subsidiary transferred to sell the key asset to the company by specifying the value of machinery sale transfer to settle debt in accordance with the assessment price by an independent appraiser. Later, on August 17, 2022 the Company entered into asset transfer debt settlement to transfer the machinery ownership for debt settlement in the amount Baht 25,685,000 by offsetting the existing liabilities of the subsidiary with the company.

- Expenses for director and key management personal

Expenses for director and management for the year ended December 31, 2023 and 2022 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Director remuneration	1,680,000.00	1,680,000.00	1,680,000.00	1,680,000.00
Management's benefits*				
Short-term employee benefit	32,603,375.00	32,603,910.00	32,603,375.00	32,603,910.00
Post-retirement benefits	604,226.18	518,512.53	604,226.18	518,512.53
Total	34,887,601.18	34,802,422.53	34,887,601.18	34,802,422.53

*Management benefit expenses

Management benefit expenses represents the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration, including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised managing director or the managements who have the top position at the management level from the four lists following by the manager level.

5.5 Significant agreements with related parties

Land and building lease agreement

The Company entered into an office building lease agreement with T.N.P. Industry Company Limited. The agreement has a period of 3 years from January 1, 2018 to December 31, 2020. Subsequently, on January 1, 2021, the Company has renewed the lease agreement with a period of 3 years from January 1, 2021 to December, 31 2023. Later, on June 1, 2022 the Company received the letter of the lease agreement termination of the plant building from T.N.P. Industry Company Limited as the company is undergoing business restructure and has stopped its operation. The lease agreement termination is effective from July 31, 2022 onwards.

The Company entered into an office building lease agreement with Thai Nam Automotive Performance Company Limited. The agreement has a period of 3 years from August 1, 2016 to July 31, 2019. Subsequently, on August 1, 2019, the Company has renewed the lease agreement with a period of 3 years from August 1, 2019 to July 31, 2022. Later, on June 30, 2022 the Company received the letter of the lease agreement termination of the plant building from Thai Nam Automotive Performance Company Limited as the company is undergoing business restructure and has stopped its operation. The lease agreement termination is effective from July 31, 2022 or agreement expiration date onwards.

Management Agreement

The Company entered into a management agreement with Thai Nam Automotive Performance Co., Ltd., which is a subsidiary, with a term of 1 year from August 1, 2016 and to be renewed until agreement termination in writing. The monthly management fee is Baht 30,000.

Later, on June 30, 2022 the subsidiary entered into a letter to terminate the service agreement such as utilities service, maintenance, shuttle service and management. The management has restructured the business and stopped its operation. Such agreement termination is effective from September 30, 2022 onwards.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash on hand	95,079.63	237,332.16	81,000.00	81,000.00
Deposits at financial institutions - current accounts	38,331,618.96	7,355,593.25	3,231,845.46	3,217,833.67
Deposits at financial institutions - savings accounts	1,674,292.37	15,010,730.29	3,015.37	3,000.98
Total	40,100,990.96	22,603,655.70	3,315,860.83	3,301,834.65

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade and other current receivables				
Related parties (Note 7.1)	-	-	36,818,185.79	43,760,162.02
Other companies (Note 7.2)	280,670,495.98	357,012,653.60	259,309,169.53	322,526,993.86
Total	280,670,495.98	357,012,653.60	296,127,355.32	366,287,155.88

7.1 Trade and other current receivables - related parties consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables				
Subsidiaries company - domestic	-	-	102,048,723.23	102,055,492.48
Subsidiaries company - oversea	-	-	300,390,066.97	287,952,076.36
Total	-	-	402,438,790.20	390,007,568.84
Less Allowance for expected credit losses	-	-	(365,620,604.41)	(346,247,406.82)
Trade receivables, net	-	-	36,818,185.79	43,760,162.02
Other current receivables				
Accrued Interest	-	-	95,949,197.01	96,136,326.07
Less Allowance for expected credit losses	-	-	(95,949,197.01)	(96,136,326.07)
Other current receivables, net	-	-	-	-
Total	-	-	36,818,185.79	43,760,162.02

Trade and other current receivables - related parties classified by currency consisted of:

	Separate financial statements			
	Foreign currencies		Baht	
	2023	2022	2023	2022
Trade receivable, domestic;				
Baht			102,048,723.23	102,055,492.48
Trade receivable, oversea;				
U.S. Dollars	8,708,202.96	8,265,972.31	296,592,684.61	284,277,533.62
Euro	100,812.16	100,812.16	3,797,382.36	3,674,542.74
			402,438,790.20	390,007,568.84

Trade receivables - related parties classified by ages of accounts consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Not over due	-	-	10,867,982.69	-
Over due not over 1 months	-	-	3,435,528.27	3,306,804.66
Over due 1 months to 2 months	-	-	4,071,183.64	2,663,726.55
Over due 2 months to 6 months	-	-	13,249,722.78	11,523,546.56
Over due 6 months to 12 months	-	-	7,728,068.50	29,089,019.97
Over due more than 12 months	-	-	363,086,304.32	343,424,471.10
Total	-	-	402,438,790.20	390,007,568.84

The allowance for expected credit losses for trade receivables was as follows:

	Baht					
	Separate financial statements					
	Not yet due	Not over 2 months	2 - 6 months	6 - 12 months	Over 12 months	Total
As at December 31, 2023						
Gross carrying amount	10,867,982.69	7,506,711.91	13,249,722.78	7,728,068.50	363,086,304.32	402,438,790.20
Allowance for expected credit losses	699,898.09	483,432.25	853,282.15	497,687.60	363,086,304.32	365,620,604.41

	Baht					
	Separate financial statements					
	Not yet due	Not over 2 months	2 - 6 months	6 - 12 months	Over 12 months	Total
As at December 31, 2022						
Gross carrying amount	-	5,970,531.21	11,523,546.56	29,089,019.97	343,424,471.10	390,007,568.84
Allowance for expected credit losses	-	361,814.19	698,326.92	1,762,794.61	343,424,471.10	346,247,406.82

Movement of the change in the allowance for expected credit losses for the years ended December 31, 2023 and 2022 were summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance of the year	-	-	442,383,732.89	372,353,079.14
Additional during the year	-	-	19,192,837.78	71,736,041.63
Deduction during the year	-	-	(6,769.25)	(1,705,387.88)
Ending balance of the year	-	-	461,569,801.42	442,383,732.89

7.2 Trade and other current receivables - other companies consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables	267,442,803.45	343,962,086.21	246,657,745.96	310,818,194.25
Other current receivables	13,227,692.53	13,050,567.39	12,651,423.57	11,708,799.61
Total	280,670,495.98	357,012,653.60	259,309,169.53	322,526,993.86

Trade receivables consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables	269,934,556.09	355,682,359.38	249,124,919.38	322,367,187.81
Note receivables	260,703.36	500,572.07	260,703.36	500,572.07
Total	270,195,259.45	356,182,931.45	249,385,622.74	322,867,759.88
<u>Less</u> Allowance for expected credit losses	(2,752,456.00)	(12,220,845.24)	(2,727,876.78)	(12,049,565.63)
Net	267,442,803.45	343,962,086.21	246,657,745.96	310,818,194.25

Trade receivables - other companies classified by currency consisted of:

	Consolidated financial statements			
	Foreign currencies		Baht	
	2023	2022	2023	2022
Trade accounts receivable, domestic;				
Baht			244,653,144.74	308,391,501.50
Trade accounts receivable, oversea;				
U.S. Dollars	138,949.41	420,927.92	4,732,478.00	14,476,258.38
Rand	11,179,562.00	16,357,427.00	20,809,636.71	33,315,171.57
			270,195,259.45	356,182,931.45

Separate financial statements				
		Foreign currencies		Baht
		2023	2022	
				2023 2022
Trade accounts receivable, domestic;				
Baht				244,653,144.74 308,391,501.50
Trade accounts receivable, oversea;				
U.S. Dollars	138,949.41	420,927.92	4,732,478.00	14,476,258.38
			249,385,622.74	322,867,759.88

Trade receivables - other companies classified by ages of accounts consisted of:

Baht				
		Consolidated financial statements		Separate financial statements
		2023	2022	2023 2022
Not over due		181,908,539.18	192,188,146.62	168,289,729.51 192,188,146.62
Over due not over 1 months		73,557,358.53	110,702,385.29	66,368,245.93 97,153,389.32
Over due 1 months to 2 months		12,332,369.23	39,033,838.29	12,332,369.23 19,267,662.69
Over due 2 months to 6 months		47,459.43	1,659,621.45	45,744.99 1,659,621.45
Over due 6 months to 12 months		178,298.87	1,115,090.79	178,298.87 1,115,090.79
Over due more than 12 months		2,171,234.21	11,483,849.01	2,171,234.21 11,483,849.01
Total		270,195,259.45	356,182,931.45	249,385,622.74 322,867,759.88

The allowance for expected credit losses for trade receivables was as follows:

Baht						
Consolidated financial statements						
Not yet due	Not over	2 - 6	6 - 12	Over	Total	
	2 months	months	months	12 months		
As at December 31, 2023						
Gross carrying amount	181,908,539.69	85,889,727.25	47,459.43	178,298.87	2,171,234.21	270,195,259.45
Allowance for expected credit losses	145,318.27	256,916.49	688.16	25,657.21	2,323,875.87	2,752,456.00
Baht						
Consolidated financial statements						
Not yet due	Not over	2 - 6	6 - 12	Over	Total	
	2 months	months	months	12 months		
As at December 31, 2022						
Gross carrying amount	192,188,146.62	149,736,223.58	1,659,621.45	1,115,090.79	11,483,849.01	356,182,931.45
Allowance for expected credit losses	134,181.30	480,947.84	18,089.87	103,777.22	11,483,849.01	12,220,845.24
Baht						
Separate financial statements						
Not yet due	Not over	2 - 6	6 - 12	Over	Total	
	2 months	months	months	12 months		
As at December 31, 2023						
Gross carrying amount	168,289,729.51	78,700,615.16	45,744.99	178,298.87	2,171,234.21	249,385,622.74
Allowance for expected credit losses	134,423.22	243,257.18	663.30	25,657.21	2,323,875.87	2,727,876.78

	Baht					
	Separate financial statements					
	Not yet due	Not over 2 months	2 - 6 months	6 - 12 months	Over 12 months	Total
As at December 31, 2022						
Gross carrying amount	192,188,146.62	116,421,052.01	1,659,621.45	1,115,090.79	11,483,849.01	322,867,759.88
Allowance for expected credit losses	134,181.30	309,668.23	18,089.87	103,777.22	11,483,849.01	12,049,565.63

Movement of the change in the allowance for expected credit losses for the years ended December 31, 2023 and 2022 were summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance of the year	12,220,845.24	14,295,980.26	12,049,565.63	13,233,265.70
Additional during the year	1,173,928.05	130,278.74	1,163,008.14	130,278.74
Deduction during the year	(10,642,317.29)	(2,205,413.76)	(10,484,696.99)	(1,313,978.81)
Ending balance of the year	2,752,456.00	12,220,845.24	2,727,876.78	12,049,565.63

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Bad debt for the years	11,195,148.15	-	11,195,148.15	-

Other receivables consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Revenue Department receivable	895,190.30	1,637,280.72	877,062.13	753,554.55
Deposit	3,746,689.18	3,583,616.74	3,746,689.18	3,272,217.53
Prepaid expenses	1,441,634.01	674,972.89	995,177.22	650,532.49
Other current financial assets	111,684.00	122,202.00	-	-
Income tax assets	7,032,495.04	7,032,495.04	7,032,495.04	7,032,495.04
Total	13,227,692.53	13,050,567.39	12,651,423.57	11,708,799.61

8. INVENTORIES

Inventories consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Finished goods	358,904,828.69	331,095,313.81	336,493,760.69	316,253,408.40
Work in process	60,770,966.20	49,802,935.47	60,770,966.20	49,802,935.47
Raw materials	323,200,303.95	269,490,920.47	252,856,550.32	212,845,741.49
Packaging and factory supplies	39,895,340.06	35,120,053.66	39,895,340.06	35,120,053.66
Goods in transit	30,855,344.96	28,022,850.30	30,855,344.96	16,572,245.91
Total	813,626,783.86	713,532,073.71	720,871,962.23	630,594,384.93
<u>Less</u> Allowance for obsolete stock	(228,339,210.91)	(217,460,857.26)	(228,339,210.91)	(217,460,857.26)
Net	585,287,572.95	496,071,216.45	492,532,751.32	413,133,527.67

Inventories classified by ages of accounts consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Not over 1 years	527,673,470.08	452,668,897.69	434,918,648.45	369,731,208.91
Over 1 years to 2 years	41,926,925.42	25,413,856.28	41,926,925.42	25,413,856.28
Over 2 years to 3 years	19,068,311.74	14,779,069.76	19,068,311.74	14,779,069.76
Over 3 years to 4 years	12,831,374.04	17,930,064.15	12,831,374.04	17,930,064.15
Over 4 years to 5 years	17,008,257.26	16,457,121.76	17,008,257.26	16,457,121.76
Over more than 5 years	195,118,445.32	186,283,064.07	195,118,445.32	186,283,064.07
Total	813,626,783.86	713,532,073.71	720,871,962.23	630,594,384.93

Movement of the change in the allowance for obsolete stock were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance of the year	217,460,857.26	249,735,267.57	217,460,857.26	239,584,549.60
Additional during the year	10,878,353.65	-	10,878,353.65	-
Deduction during the year	-	(32,274,410.31)	-	(22,123,692.34)
Ending balance of the year	228,339,210.91	217,460,857.26	228,339,210.91	217,460,857.26

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Decline (reversal) in value of inventory recognized				
as cost of goods sold for the year	10,878,353.65	(32,274,410.31)	10,878,353.65	(22,123,692.34)

9. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of:

Subsidiary Company name	Paid up shares		Percentage of ownership (%)		Separated financial statements	
					At cost method (Baht)	
	2023	2022	2023	2022	2023	2022
Taweewattana Logistics Co., Ltd.	Baht 3 million	Baht 3 million	99.99	99.99	-	2,999,700.00
Thai Nam Automotive Performance Co., Ltd.	Baht 10 million	Baht 10 million	99.99	99.99	-	12,603,800.02
TNV Plastics (Proprietary) Limited	Rand 1 million	Rand 1 million	100.00	100.00	4,280,861.58	4,280,861.58
Total					4,280,861.58	19,884,361.60
<u>Less Allowance for impairment of investments</u>						
Taweewattana Logistics Co., Ltd.					-	(2,999,700.00)
TNV Plastics (Proprietary) Limited					(4,280,861.58)	(4,280,861.58)
Total					(4,280,861.58)	(7,280,561.58)
Investments in subsidiaries, net					-	12,603,800.02

According to the minutes of the board of directors' meeting No. 8/2022 held on November 18, 2022, the meeting had a resolution to dissolve the company and liquidate 3 subsidiaries: Thai Nam Automotive Performance Co., Ltd., Taweewattana Logistics Co., Ltd. and TNP Industry Co., Ltd. to reduce management expense. And on December 14, 2022, three subsidiaries had registered the dissolution with the Department of Business Development, Ministry of Commerce. Subsequently, in March 2023, the Company received a capital return from Thaweewattana Logistics Co., Ltd. and Thai Nam Automotive Performance Co., Ltd. in the total amount of Baht 15.07 million and reversed the allowance for impairment of the investments in subsidiaries in the amount of Baht 3.00 million in the first quarter of 2023. However, such two subsidiaries had registered the liquidation with the Department of Business Development, Ministry of Commerce, on April 7, 2023.

10. INVESTMENT PROPERTY

Investment property consisted of:

	Baht			
	Consolidated financial statements			
	Balance as at January 1, 2023	Movement during the year		Balance as at December 31, 2023
		Additions	Deduction	Transferred in (out)
<u>At cost</u>				
Land	7,763,896.67	-	-	-
Investment property - Net	7,763,896.67			

Baht				
Consolidated financial statements				
Balance as at	Movement during the year			Balance as at
January 1, 2022	Additions	Deduction	Transferred in (out)	December 31, 2022
<u>At cost</u>				
Land	7,763,896.67	-	-	7,763,896.67
Investment property - Net	<u>7,763,896.67</u>			<u>7,763,896.67</u>
Baht				
Separate financial statements				
Balance as at	Movement during the year			Balance as at
January 1, 2023	Additions	Deduction	Transferred in (out)	December 31, 2023
<u>At cost</u>				
Land	7,763,896.67	-	-	7,763,896.67
Investment property - Net	<u>7,763,896.67</u>			<u>7,763,896.67</u>
Baht				
Separate financial statements				
Balance as at	Movement during the year			Balance as at
January 1, 2022	Additions	Deduction	Transferred in (out)	December 31, 2022
<u>At cost</u>				
Land	17,007,481.77	-	(9,243,585.10)	7,763,896.67
Buildings for rent	23,084,332.63	-	(23,084,332.63)	-
Total	<u>40,091,814.40</u>	<u>-</u>	<u>(32,327,917.73)</u>	<u>7,763,896.67</u>
<u>Deduct</u> Accumulated depreciation				
Buildings for rent	(15,246,418.55)	(1,154,216.75)	16,400,635.30	-
Total	<u>(15,246,418.55)</u>	<u>(1,154,216.75)</u>	<u>16,400,635.30</u>	<u>-</u>
Investment property - Net	<u>24,845,395.85</u>			<u>7,763,896.67</u>

During the year 2022 the group entered into business restructuring. The subsidiary stopped its operation affecting the subsidiary to terminate the land and building lease agreement. (Note 5.5) The Company transferred to change the asset type from investment property to land, building and equipment Baht 15.93 million. (Note 11)

The Company's investment property is land and buildings for rent., the Company has appraisals by independent appraisers. The fair value is based on the fair market value method using the cost approach. The fair value as at December 31, 2023 and 2022 is Baht 26.57 million and Baht 28.13 million (Separate financial statement amount of Baht 26.57 million and Baht 28.13 million), which is the appraisal value in 2023 and 2021, respectively.

The Company had rental income and operating expenses from investment which were recognized in the statement of comprehensive income follows:

Baht			
Consolidated financial statement		Separate financial statement	
2023	2022	2023	2022
Rental income	2,094,891.72	2,094,891.72	3,324,231.72
Operating expenses	-	-	1,154,216.75

Investment property of the Company are mortgaged as collateral of credit facilities from financial institutions (Note 14 and 16).

11. PROPERTY PLANT AND EQUIPMENT

Property plant and equipment consisted of:

	Baht				
	Consolidated financial statements				
	Balance per book	Movement during the year			Balance per book
	as at January	Additions	Deduction	Transferred	as at December
	1, 2023			in (out)	31, 2023
				on translating financial statement	
<u>At cost</u>					
Land	11,918,116.03	-	-	-	11,918,116.03
<u>Land improvement</u>	9,375,309.51	-	-	258,924.82	9,634,234.33
Building and building improvement	399,775,648.67	-	-	915,128.56	404,304,541.13
Machines and equipment	1,377,117,720.81	1,653,733.41	(63,261,200.06)	528,984.04	1,308,818,284.64
Utility system	32,720,057.73	-	-	37,088.00	32,757,145.73
Vehicles	8,586,865.10	141,547.50	(1,012,928.50)	1,614,000.00	9,269,508.99
Office equipment	50,548,538.16	2,576,456.43	(11,235,208.21)	-	41,642,093.65
Equipment and tools	258,258,684.57	8,222,487.30	(14,776,592.43)	1,636,111.32	253,340,690.76
Assets in progress	28,154,455.91	14,178,147.98	(3,797,071.94)	(3,376,236.74)	35,159,295.21
Liquidation of subsidiaries	-	-	-	3,197,266.81	3,197,266.81
Total	2,176,455,396.49	26,772,372.62	(94,083,001.14)	4,811,266.81	2,110,041,177.28
<u>Accumulated depreciation</u>					
<u>Land improvement</u>	(8,796,433.92)	(229,423.35)	-	-	(9,025,857.27)
Building and building improvement	(300,406,155.78)	(12,941,679.59)	-	-	(312,555,130.23)
Machines and equipment	(1,276,418,611.57)	(19,839,287.36)	63,260,860.06	-	(1,232,166,647.61)
Utility system	(29,131,801.63)	(820,181.72)	-	-	(29,951,983.35)
Vehicles	(8,240,917.92)	(137,714.78)	1,012,926.50	(1,613,998.00)	(8,949,637.68)
Office equipment	(47,501,531.80)	(1,444,033.81)	11,232,154.95	-	(37,509,429.24)
Equipment and tools	(237,358,052.21)	(8,640,027.17)	13,918,486.89	-	(232,079,592.49)
Total	(1,907,853,504.83)	(44,052,347.78)	89,424,428.40	(1,613,998.00)	(1,862,238,277.87)
Allowance for impairment of fixed asset	(13,497,961.42)	(2,726,000.00)	2,861,487.00	-	(13,362,474.42)
Property, plant and equipment, net	255,103,930.24				234,440,424.99

	Baht					
	Consolidated financial statements					
	Balance per book	Movement during the year				Balance per book
	as at January	Additions	Deduction	Transferred	Exchange	as at December
	1, 2022			in (out)	difference	31, 2022
					on translating	
					financial	
					statement	
<u>At cost</u>						
Land	11,918,116.03	-	-	-	-	11,918,116.03
<u>Land improvement</u>	9,375,309.51	-	-	-	-	9,375,309.51
Building and building						
improvement	399,439,626.48	132,025.37	(190,740.00)	955,734.01	(560,997.19)	399,775,648.67
Machines and equipment	1,395,915,783.22	9,068,389.76	(53,131,919.39)	26,135,877.29	(870,410.07)	1,377,117,720.81
Utility system	32,632,965.33	-	(600,000.00)	687,092.40	-	32,720,057.73
Vehicles	9,812,979.12	-	(1,205,750.95)	-	(20,363.07)	8,586,865.10
Office equipment	59,624,187.80	880,145.52	(9,868,382.87)	-	(87,412.29)	50,548,538.16
Equipment and tools	255,792,369.86	6,676,231.18	(9,895,370.79)	5,685,454.32	-	258,258,684.57
Assets in progress	47,552,292.76	18,149,698.79	(4,083,377.62)	(33,464,158.02)	-	28,154,455.91
Total	2,222,063,630.11	34,906,490.62	(78,975,541.62)	-	(1,539,182.62)	2,176,455,396.49
<u>Accumulated depreciation</u>						
<u>Land improvement</u>	(8,552,582.85)	(243,851.07)	-	-	-	(8,796,433.92)
Building and building						
improvement	(286,085,795.62)	(14,819,002.90)	190,738.00	-	307,904.74	(300,406,155.78)
Machines and equipment	(1,311,298,406.46)	(18,555,341.80)	53,131,774.42	-	303,362.27	(1,276,418,611.57)
Utility system	(28,314,735.55)	(1,102,435.98)	285,369.90	-	-	(29,131,801.63)
Vehicles	(9,241,717.00)	(217,821.68)	1,205,747.95	-	12,872.81	(8,240,917.92)
Office equipment	(55,498,566.67)	(1,946,910.97)	9,865,871.26	-	78,074.58	(47,501,531.80)
Equipment and tools	(238,711,590.50)	(8,267,205.57)	9,620,743.86	-	-	(237,358,052.21)
Total	(1,937,703,394.65)	(45,152,569.97)	74,300,245.39	-	702,214.40	(1,907,853,504.83)
Allowance for impairment of						
fixed asset	(16,189,275.89)	-	2,691,314.47	-	-	(13,497,961.42)
Property, plant and equipment, net	268,170,959.57					255,103,930.24

	Baht			
	Separate financial statements			
	Balance per book	Movement during the year		
	as at January	Additions	Deduction	Transferred
	1, 2023			in (out)
<u>At cost</u>				
Land	152,837,181.03	-	-	-
<u>Land improvement</u>	9,375,309.51	-	-	258,924.82
Building and building improvement	366,766,280.86	-	-	915,128.56
Machines and equipment	939,053,937.97	-	(63,261,200.06)	528,984.04
Utility system	26,829,783.01	-	-	37,088.00
Vehicles	6,869,079.66	-	(928,000.00)	1,614,000.00
Office equipment	47,457,234.33	2,294,999.61	(11,235,208.21)	-
Equipment and tools	240,363,583.19	8,222,487.30	(14,776,592.43)	1,636,111.32
Assets in progress	32,020,659.86	14,178,147.98	(3,797,071.94)	(3,376,236.74)
Total	1,821,573,049.42	24,695,634.89	(93,998,072.64)	1,614,000.00
<u>Accumulated depreciation</u>				
<u>Land improvement</u>	(8,796,433.92)	(229,423.35)	-	-
Building and building improvement	(264,730,592.65)	(11,522,248.98)	-	-
Machines and equipment	(828,397,747.22)	(18,624,354.69)	63,260,860.06	-
Utility system	(23,176,637.77)	(826,546.72)	-	-
Vehicles	(6,840,865.97)	(6,002.00)	927,998.00	(1,613,998.00)
Office equipment	(45,211,919.16)	(1,219,490.40)	11,232,154.95	-
Equipment and tools	(214,619,270.80)	(9,122,897.17)	13,918,486.89	-
Total	(1,391,773,467.49)	(41,550,963.31)	89,339,499.90	(1,613,998.00)
Allowance for impairment of fixed asset	(13,497,961.42)	(2,726,000.00)	2,861,487.00	-
Property, plant and equipment, net	416,301,620.51			394,923,208.35

	Baht			
	Separate financial statements			
	Balance per book	Movement during the year		
	as at January 1, 2022	Additions	Deduction	Transferred in (out)
				Balance per book as at December 31, 2022
<u>At cost</u>				
Land	143,593,595.93	-	-	9,243,585.10
<u>Land improvement</u>	9,375,309.51	-	-	-
Building and building improvement	342,916,954.22	-	(190,740.00)	24,040,066.64
Machines and equipment	940,817,180.07	25,232,800.00	(53,131,919.39)	26,135,877.29
Utility system	26,075,390.61	67,300.00	-	687,092.40
Vehicles	6,839,079.66	30,000.00	-	-
Office equipment	46,680,834.15	835,400.18	(59,000.00)	-
Equipment and tools	230,405,516.50	11,193,131.18	(6,920,518.81)	5,685,454.32
Assets in progress	51,418,496.71	18,149,698.79	(4,083,377.62)	(33,464,158.02)
Total	1,798,122,357.36	55,508,330.15	(64,385,555.82)	32,327,917.73
<u>Accumulated depreciation</u>				
<u>Land improvement</u>	(8,552,582.85)	(243,851.07)	-	-
Building and building improvement	(236,677,744.05)	(11,842,951.30)	190,738.00	(16,400,635.30)
Machines and equipment	(864,350,251.79)	(17,179,269.82)	53,131,774.39	-
Utility system	(22,109,436.80)	(1,067,200.97)	-	-
Vehicles	(6,746,743.69)	(94,122.28)	-	-
Office equipment	(43,742,058.37)	(1,528,859.79)	58,999.00	-
Equipment and tools	(212,654,856.98)	(8,610,416.77)	6,646,002.95	-
Total	(1,394,833,674.53)	(40,566,672.00)	60,027,514.34	(16,400,635.30)
Allowance for impairment of fixed asset	(16,189,275.89)	-	2,691,314.47	-
Property, plant and equipment, net	387,099,406.94			416,301,620.51

During the year 2022 the Company received the transfer of investment property and presented it under land, building and equipment net carrying value Baht 15.93 million (Note 10).

	Baht			
	Consolidated financial statement		Separate financial statement	
	2023	2022	2023	2022
Depreciation for the year				
Cost of sales	38,040,956.47	42,351,448.12	35,539,572.00	37,776,573.04
Administrative expenses	6,011,391.31	2,801,121.85	6,011,391.31	2,790,098.96
Total	44,052,347.78	45,152,569.97	41,550,963.31	40,566,672.00
Loss from sale of assets	1,415,087.05	1,984,198.97	1,415,087.05	1,669,444.22
Loss on impairment of equipment (reversal)	(135,487.00)	(2,691,314.47)	(135,487.00)	(2,691,314.47)

The whole amount of land and building, some part of machineries and equipment of the Group were pledged as collateral against short-term from financial institutions. (Note 14 and 16)

As at December 31, 2023 and 2022, the Company and the subsidiary had building and equipment, which were the fully depreciated but they are still in use with value of Baht 1,115.74 million and Baht 1,133.03 million, respectively (for the Company's only amounting to Baht 1,115.74 million and Baht 1,133.03 million, respectively).

12. RIGHT-OF-USE ASSETS

Right-of-use assets consists of:

	Baht					
	Consolidated financial statement					
	Balance per book	Transactions during the year				Balance per book
	as at January	Addition	Deduction	Transfer-in	Exchange	as at December
	1, 2023			(Transfer-	Difference	31, 2023
				out)	on translating	
<u>At cost</u>						
Land and building	88,053,870.64	-	-	-	(7,578,849.73)	80,475,020.91
Vehicle	2,749,120.80	2,262,158.00	-	(1,614,000.00)	-	3,397,278.80
Total	90,802,991.44	2,262,158.00	-	(1,614,000.00)	(7,578,849.73)	83,872,299.71
<u>Accumulated depreciation</u>						
Land and building	(23,294,859.68)	(7,501,085.17)	-	-	2,107,942.22	(28,688,002.63)
Vehicle	(2,238,316.44)	(440,472.37)	-	1,613,998.00	-	(1,064,790.81)
Total	(25,533,176.12)	(7,941,557.54)	-	1,613,998.00	2,107,942.22	(29,752,793.44)
Right-of-use assets, net	65,269,815.32					54,119,506.27

	Baht					
	Consolidated financial statement					
	Balance per book	Transactions during the year				Balance per book
	as at January	Addition	Deduction	Transfer-in	Exchange	as at December
	1, 2022			(Transfer- out)	difference	31, 2022
					on translating	
<u>At cost</u>						
Land and building	90,660,856.65	-	-	-	(2,606,986.01)	88,053,870.64
Vehicle	2,749,120.80	-	-	-	-	2,749,120.80
Total	93,409,977.45	-	-	-	(2,606,986.01)	90,802,991.44
<u>Accumulated depreciation</u>						
Land and building	(15,650,004.72)	(8,521,340.89)	-	-	876,485.93	(23,294,859.68)
Vehicle	(1,701,758.16)	(536,558.28)	-	-	-	(2,238,316.44)
Total	(17,351,762.88)	(9,057,899.17)	-	-	876,485.93	(25,533,176.12)
Right-of-use assets, net	76,058,214.57					65,269,815.32

	Baht				
	Separate financial statement				
	Balance per book	Transactions during the year			Balance per book
	as at January	Addition	Deduction	Transfer-in	as at December
	1, 2023			(Transfer-out)	31, 2023
<u>At cost</u>					
Vehicle	2,749,120.80	2,262,158.00	-	(1,614,000.00)	3,397,278.80
Total	2,749,120.80	2,262,158.00	-	(1,614,000.00)	3,397,278.80
<u>Accumulated depreciation</u>					
Vehicle	(2,238,316.44)	(440,472.37)	-	1,613,998.00	(1,064,790.81)
Total	(2,238,316.44)	(440,472.37)	-	1,613,998.00	(1,064,790.81)
Right-of-use assets, net	510,804.36				2,332,487.99

	Baht				
	Separate financial statement				
	Balance per book	Transactions during the year			Balance per book
	as at January	Addition	Deduction	Transfer-in	as at December
	1, 2022			(Transfer-out)	31, 2022
<u>At cost</u>					
Vehicle	2,749,120.80	-	-	-	2,749,120.80
Total	2,749,120.80	-	-	-	2,749,120.80
<u>Accumulated depreciation</u>					
Vehicle	(1,701,758.16)	(536,558.28)	-	-	(2,238,316.44)
Total	(1,701,758.16)	(536,558.28)	-	-	(2,238,316.44)
Right-of-use assets, net	1,047,362.64				510,804.36

	Baht			
	Consolidated financial statement		Separate financial statement	
	2023	2022	2023	2022
Depreciation for the year				
Cost of sales	7,501,085.17	8,521,340.89	-	-
Administrative expenses	440,472.37	536,558.28	440,472.37	536,558.28
Total	7,941,557.54	9,057,899.17	440,472.37	536,558.28

13. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

	Baht			
	Consolidated financial statement		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets	79,004,193.24	73,258,177.41	79,004,193.24	73,258,177.41
Deferred tax liabilities	(1,299,348.41)	(1,097,785.37)	-	-
Deferred tax assets (liabilities), net	77,704,844.83	72,160,392.04	79,004,193.24	73,258,177.41

	Baht			
	Consolidated financial statements			
	As at January	Income (expense) during the year		As at December
	1, 2023	In profit or loss	In other comprehensive income	31, 2023
			on translating financial statement	
Deferred tax assets:				
Allowance for expected credit losses	5,200,000.00	-	-	5,200,000.00
Allowance for decline in value of obsolete stocks	43,492,171.46	2,175,670.72	-	45,667,842.18
Allowance for impairment of fixed asset	2,699,592.28	(27,097.40)	-	2,672,494.88
Employee benefit obligation	21,859,423.94	1,540,782.24	2,058,325.03	25,458,531.21
Leases	6,989.73	(1,664.76)	-	5,324.97
Total	73,258,177.41	3,687,690.80	2,058,325.03	79,004,193.24
Deferred tax liabilities:				
Accelerated capital allowances for tax purposes	(1,097,785.37)	(300,169.41)	-	(1,299,348.41)
Total	(1,097,785.37)	(300,169.41)	-	(1,299,348.41)
Deferred tax assets (liabilities), net	72,160,392.04	3,387,521.39	2,058,325.03	77,704,844.83

	Baht			
	Consolidated financial statements			
	As at January	Income (expense) during the year		As at December
	1, 2022	In profit or loss	In other comprehensive income	31, 2022
			on translating financial statement	
Deferred tax assets:				
Allowance for expected credit losses	5,200,000.00	-	-	5,200,000.00
Allowance for decline in value of obsolete stocks	49,764,564.20	(6,272,392.74)	-	43,492,171.46
Allowance for impairment of fixed asset	3,237,855.18	(538,262.90)	-	2,699,592.28
Employee benefit obligation	21,997,865.76	(1,140,513.37)	1,002,071.55	21,859,423.94
Leases	52,953.41	(45,963.68)	-	6,989.73
Total	80,253,238.55	(7,997,132.69)	1,002,071.55	73,258,177.41
Deferred tax liabilities:				
Accelerated capital allowances for tax purposes	(401,095.29)	(745,535.26)	-	(1,097,785.37)
Total	(401,095.29)	(745,535.26)	-	(1,097,785.37)
Deferred tax assets (liabilities), net	79,852,143.26	(8,742,667.95)	1,002,071.55	72,160,392.04

Baht			
Separate financial statements			
As at January	Income (expense) during the year		As at December
1, 2023	In profit or loss	In other comprehensive income	31, 2023
Deferred tax assets:			
Allowance for expected credit losses	5,200,000.00	-	5,200,000.00
Allowance for decline in value of obsolete stocks	43,492,171.46	2,175,670.72	45,667,842.18
Allowance for impairment of fixed asset	2,699,592.28	(27,097.40)	2,672,494.88
Employee benefit obligation	21,859,423.94	1,540,782.24	25,458,531.21
Lease	6,989.73	(1,664.76)	5,324.97
Total	73,258,177.41	3,687,690.80	79,004,193.24

Baht			
Separate financial statements			
As at January	Income (expense) during the year		As at December
1, 2022	In profit or loss	In other comprehensive income	31, 2022
Deferred tax assets:			
Allowance for expected credit losses	5,200,000.00	-	5,200,000.00
Allowance for decline in value of obsolete stocks	47,916,909.92	(4,424,738.46)	43,492,171.46
Allowance for impairment of fixed asset	3,237,855.18	(538,262.90)	2,699,592.28
Employee benefit obligation	21,451,159.84	(593,807.45)	21,859,423.94
Lease	6,306.60	683.13	6,989.73
Total	77,812,231.54	(5,556,125.68)	73,258,177.41

As at December 31, 2023 and 2022, the Group had an accumulated loss (in tax) that was still unused in the amount of Baht 438.85 million and Baht 528.41 million, (separate financial statement : None). The Group did not record deferred tax assets from such loss because there was an uncertainty whether the Group would have enough profit to utilize the benefits from deferred tax assets or not.

14. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Bank overdrafts	9,150,025.42	14,070,346.64	9,150,025.42	14,070,346.64
Trust receipts	6,418,251.55	23,048,407.64	6,418,251.55	23,048,407.64
Promissory note	156,472,459.07	116,588,445.95	156,472,459.07	116,588,445.95
Total	172,040,736.04	153,707,200.23	172,040,736.04	153,707,200.23

The Company had credit facilities with a local commercial bank, as follows:

Types of credit limit	Interest rate (% per annum)	Million Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
(1) Bank overdrafts	MOR	30.00	30.00	30.00	30.00
(2) Letter of credit/trust receipt	MLR - MLR-2	110.00	110.00	110.00	110.00
(3) Promissory note	MLR-0.50 - MLR-2	220.00	220.00	220.00	220.00
(4) Forward foreign exchange contracts	-	10.00	10.00	10.00	10.00
(5) Letter of guarantee	-	10.00	10.00	10.00	10.00
(6) Long-term loan (Note 16)	MLR-1 - MLR-2	167.00	167.00	167.00	167.00
Total		547.00	547.00	547.00	547.00

Above the credit limit were guaranteed by mortgage of land, buildings and structures and some part of machineries of the Group (Note 10 and 11), and director of the company.

On August 18, 2022 the letter notifying the approval of interest rate and current credit limit fee from a financial institution effective from July 1, 2022 until June 30, 2023. Details are as follows:

1. P/N Against Invoice of Baht 220.00 million or interest rate at MLR-1% per annum.
2. Letter of credit and/or trust receipt, packaging credit, domestic letter of credit and/or P/N credit to pay domestic letter of credit or letter of credit and/or discount export bill and/or Import Open Account promissory note – L/C fee at 1/8% : 90 days and T/R interest at the bank rate minus 1% per annum for all currencies.

On August 8, 2023, the Company entered into an amendment of loan agreement No. 13 with the details as follows:

1. P/N Against Invoice credit limit amounted Baht 220.00 million, charged interest at MLR-1 percent per annum.
2. P/N sales loan to pay domestic letter of credit and packing credit loan or letter of credit at MLR per annum and charged interest for T/R at the rate according to the bank's regulations minus with 1 percent per annum.

15. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables - Other companies	220,753,180.70	251,681,399.09	183,678,282.71	216,319,541.58
Other current payable	25,910,070.62	24,044,344.59	21,291,927.33	20,243,297.70
Total	246,663,251.32	275,725,743.68	204,970,210.04	236,562,839.28

Trade payables classified by currency consisted of:

	Consolidated financial statements			
	Foreign currencies		Baht	
	2023	2022	2023	2022
Trade payables, domestic;				
Baht			158,010,825.75	186,401,091.75
Trade payables, overseas;				
U.S. Dollars	473,666.15	603,050.26	16,288,242.11	20,946,046.21
Euro	162,410.00	238,390.00	6,345,988.35	8,972,403.62
Singapore Dollar	113,924.00	-	3,033,226.50	-
Rand	19,917,749.00	17,362,330.00	37,074,897.99	35,361,857.51
Total			220,753,180.70	251,681,399.09

	Separate financial statements			
	Foreign currencies		Baht	
	2023	2022	2023	2022
Trade payables, domestic;				
Baht			158,010,825.75	186,401,091.75
Trade payables, oversea;				
U.S. Dollars	473,666.15	603,050.26	16,288,242.11	20,946,046.21
Euro	162,410.00	238,390.00	6,345,988.35	8,972,403.62
Singapore Dollar	113,924.00	-	3,033,226.50	-
Total			<u>183,678,282.71</u>	<u>216,319,541.58</u>

Other current payables consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accrued expenses	16,570,666.87	17,129,891.72	11,952,523.58	13,328,844.83
Dividend payable	2,643,131.34	2,542,360.19	2,643,131.34	2,542,360.19
Deposit received	2,430,971.73	1,043,236.40	2,430,971.73	1,043,236.40
Revenue Department	4,110,990.68	3,020,181.28	4,110,990.68	3,020,181.28
Other	154,310.00	308,675.00	154,310.00	308,675.00
Total	<u>25,910,070.62</u>	<u>24,044,344.59</u>	<u>21,291,927.33</u>	<u>20,243,297.70</u>

16. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTION

Long-term borrowings from financial institution consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance as at January 1	155,000,000.00	47,000,000.00	155,000,000.00	47,000,000.00
Additional during the year	-	117,000,000.00	-	117,000,000.00
Deduction during the year	(34,000,000.00)	(9,000,000.00)	(34,000,000.00)	(9,000,000.00)
Ending balance as at December 31	121,000,000.00	155,000,000.00	121,000,000.00	155,000,000.00
Less Current portion due within one year	(42,000,000.00)	(30,000,000.00)	(42,000,000.00)	(30,000,000.00)
Long-term loans, net	<u>79,000,000.00</u>	<u>125,000,000.00</u>	<u>79,000,000.00</u>	<u>125,000,000.00</u>

Consolidated/Separate financial statement									
No.	Year	Credit limit (Million)		Withdrawn (million Baht)		Interest rate (%)	Monthly repayment schedule of principal and interest	Outstanding principal (Baht)	
		2023	2022	2023	2022			2023	2022
1	2019	72.00	72.00	72.00	72.00	MLR-2,	Within 66 months from the first withdrawn loan	42,000,000.00	60,000,000.00
						MLR-1	Installments in monthly of Baht 1.50 million		
2	2020	95.00	95.00	95.00	95.00	MLR-2	Within 47 months from the first withdrawn loan	79,000,000.00	95,000,000.00
							installments in monthly as follow: No. 1 - 18		
							Baht 2.00 million, No. 19 - 34		
							Baht 3.50 million,		
							No. 35 pay off the remaining		
Total		<u>167.00</u>	<u>167.00</u>	<u>167.00</u>	<u>167.00</u>			<u>121,000,000.00</u>	<u>155,000,000.00</u>

As at December 31, 2023 and 2022, the Company has long-term loan limit with a local financial institutions were guaranteed by the mortgage of land, buildings and structures and some part of machineries of the Group (Note 10 and 11), and directors of the Company.

According to the notification letter of credit line approval from financial institutions dated July 15, 2020 and August 5, 2021, it had the significant details as follows:

- 16.1 To adjust the long-term loan condition amounted Baht 95.00 million as follows:
- 16.1.1 Extend the withdrawal of loan period from within 12 months from the date in the loan agreement that will be due by July 16, 2021 to extend the period to July 15, 2022.
 - 16.1.2 Repay the loan to be finished by June 17, 2026 or within 47 months from the first withdrawal month according to which date is due first.
 - 16.1.3 Condition in loan withdrawal that is able to withdraw not over 80% of the expenses document from February to December 2021.
- 16.2 To adjust the long-term loan condition amounted Baht 72.00 million as follows:
- 16.2.1 Extend the withdrawal of loan period from within December 9, 2020 to April 30, 2021 and can be renewed for another 1 year to April 29, 2022.
 - 16.2.2 Adjust to lower interest rate from MLR-1% per annum to MLR-2% per annum.
 - 16.2.3 Change the loan repayment condition as follows:
 - Extend the loan repayment period in the first installment for another 12 months from July 2020 to July 2021 and can be renewed for another 12 months. The principal repayment can be started from July 2022, onwards.
 - Extend the loan repayment period from the due date on June 17, 2025 to June 17, 2026.

17. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2023 and 2022 are presented below:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Balance as at January 1	84,497,871.20	90,007,571.89	545,753.02	769,361.53
Addition during the year	1,669,000.00	-	1,669,000.00	-
Accretion of interest during the year	7,822,531.03	9,164,221.94	43,142.71	40,391.49
Payments during the year	(11,851,645.48)	(12,251,142.45)	(455,560.00)	(264,000.00)
Exchange difference on translating financial statement	(7,176,176.50)	(2,422,780.18)	-	-
Balance as at December 31	74,961,580.25	84,497,871.20	1,802,335.73	545,753.02
Less: current portion	(5,471,845.87)	(4,135,373.50)	(648,900.77)	(232,376.04)
Lease liabilities - net of current portion	69,489,734.38	80,362,497.70	1,153,434.96	313,376.98

Amounts recognized in the statement of comprehensive income for the years ended December 31, 2023 and 2022 are comprise;

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation of right-of-use assets	7,941,557.54	9,057,899.17	440,472.37	536,558.28
Interest expense on lease liabilities	7,822,531.03	9,164,221.94	43,142.71	40,391.49
Expense relating to short-term lease	352,500.00	171,000.00	352,500.00	171,000.00
Leases of low - value assets	1,110,600.00	915,600.00	1,110,600.00	915,600.00
Exchange difference on translating, net	(1,705,268.99)	(692,280.10)	-	-
Total	15,521,919.58	18,616,441.01	1,946,715.08	1,663,549.77

For the years ended December 31, 2023 and 2022, The Group had total cash outflows for leases of Baht 13.31 million and Baht 13.34 million, respectively. (The separate: Baht 1.92 million and Baht 1.35 million, respectively.), including cash outflows for which the short-term lease and lease of low-value assets.

18. PROVISIONS FOR EMPLOYEE BENEFIT

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance of provisions for employee benefit	109,297,119.71	109,989,328.85	109,297,119.71	107,255,799.21
Benefits paid by the plan during the year	(1,108,001.00)	(15,179,429.49)	(1,108,001.00)	(15,179,429.49)
Current service costs and interest during the year	8,043,325.08	7,096,177.29	8,043,325.08	6,847,674.64
Transfer in provisions for employee benefits				
from subsidiaries	-	-	-	2,982,032.29
Actuarial losses recognised in profit or loss	768,587.12	2,380,685.29	768,587.12	2,380,685.29
Losses on re-measurements of defined				
benefit plans	10,291,625.14	5,010,357.77	10,291,625.14	5,010,357.77
Ending balance of provisions for employee benefit	127,292,656.05	109,297,119.71	127,292,656.05	109,297,119.71
Less: current portion	(22,567,590.17)	(14,717,095.19)	(22,567,590.17)	(14,717,095.19)
Employee benefit obligations - net of current portion	104,725,065.88	94,580,024.52	104,725,065.88	94,580,024.52

Expense recognized in the statements of comprehensive income:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Transfer in employee benefits from subsidiaries	-	-	-	2,982,032.29
Current service costs				
Cost of sales	3,316,327.37	2,884,438.54	3,316,327.37	2,861,001.35
Selling expense	292,142.07	292,770.82	292,142.07	292,770.82
Administrative expenses	1,754,189.25	2,094,422.95	1,754,189.25	1,880,380.24
Interest on obligation	2,680,666.39	1,824,544.98	2,680,666.39	1,813,522.23
Total	8,043,325.08	7,096,177.29	8,043,325.08	6,847,674.64
Remeasurements of other long-term benefits	768,587.12	2,380,685.29	768,587.12	2,380,685.29
Total	8,811,912.20	9,476,862.58	8,811,912.20	12,210,392.22

Losses on re-measurements of defined benefit plans

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Actuarial (gains) losses arising from				
Changes in demographic assumptions	5,235,939.50	-	5,235,939.50	-
Changes in financial assumptions	73,687.55	(6,006,084.08)	73,687.55	(6,006,084.08)
Experience adjustments	4,981,998.09	11,016,441.85	4,981,998.09	11,016,441.85
Total	<u>10,291,625.14</u>	<u>5,010,357.77</u>	<u>10,291,625.14</u>	<u>5,010,357.77</u>

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2023 and 2022 are summarized below:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate				
1% increase	(8,295,121.29)	(7,279,443.36)	(8,295,121.29)	(7,279,443.36)
1% decrease	9,531,939.47	8,312,342.70	9,531,939.47	8,312,342.70
Salary increase rate				
1% increase	8,513,939.85	7,495,964.07	8,513,939.85	7,495,964.07
1% decrease	(7,564,520.66)	(6,702,601.60)	(7,564,520.66)	(6,702,601.60)
Employee turnover rate				
20% increase	(2,508,460.22)	(3,125,535.45)	(2,508,460.22)	(3,125,535.45)
20% decrease	2,652,785.43	3,360,527.82	2,652,785.43	3,360,527.82

Principal actuarial assumptions at the reporting date

	2023		2022	
	Percentage		Percentage	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Discount rate	2.74	2.74	2.75	2.75
Salary increase rate	5.00	5.00	5.00	5.00
Employee turnover rate	0.96 - 11.46	0.96 - 11.46	1.43 - 17.19	1.43 - 17.19
Disability rate	5.00 of mortality rate	5.00 of mortality rate	5.00 of mortality rate	5.00 of mortality rate
Mortality rate	100.00 of Thai mortality table 2017	100.00 of Thai mortality table 2017	100.00 of Thai mortality table 2017	100.00 of Thai mortality table 2017

19. SHARE CAPITAL

Year 2023

At the Annual General Meeting of Shareholders of the Company No. 54/2023, held on April 28, 2023, the shareholders approved the decrease of the Company's of registered capital from Baht 340,817,945.00 to Baht 340,813,930.00 by eliminating the registered ordinary shares remaining from the allocation for stock dividend payment of 4,015 shares with the par value of Baht 1.00 per share. The Company registered decrease of capital with Department of Business Development, Ministry of Commerce on May 9, 2023.

Year 2022

At the Annual General Meeting of Shareholders of the Company No. 53/2022, held on April 22, 2022, the shareholders approved as follows:

19.1 Decrease of the Company's of registered capital

Approved the decrease of the Company's of registered capital from Baht 372,768,490.00 to Baht 319,516,823.00 by eliminating the registered ordinary shares remaining from the allocation of ordinary shares to support the exercise of warrants to purchase the Company's ordinary shares No. 1 (TNPC-W1) of 53,251,667 shares with the par value of Baht 1.00 per share. The Company registered decrease of capital with Department of Business Development, Ministry of Commerce on April 28, 2022.

19.2 Increase in the Company's registered capital

Approved the increase of the Company's registered capital to support stock dividend payment from the registered capital of Baht 319,516,823.00 to Baht 340,817,945.00 divided into 340,817,945 shares with the par value of Baht 1.00 per share by issuing new ordinary share of 21,301,122 shares with the par value of Baht 1.00 per share. The Company registered increase of capital with Department of Business Development, Ministry of Commerce on April 29, 2022.

Subsequently, the Company paid the stock dividend of 21,297,107 new ordinary shares, with a par value of Baht 1.00 per share, in the total amount of Baht 21,297,107.00, as mentioned in Note 20 to the financial statements, increasing the Company's issued and paid-up share capital to Baht 340,813,930.00. The Company registered the increase in its paid-up capital with the Ministry of Commerce on May 18, 2022.

20. APPROPRIATION OF RETAINED EARNINGS

Legal 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 present, the statutory reserve has fully been set aside.

Dividend and legal reserve

Year 2023

At the Annual General Meeting of Shareholders of the Company No. 54/2023, held on April 28, 2023, the shareholders approved to no legal reserve appropriation from profits for the year 2022 because the Company's legal reserve has reached the amount required by laws and approved to paid dividend to shareholders at the rate of Baht 0.02 per share from retained earnings, amount of Baht 6,815,488.60. The Company will set the record date on May 10, 2023 to determine the list of shareholders entitled to receive dividend and the dividend payment shall be made on May 25, 2023.

Year 2022

At the Annual General Meeting of Shareholders of the Company No. 53/2022, held on April 22, 2022, shareholders to allocate profits as legal reserve for the year 2021 operating results amount of Baht 5,000,000.00 and approved to paid dividend to shareholders at the rate of Baht 0.1167 per share from retained earnings, amount not more than of Baht 37,276,964.00. The detail are as follows:

- (1) Paying dividends in ordinary shares, amount of 21,301,122 shares with par value of Baht 1.00 per share, total value of Baht 21,301,122.00 by paying stock dividend at the rate of 15 existing shares to 1 stock dividend or at the rate of Baht 0.0667 per share.
- (2) Paying dividends in cash at the rate of Baht 0.05 per share, totaling of Baht 15,975,842.00.

The Company will set the record date on May 3, 2022 to determine the list of shareholders entitled to receive dividend and the dividend payment shall be made on May 18, 2022. The dividends were paid in stock dividends of 21,297,107 new ordinary shares, with a par value of Baht 1.00 per share, in the total amount of Baht 21,297,107.00 and paid cash dividends in the total amount of Baht 15,974,664.30, The Company paid the stock dividends and cash dividends in the total amount of Baht 37,271,771.30.

21. OPERATING SEGMENT

The Group operate in 2 main reports by products operating segments in main geographical area, Thailand as follows:

Type of operating segment	Nature of operating segment
- Manufacturing of plastic parts of automobile industry group	Artificial leather and automobile rubber flooring
- Others-plastic parts of other industry group such as packaging manufacture industry and pharmaceutical, etc.	Various types of plastics both soft and rigid, rolls and plate

The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Group assess the performance of the operating segment by using the operating profit or loss as the same basis to assess operating profit or loss in the financial statements.

Details of financial information by segment operations for the year ended December 31, 2023 and 2022 were as follows:

	Baht					
	Consolidated financial statements					
	Automobile industry group		Others		Total	
	2023	2022	2023	2022	2023	2022
Revenue from sales	1,586,442,659.54	1,413,085,848.03	-	13,379.96	1,586,442,659.54	1,413,099,227.99
Cost of sales	(1,270,045,662.29)	(1,154,007,968.53)	-	(558,528.76)	(1,270,045,662.29)	(1,154,566,497.29)
Gross profit (loss)	316,396,997.25	259,077,879.50	-	(545,148.80)	316,396,997.25	258,532,730.70
Distribution costs	(49,797,331.37)	(54,549,848.42)	-	-	(49,797,331.37)	(54,549,848.42)
Administrative expenses	(185,826,287.64)	(182,388,110.48)	-	(901,149.08)	(185,826,287.64)	(183,289,259.56)
Operating profit (loss)	80,773,378.24	22,139,920.60	-	(1,446,297.88)	80,773,378.24	20,693,622.72
Other income (other expenses)					(16,145,857.13)	(649,085.81)
Finance cost					(22,760,736.05)	(16,736,408.10)
Tax expenses					(11,885,262.93)	(9,537,558.80)
Profit (loss) for the year					29,981,522.13	(6,229,429.99)

Revenue classification

The operation and main revenue of the group have been disclosed in the latest financial statement. The main revenue of the group is from product sale. The timing of revenue recognition is as at any one time.

Information about geographical areas

The Group' revenue from sales separated by geographical area for the year ended December 31, 2023 and 2022, were summarized as follows:

	Baht	
	Consolidated financial statements	
	2023	2022
Domestic	1,232,665,901.92	1,191,440,207.21
Export	353,776,757.62	221,659,020.78
Total	1,586,442,659.54	1,413,099,227.99

Non-current assets of the Group separated by geographical area as at December 31, 2023 and 2022 were as follows:

	Baht			
	Consolidated financial statements			
	Automobile industry group		Others	
	2023	2022	2023	2022
Property, plant and equipment				
- Thailand	211,907,054.36	228,317,075.68	1,861,315.58	2,656,228.48
- South Africa	20,672,055.05	24,130,626.08	-	-
	232,579,109.41	252,447,701.76	1,861,315.58	2,656,228.48

Information about major customers

The Group' revenue from sales from their major customers which more than 10% of total revenue from sales for the years ended December 31, 2023 and 2022, were summarized as follows:

Major customer	Consolidated financial statements			
	Number of customers		Baht	
	2023	2022	2023	2022
Domestic automobile parts manufacturing	1	1	366,778,980.57	338,538,709.44
Export automobile parts manufacturing	1	-	230,990,825.71	-

22. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2023 and 2022 were as follows:

	Baht			
	Consolidated financial statement		Separate financial statement	
	2023	2022	2023	2022
Changed in inventories of finished goods and work in process	(38,777,545.61)	(22,830,847.59)	(31,208,383.02)	(32,773,065.50)
Raw materials and consumables used	835,231,707.07	857,013,694.13	838,027,626.12	856,119,622.21
Staff expenses	322,326,966.71	303,822,981.38	273,532,480.37	255,274,791.17
Depreciation and amortization charges	51,993,905.32	54,210,469.31	41,991,435.68	42,257,447.03
Electricity - Water supply	49,180,043.27	41,841,635.18	35,094,851.60	31,643,930.11
Expected credit losses (reversal)	1,726,758.91	(2,075,135.02)	19,625,257.25	46,303,453.70
Maintenance expense	26,733,582.35	23,244,807.47	21,472,990.27	17,934,042.88

23. PROVIDENT FUND

The Company established a contributory registered provident fund covering all permanent employees in accordance with the Provident Fund Act B.E. 2530.

Under the provident fund plan, employees' and Company's contributions are equivalent to certain percentages of employees' basic salaries. The employees are entitled to the Company's contributions in accordance with the rules and regulations of the fund and on the length of service with the Company. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act B.E. 2530.

During the year 2022 the meeting of the provident fund committee had the resolution to approve the company in temporarily stopping the contribution into the provident fund from January - June 2022. From the effect of the Coronavirus 2019 which will be submitted to the fund again in July 2022 onwards.

The Company's contributions for the years ended December 31, 2023 and 2022 were amounted to Baht 8.24 million and Baht 3.92 million, respectively. (Separate financial statements : Baht 8.24 million and Baht 3.92 million), respectively.

24. TAX EXPENSE (TAX INCOME)

24.1 Major component of income tax expense (tax income)

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Tax expense (tax income) shown in profit or loss:				
Current tax expense:				
Income tax expense for the year	15,272,784.33	794,890.85	15,272,784.33	794,890.85
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(3,387,521.40)	8,742,667.95	(3,687,690.80)	5,556,125.68
Total	<u>11,885,262.93</u>	<u>9,537,558.80</u>	<u>11,585,093.53</u>	<u>6,351,016.53</u>
Tax expense relating to components of other comprehensive income:				
Losses on re-measurements of defined benefit plans	(2,058,325.03)	(1,002,071.55)	(2,058,325.03)	(1,002,071.55)
Total	<u>(2,058,325.03)</u>	<u>(1,002,071.55)</u>	<u>(2,058,325.03)</u>	<u>(1,002,071.55)</u>

24.2 A numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit for the year	41,866,785.06	3,308,128.81	33,473,303.00	34,001,580.88
The applicable tax rate (%)	20%	20%	20%	20%
Tax expense at the applicable tax rate	8,373,357.01	661,625.76	6,694,660.60	6,800,316.18
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:	2,579,589.43	11,254,191.13	1,795,012.40	11,023,138.51
Tax effect of income that are required in determining taxable profit:	3,095,420.53	2,792,920.45	3,095,420.53	2,792,920.45
Tax effect of income or profit that are not required in determining taxable profit	-	(14,411,323.23)	-	(14,265,358.61)
Tax losses which was unrecognised to deferred tax assets	12,760,480.70	27,242,196.20	-	-
Effect on deferred tax from elimination	(11,422,366.73)	(7,787,511.50)	-	-
Revaluation of the deferred tax resulting from difference in tax rates	(3,501,218.01)	(6,709,087.34)	-	-
The amount of previously unrecognized tax losses for a prior period that is used to reduce current tax expense	-	(3,505,452.67)	-	-
Total reconciliation items	3,511,905.92	8,875,933.04	4,890,432.93	(449,299.65)
Total tax expense	11,885,262.93	9,537,558.80	11,585,093.53	6,351,016.53

24.3 A numerical reconciliation between tax average effective tax rate and the application tax rate

	Consolidated financial statements			
	2023		2022	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before tax expense for the year	41,866,785.06		3,308,128.81	
Tax expense at the applicable tax rate	8,373,357.01	20.00	661,625.76	20.00
Reconciliation items	3,511,905.92	8.39	8,875,933.04	268.31
Tax expense at the average effective tax rate	11,885,262.93	28.39	9,537,558.80	288.31

	Separate financial statement			
	2023		2022	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before tax expense for the year	33,473,303.00		34,001,580.88	
Tax expense at the applicable tax rate	6,694,660.60	20.00	6,800,316.18	20.00
Reconciliation items	4,890,432.93	14.61	(449,299.65)	(1.32)
Tax expense at the average effective tax rate	11,585,093.53	34.61	6,351,016.53	18.68

25. PRIVILEGES AND BENEFITS FROM INVESTMENT PROMOTION

The Company is entitled to privileges and benefits from investment promotion under the Investment Promotion Act B.E. 2520 for 1 project as follows:

The Investment Promotion Certificate No. 63-0062-1-05-1-0 dated November 6, 2019 in the SYNTHETIC LEATHER AND PLASTIC SHEET manufacturing business type 6.6 PLASTIC PRODUCTS FOR INDUSTRIAL GOODS

- Exemption of import duty for machinery as approved by the board
- Exemption from corporate income tax for net profit from the investment promotion at 100 percent of investment in automatic system or robot for a period of 3 years from the revenue earning from the investment promotion.
- In case of loss during the exemption of income tax period, the annual loss incurred during that period is allowed to be deducted from net profit after corporate income tax exemption is not over 5 years from the overdue date. It can be deducted from net profit of any year or several years.
- Exemption of import duty for raw material and essential supplies to be imported from overseas for manufacturing to reexport until April 29, 2020.
- Exemption of import duty for items imported for re-export until April 29, 2020.

The Company has income derived from the investment promotion for the year ended December 31, 2023 and 2022 as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Income derived from the investment promotion	-	1,220,181,614.05	-	1,220,181,614.05

26. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the year (not inclusive other comprehensive income) by the weighted average number of ordinary shares which are issued and paid-up during the year.

	Consolidated financial statement		Separate financial statement	
	2023	2022	2023	2022
Profit (loss) for the year of parent company (Baht)	29,981,522.13	(6,229,429.99)	21,888,209.47	27,650,564.35
Weighted average number of ordinary shares (Shares)	340,813,930	340,813,930	340,813,930	340,813,930
Basic earnings (loss) per share (Baht per share)	0.09	(0.02)	0.06	0.08

27. FINANCIAL INSTRUMENTS

27.1 Risk management

The Group manage their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Group do not hold or issue derivative financial instruments for speculative or trading purposes.

27.2 Classification and measurement the financial assets and liabilities

On December 31, 2023 and 2022, the Group's management has assessed which business models applied to the financial assets and liabilities held by the Group and has classified the financial assets and liabilities as amortized cost.

27.3 Credit risk

The Group are exposed to credit risk primarily with respect to trade and other receivables and short-term loans to related party. The management of the Group manage this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for expected credit losses.

27.4 Interest rate risk

The Group are exposed to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term borrowings and long-term borrowings. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provide significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at December 31, 2023 and 2022, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Baht				
	Consolidated financial statements				
	2023				
	Floating interest rate	Fixed interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	1,674,292.37	-	38,426,698.59	40,100,990.96	0.60 - 7.80
Trade and other current receivables	-	-	280,670,495.98	280,670,495.98	-
<u>Financial liabilities</u>					
Bank overdraft and short-term borrowings					
from financial institutions	172,040,736.04	-	-	172,040,736.04	5.85 - 8.50
Trade and other current payables	-	-	246,663,251.32	246,663,251.32	-
Long-term borrowings from financial institutions	121,000,000.00	-	-	121,000,000.00	5.10
Liabilities under a finance lease agreement	-	74,961,580.25	-	74,961,580.25	3.44 - 6.758

	Baht				
	Consolidated financial statements				
	2022				
	Floating interest rate	Fixed interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	15,010,730.29	-	7,592,925.41	22,603,655.70	0.35 - 5.10
Trade and other current receivables	-	-	357,012,653.60	357,012,653.60	-
<u>Financial liabilities</u>					
Bank overdraft and short-term borrowings					
from financial institutions	153,707,200.23	-	-	153,707,200.23	3.25 - 9.50
Trade and other current payables	-	-	275,725,743.68	275,725,743.68	-
Long-term borrowings from financial institutions	155,000,000.00	-	-	155,000,000.00	3.25
Liabilities under a finance lease agreement	-	84,497,871.20	-	84,497,871.20	5.25 - 6.758

	Baht				
	Separate financial statement				
	2023				
	Floating interest rate	Fixed interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	3,015.37	-	3,312,845.46	3,315,860.83	0.60
Trade and other current receivables	-	-	296,127,355.32	296,127,355.32	-
<u>Financial liabilities</u>					
Bank overdraft and short-term borrowings					
from financial institutions	172,040,736.04	-	-	172,040,736.04	5.85 - 8.50
Trade and other current payables	-	-	204,970,210.04	204,970,210.04	-
Long-term borrowings from financial institutions	121,000,000.00	-	-	121,000,000.00	5.10
Liabilities under a finance lease agreement	-	1,802,335.73	-	1,802,335.73	3.44 - 5.25

	Baht				
	Separate financial statement				
	2022				
	Floating interest rate	Fixed interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	3,000.98	-	3,298,833.67	3,301,834.65	0.35
Trade and other current receivables	-	-	366,287,155.88	366,287,155.88	-
<u>Financial liabilities</u>					
Bank overdraft and short-term borrowings					
from financial institutions	153,707,200.23	-	-	153,707,200.23	3.25 - 9.50
Trade and other current payables	-	-	236,562,839.28	236,562,839.28	-
Long-term borrowings from financial institutions	155,000,000.00	-	-	155,000,000.00	3.25
Liabilities under a finance lease agreement	-	545,753.02	-	545,753.02	5.25

27.5 Foreign currency risk

The Group companies incurred risk foreign currencies exchange due to the Group constitutes cash at banks, trade accounts receivable, trust receipts and trade accounts payable in foreign currencies which the Group had hedged as they believed appropriate the foreign currencies risk using forward contract against risk on exchange rates. As of December 31, 2023 and 2022, the Group has outstanding foreign exchange contracts and constitutes foreign currencies assets and liabilities which mainly due within one year as follows:

Foreign currencies	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Baht per foreign currency unit)					
US Dollar	138,949.41	420,927.92	553,998.15	1,106,390.26	34.2233	34.5624
Euro	-	-	257,616.80	505,910.00	38.0334	36.8274
Singapore Dollar	-	-	113,924.00	-	25.9733	25.7206
Africa Rand	11,179,562.00	16,357,427.00	19,917,749.00	17,362,330.00	1.8614	2.0367

Foreign currencies	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Baht per foreign currency unit)					
US Dollar	16,062,474.08	15,459,694.02	553,998.15	1,106,390.26	34.2233	34.5624
Euro	100,812.16	100,812.16	257,616.80	505,910.00	38.0334	36.8274
Singapore Dollar	-	-	113,924.00	-	25.9733	25.7206

For the years ended December 31, 2023 and 2022, the aggregate net foreign exchange gains (losses) recognized in profit or loss are as follow:

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Unrealized gains (losses) on exchange rates, net	(29,699,466.40)	(9,957,038.31)	(4,616,795.25)	14,885,310.56
Gains (losses) on exchange rates, net	116,354.52	1,163,803.03	2,148,613.78	(289,952.96)
Total net gains (losses) on exchange rate recognized				
in profit (loss) before income tax during the year	<u>(29,583,111.88)</u>	<u>(8,793,235.28)</u>	<u>(2,468,181.47)</u>	<u>14,595,357.60</u>

27.6 Liquidity risk

The Group manages its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

27.7 Fair value

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2023 and 2022 are as follows:

	Baht				
	Consolidated financial statements				
	Balance	Cash flows	Non-cash transaction		Balance
	as at January	Increase	Increase	Differences	as at December
	1, 2023	(decrease)*		on translation	31, 2023
				of financial	
Short-term borrowings from financial institutions	153,707,200.23	17,850,603.53	-	482,932.28	172,040,736.04
Long-term borrowings from financial institutions	155,000,000.00	(34,000,000.00)	-	-	121,000,000.00
Liabilities under a finance lease agreement	84,497,871.20	(4,029,114.45)	1,669,000.00	(7,176,176.50)	74,961,580.25
Total	393,205,071.43	(20,178,510.92)	1,669,000.00	(6,693,244.22)	368,002,316.29

	Baht				
	Consolidated financial statements				
	Balance	Cash flows	Non-cash transaction		Balance
	as at January	Increase	Increase	Differences	as at December
	1, 2022	(decrease)*		on translation	31, 2022
				of financial	
Short-term borrowings from financial institutions	153,224,360.64	1,243,847.24	-	(761,007.65)	153,707,200.23
Long-term borrowings from financial institutions	47,000,000.00	108,000,000.00	-	-	155,000,000.00
Liabilities under a finance lease agreement	90,007,571.89	(3,086,920.51)	-	(2,422,780.18)	84,497,871.20
Total	290,231,932.53	106,156,926.73	-	(3,183,787.83)	393,205,071.43

	Baht				
	Separate financial statements				
	Balance	Cash flows	Non-cash transaction		Balance
	as at January	Increase	Increase	Differences	as at December
	1, 2023	(decrease)*		on translation	31, 2023
				of financial	
Short-term borrowings from financial institutions	153,707,200.23	17,850,603.53	-	482,932.28	172,040,736.04
Long-term borrowings from financial institutions	155,000,000.00	(34,000,000.00)	-	-	121,000,000.00
Liabilities under a finance lease agreement	545,753.02	(412,417.29)	1,669,000.00	-	1,802,335.73
Total	309,252,953.25	(16,561,813.76)	1,669,000.00	482,932.28	294,843,071.77

	Baht				
	Separate financial statements				
	Balance	Cash flows	Non-cash transaction		Balance
	as at January	Increase	Increase	Differences	as at December
	1, 2022	(decrease)*		on translation	31, 2022
				of financial	
Short-term borrowings from financial institutions	153,224,360.64	1,243,847.24	-	(761,007.65)	153,707,200.23
Long-term borrowings from financial institutions	47,000,000.00	108,000,000.00	-	-	155,000,000.00
Liabilities under a finance lease agreement	769,361.53	(223,608.51)	-	-	545,753.02
Total	200,993,722.17	109,020,238.73	-	(761,007.65)	309,252,953.25

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flow.

29. COMMITMENTS AND CONTINGENT LIABILITIES

29.1 Outstanding letters of credit

As at December 31, 2023 and 2022, the Company had commitments for the outstanding letters of credit amounting equivalent to Baht 17.10 million and equivalent to Baht 17.95 million, respectively.

29.2 Letter of guarantee

As at December 31, 2023 and 2022, the Company had contingent liabilities for the letter of guarantees issued by the bank in the total amount of Baht 4.60 million and Baht 4.60 million, respectively.

29.3 Commitment on capital expenditure

As at December 31, 2023 and 2022, the Company has commitment to pay under the purchase agreement with local companies totaled Baht 10.77 million and Baht 3.47 million. The Company has an outstanding commitment under the agreement amounted Baht 5.06 million and Baht 1.77 million, respectively.

29.4 Service agreement

As at December 31, 2023 and 2022, the Company has commitment to pay under the Technical Consultancy Service contract with person totaled Baht 16.81 million and Baht 16.81 million. The Company has an outstanding commitment under the agreement amounted Baht 3.77 million and Baht 4.77 million, respectively.

29.5 Commitment relating to lease agreements

As at December 31, 2023 and 2022, the Group has minimum future rental payments under the lease agreements of expense relating to short-term lease and leases of low-value assets as follow:

	Baht			
	Consolidated financial statements		Separate financial statement	
	2023	2022	2023	2022
Payments				
Within 1 year	740,100.00	948,600.00	740,100.00	948,600.00
Over 1 year and less than 5 years	518,400.00	-	518,400.00	-
Total	1,258,500.00	948,600.00	1,258,500.00	948,600.00

30. CAPITAL MANAGEMENT

The primary objective of capital management of the Group is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at December 31, 2023, the Group's debt-to-equity ratio was 1.38 : 1 (as at December 31, 2022 was 1.55 : 1) and the Company's was 0.98 : 1 (as at December 31, 2022 was 1.03 : 1).

31. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's board of directors on February 29, 2024.

Part 4**Certification of Information and Data Accuracy**

The Company has already reviewed all information provided in these annual report with carefully. The Company, hereby certify that all such information are accurate, complete, true and has no misleading statement or omission of any material information which should be informed. In additional, the Company would like to certify that:

- (1) The financial statements and financial information summarized in the annual report show accurate and complete material information on the financial status, performance and cash flow of the Company and its subsidiaries.
- (2) The Company is responsible to provide the good disclosure system of the information of the company to ensure that the company discloses the material fact of the company and its subsidiaries accurately and completely. The Company also supervises the practice of that system.
- (3) The Company is responsible to provide the good internal control system of the Company and supervise the practice of that system. The Company already inform the result of the internal control system appraisal as of 29 February 2024 to the Auditor and Audit Committee of the Company, including substantial faults and changes in the internal control system as well as false practice that may influent the preparation of the financial statements of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified. The Company has assigned Mss Somsuan Khondon to initial every pages of the documents. Any document no signature of Mss Somsuan Khondon shall not be treated as information certified by the Company.

	<u>Name</u>	<u>Position</u>	<u>Signature</u>
1.	Mrs. Siriphorn Mangkornkarn	Acting Managing Director	Mrs. Siriphorn Mangkornkarn
2.	Mr. Kong Mangkornkarn	Executive Director	Mr. Kong Mangkornkarn
3.	Miss Piyatida Mangkornkarn	Executive Director	Miss. Piyatida Mangkornkarn
4.	Mr. Kritasorn Mangkornkarn	Executive Director	Mr. Kritasorn Mangkornkarn

	<u>Name</u>	<u>Position</u>	<u>Signature</u>
	Mss Somsuan Khondon	Company secretary	Mss Somsuan Khondon

Attachment 1**Details of the Board of Directors, Management, Chief Financial Officer,
Accounting Supervisor and the Company's Secretary**

Name	: Mrs. Siriphorn Mangkornkarn
Director Type	: Chairman and Acting Managing Director
Age	: 83 years old
Nationality	: Thai
Date of Appointment to the Board of Director	: 1 November 1992
Year of Directorship	: 32 years
Education	: BA in Commerce and Accounting (Accounting), Thammasat University
Director Training Program	: The Director Accreditation Program (DAP), Thai Institute of Directors Association
Number of Shares hold	: 9,210,714 Shares, equal to 2.70% of total shares with voting right.
Family Relationship among Directors and Executive	: She is the mother of executive directors 3 persons: 1. Mr. Kong Mangkornkarn 2. Miss Piyatida Mangkornkan 3. Mr. Kritasorn Mangkornkarn
Positions in Other Listed Companies	: None
Positions in Non-Listed Companies	: <input type="checkbox"/> Managing Director Citric Acid Industry Co., Ltd.
Meeting Attendance in 2023	: Board of Directors 7 meetings in total ; 7 meetings attended

Name	:	Mr. Kong Mangkornkarn
Director Type	:	Executive Director
Age	:	54 years old
Nationality	:	Thai
Date of Appointment to the Board of Director	:	26 April 2002
Year of Directorship	:	22 years
Education	:	MBA, Mercer University Atlanta, USA
Director Training Program	:	The Director Accreditation Program (DAP), Thai Institute of Directors Association
Number of Shares hold	:	12,943,882 Shares, equal to 3.80% of total shares with voting right.
Family Relationship among Directors and Executive	:	The son of Mrs. Siriphorn Mangkornkarn Chairman and Acting Managing Director
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	<input type="checkbox"/> Managing Director TNV Plastics (Proprietary) Limited
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total ; 7 meetings attended

Name	:	Miss Piyatida Mangkornkan
Director Type	:	Executive Director and Deputy Managing Director
Age	:	57 years old
Nationality	:	Thai
Date of Appointment to the Board of Director	:	26 April 2013
Year of Directorship	:	11 years
Education	:	Master of Business Administration, Mercer University Atlanta, USA
Director Training Program	:	The Director Accreditation Program (DAP), Thai Institute of Directors Association
Number of Shares hold	:	13,089,536 Shares, equal to 3.84% of total shares with voting right.
Family Relationship among Directors and Executive	:	The daughter of Mrs. Siriphorn Mangkornkarn Chairman and Acting Managing Director
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	<input type="checkbox"/> Executive Director TNV Plastics (Proprietary) Limited
Working Experiences	:	<input type="checkbox"/> TMB Bank Public Co., Ltd.: Manager, Credit Underwriting Dept. (For MBXCB) Manager, Credit Analysis Dept. Manager, Investment Business Dept.
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total ; 7 meetings attended

Name	:	Mr. Kritasorn Mangkornkarn
Director Type	:	Executive Director
Age	:	48 years old
Nationality	:	Thai
Date of Appointment to the Board of Director	:	25 April 2014
Year of Directorship	:	10 years
Education	:	Master Degree in Industrial and Organization Psychology Liberal Art Faculty, Thammasat University
Director Training Program	:	The Director Accreditation Program (DAP), Thai Institute of Directors Association
Number of Shares hold	:	14,367,947 Shares, equal to 4.22% of total shares with voting right.
Family Relationship among Directors and Executive	:	The son of Mrs. Siriphorn Mangkornkarn Chairman and Acting Managing Director
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	<input type="checkbox"/> Director Citric Acid Industry Co.,Ltd. <input type="checkbox"/> General Manager Thai Nam Plastic Public Co.,Ltd.
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total ; 7 meetings attended

Name	:	Mr. Thawat Treewannakul
Director Type	:	Director
Age	:	64 years old
Nationality	:	Thai
Date of Appointment to the Board of Director	:	25 November 1999
Year of Directorship	:	25 years
Education	:	MA, Industrial Engineering Faculty, Asia Institute of Technology (AIT)
Director Training Program	:	The Director Accreditation Program (DAP), Thai Institute of Directors Association
Number of Shares hold	:	None
Family Relationship among Directors and Executive	:	None
Positions in Other Listed Companies	:	<input type="checkbox"/> Senior Executive Vice President Bangkok Bank Public Co.,Ltd. <input type="checkbox"/> Director Seacon Development Public Co.,Ltd.
Positions in Non-Listed Companies	:	<input type="checkbox"/> Director: Bualuang ventures Co., Ltd. Panuspoultry Group Co., Ltd. BSL Leasing Co., Ltd.
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total ; 7 meetings attended

Name : Mr. Chaiyanandh Lapitananuvat
 Director Type : Director
 Age : 69 years old
 Nationality : Thai
 Date of Appointment to the Board of Director : 25 November 1999
 Year of Directorship : 25 years
 Education : MBA, University of South Alabama, USA
 Director Training Program : The Director Accreditation Program (DAP),
 Thai Institute of Directors Association
 Number of Shares hold : None
 Family Relationship among Directors and Executive : None
 Positions in Other Listed Companies : ☐ Vice Chairman
☐ Executive Director
☐ Nomination and Remuneration Committee
 KCG Corporation Public Co.,Ltd.
 Positions in Non-Listed Companies : ☐ Executive Director,
 Kimchua Group Co., Ltd.
 Working Experiences : ☐ Chairman of the board of Adviser,
 Islamic Bank of Thailand
☐ Executive Vice President,
 Thanachart Bank Public Co., Ltd.
 Meeting Attendance in 2023 : Board of Directors 7 meetings in total ; 7 meetings attended

Name : Mr. Vorathep Vithayaviroj
 Director Type : Chairman of the Audit Committee and Independent Director
 Age : 79 years old
 Nationality : Thai
 Date of Appointment to the Board of Director : 22 March 2013
 Year of Directorship : 11 years
 Education : Master of Science (Management), Mississippi State University, USA
 Director Training Program : The Director Accreditation Program (DAP),
 Thai Institute of Directors Association
 Number of Shares hold : None
 Family Relationship among Directors and Executive : None
 Positions in Other Listed Companies : None
 Positions in Non-Listed Companies : None
 Working Experiences :

- ☐ Senior Management the debt,
Bank of Thailand
- ☐ Assistant Director of the South Branch,
Bank of Thailand
- ☐ Head of Branch Office of the Governor,
Bank of Thailand

Meeting Attendance in 2023 : Board of Directors 7 meetings in total : 7 meetings attended
 Audit Committee 5 Meetings in total : 5 meetings attended

Name	:	Mr. Peesak Prapaiporn
Director Type	:	Independent Director and Member of the Audit Committee
Age	:	70 years old
Nationality	:	Thai
Date of Appointment to the Board of Director	:	26 April 2013
Year of Directorship	:	11 years
Education	:	BA in Accounting (Costing) Chulalongkorn University
Director Training Program	:	The Director Accreditation Program (DAP), Thai Institute of Directors Association
Number of Shares Hold	:	None
Family Relationship among Directors and Executive	:	None
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	None
Working Experiences	:	<input type="checkbox"/> Vice President (senior) TMB Bank Public Co.,Ltd. <input type="checkbox"/> Vice President (senior) The Industrial Financial Corporation of Thailand.
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total : 7 meetings attended Audit Committee 5 Meetings in total : 5 meetings attended

Name	:	Mr. Wutipong Vechayanon
Director Type	:	Independent Director and Member of the Audit Committee
Age	:	62 years old
Nationality	:	Thai
Date of Appointment to the Board of Director	:	9 August 2013
Year of Directorship	:	11 years
Education	:	Master of Law, Harvard University, USA
Director Training Program	:	<input type="checkbox"/> The Director Accreditation Program (DAP) <input type="checkbox"/> The Director Certification Program (DCP), From Thai Institute of Directors Association
Number of Shares hold	:	None
Family Relationship among Directors and Executive	:	None
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	<input type="checkbox"/> Executive Director, Dr. Somsak Torugsa Law Office Co.,Ltd.
Working Experiences		<input type="checkbox"/> Managing Director, TR Asset Management Co.,Ltd. <input type="checkbox"/> Assistant Managing Director, Pruksa Real Estate Public Co.,Ltd. <input type="checkbox"/> Risk Management Committee, <input type="checkbox"/> General Counsel, SME Bank. <input type="checkbox"/> Audit Committee, The Cambodian Commercial Bank. <input type="checkbox"/> Executive Director, Siam Commercial Plus Co.,Ltd. <input type="checkbox"/> President, Siam-Niti Law Office <input type="checkbox"/> Executive Vice President, Siam Commercial Plus Co.,Ltd.
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total : 7 meetings attended Audit Committee 5 Meetings in total : 5 meetings attended

Name	:	Miss Somsuan Khondon
Position	:	Company's Secretary
Age	:	58 years old
Nationality	:	Thai
Date of Appointment to Company's Secretary	:	11 May 2010
Year of Directorship	:	13 years
Education	:	BA in Accounting, Wongchawalitkul University
Company's secretary Training Program	:	<input type="checkbox"/> Company Secretary Program (CSP) <input type="checkbox"/> Effective Minute Taking (EMT) <input type="checkbox"/> Anti-Corruption: The Practical Guide (ACPG) From Thai Institute of Directors Association
Number of Shares hold	:	None
Family Relationship among Directors and Executive	:	None
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	<input type="checkbox"/> Director Pacific Paper Co., Ltd.
Working Experiences Year 1991 - Present	:	<input type="checkbox"/> Assistant Manager of Management Office, Thai Nam Plastic Public Co., Ltd
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total ; 7 meetings attended

Name	:	Mr. Chairoj Kongsiripanich
Position	:	Secretary of the Audit Committee
Age	:	60 years old
Nationality	:	Thai
Date of Appointment to Secretary of the Audit Committee	:	27 January 2000
Year of Directorship	:	24 years
Education	:	MBA, Thammasat University
Office of Internal Audit Manager Training Program	:	Fundamental Practice for Corporate Secretary From Thai Institute of Directors Association
Number of Shares hold	:	51,415 Shares, equal to 0.02% of total shares with voting right
Family Relationship among Directors and Executive	:	None
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	None
Working Experiences Year 1996 - Present	:	<input type="checkbox"/> Office of Internal Audit Manager Thai Nam Plastic Public Co., Ltd.
Meeting Attendance in 2023	:	Board of Directors 7 meetings in total : 7 meetings attended Audit Committee 5 Meetings in total : 5 meetings attended

Name	: Mr. Somchai Phaophongthai
Position	: Accounting Supervisor
Age	: 59 years old
Nationality	: Thai
Date of Appointment to the Accounting Supervisor	: 30 November 2018
Year of Directorship	: 6 years
Education	: BA in Accounting, Krirk University
Number of Shares hold	: None
Family Relationship among Directors and Executive	: None
Positions in Other Listed Companies	: None
Positions in Non-Listed Companies	: None
Working Experiences Year 2014 - Present	: Manager Finance and Accounting Thai Nam Plastic Public Co., Ltd.

Name : Mr. Viroat Anantachotkakul
 Position : Assistant Managing Director
 Age : 69 years old
 Nationality : Thai
 Education : Ms in Industrial Engineering, University of Tennessee, USA.
 Number of Shares hold : None
 Family Relationship among Directors and Executive : None
 Positions in Other Listed Companies : None
 Positions in Non-Listed Companies : None
 Working Experiences Year 2012 - Present : Assistant Managing Director
 Thai Nam Plastic Public Co., Ltd.

Name : Mr. Pranot Kotchabhakdi
 Position : Sales & Marketing Group Director
 Age : 70 years old
 Nationality : Thai
 Education : BA in Science, University of Illinois, USA.
 Number of Shares hold : None
 Family Relationship among Directors and Executive : None
 Positions in Other Listed Companies : None
 Positions in Non-Listed Companies : None
 Working Experiences Year 1995 - Present : Sales & Marketing Group Director
 Thai Nam Plastic Public Co., Ltd.

Name : Mr. Suriya Ruangsamret
 Position : QA Group Director
 Age : 59 years old
 Nationality : Thai
 Education : MBA, National Institute of Development Administration
 Number of Shares hold : None
 Family Relationship among Directors and Executive : None
 Positions in Other Listed Companies : None
 Positions in Non-Listed Companies : None
 Working Experiences Year 2006 - Present : QA Group Director
 Thai Nam Plastic Public Co., Ltd.

Name : Mr. Hemsuwan Padcha
 Position : Factory Group Director
 Age : 66 years old
 Nationality : Thai
 Education : BA in Production Technology,
 King Mongkut's University of Technology North Bangkok
 Number of Shares hold : None
 Family Relationship among Directors and Executive : None
 Positions in Other Listed Companies : None
 Positions in Non-Listed Companies : None
 Working Experiences Year 2011 - Present : Factory Group Director
 Thai Nam Plastic Public Co., Ltd.

Name	:	Miss Kanjana Boonyuenvitaya
Position	:	R&D Group Director
Age	:	57 years old
Nationality	:	Thai
Education	:	MBA in Science and applied polymers, Chulalongkorn University
Number of Shares hold	:	None
Family Relationship among Directors and Executive	:	None
Positions in Other Listed Companies	:	None
Positions in Non-Listed Companies	:	None
Working Experiences Year 2018 - Present	:	R&D Group Director Thai Nam Plastic Public Co., Ltd.

Attachment 2
Details of the Directors of Subsidiary

Executive Director/Company	The Company	SUBSIDIARIES		
		Taweewattana Logistics Co., Ltd.	Thai Nam Automotive Performance Co., Ltd.	TNV Plastics (Proprietary) Limited
1. Mrs. Siriphorn Mangkornkarn	XX	X	X	-
2. Mr. Kong Mangkornkarn	//	-	//	///
3. Miss Piyatida Mangkornkarn	//	//	-	//
4. Mr. Kritasorn Mangkornkarn	//	-	//	-

Remark

XX = Chairman and Acting Managing Director

X = Chairman and Managing Director

/// = Managing Director

// = Executive Director

Attachment 3

Details about the Chief of Internal Audit

Name	:	Mr. Chairroj Kongsiripanich
Position	:	Office of Internal Audit Manager
Age	:	60 years old
Education	:	<input type="checkbox"/> Bachelor Degree in Accounting, Thammasat University <input type="checkbox"/> Diploma in Auditing, Thammasat University <input type="checkbox"/> MBA, Thammasat University
Percent of Shares hold	:	0.02 percent
Family Relationship among Directors and Executive	:	- None -
5 Year Past Working Experiences	:	<input type="checkbox"/> Year 2000 - Present, Secretary to the Audit Committee Thai Nam Plastic Public Company Limited <input type="checkbox"/> Year 1996 - Present, Office of Internal Audit Manager Thai Nam Plastic Public Company Limited
Address	:	40 Moo 7, Petchakasem Road, Omnoi, Kratumban, Samutsakorn 74130 Tel : (66 2) 119 3200 # 142 Fax : (66 2) 119 3228

Attachment 4

Business Assets and Details of Asset Appraisal

In 2023, The Company and subsidiaries do not have any asset appraisals

Attachment 5**Corporate Governance Policy and Practices and Business Ethics**

The board of directors of Thai Nam Plastic Public Company Limited (The Company) realizes the importance of good corporate governance practices and continuously implemented them to build confidence for shareholders, investors, and all related parties.

The board of directors realizes the necessity for implementing corporate governance policy, business ethics, and employee code of conduct as practice guidelines for the Company's executives and employees.

1. Corporate Governance Policy

For the effective, transparent, and impartial treatment of all related stakeholders leading to the credibility and value of the business in the long term, the board of directors has set up the following corporate governance policies:

1. Establishing the Company's management structure with a clear and credible scope of authorities and responsibilities for the board of directors, sub-committees, and management.
2. Ensuring that financial reports are credible and accurately reflects operations performance, as well as evaluating, determining, and planning measures for the prevention and maintaining of risks to be at an acceptable level.
3. Facilitating the Company's processes to be effective and efficient under adequate internal control, balance of power, as well as being transparent and auditable.
4. Managing conflicts of interest with caution, reason, and priority to the Company's interest by implementing transparent operation systems and disclosing information without affecting the interests of the Company and shareholders.
5. Instilling integrity and consciousness for executives and employees. Such characteristics lead to good behavior, honesty, discipline, sense of responsibility, readiness for improvement, and respond to constant changes.
6. Committing to achieving business operations excellence by listening and reflecting upon oneself so as to promote customer satisfaction and always produce the best results.
7. Realizing and respecting the ownership rights of shareholders and related parties, as well as treating such entities with equality and impartiality.
8. Conducting operations with consideration to shareholders, related parties, and society as a whole, and having responsibilities towards the environment.

The board of directors have determined the following business ethics as a practice guideline for executives and employees to allow the appropriate implementations of the Company.

2. Business Ethics

The board of directors have determined the following business ethics as a practice guideline for executives and employees to allow the appropriate implementations of the Company.

To Shareholders

1. Perform duties with honesty, transparency, and impartiality towards shareholders for the Company's greatest benefits.
2. Manage with skills, expertise, and the determination to develop the Company's business with stability and generate appropriate returns to shareholders.
3. Protect the Company's interests and assets by avoiding unjustified exploitation, whether direct or indirect.
4. Report on the Company's performance accurately, truthfully, and constantly.
5. Avoid disclosing Company secrets or exploiting such information for the benefit of oneself or of other persons, as well as avoid seeking out any benefits from one's position and duties.
6. Eliminate conflicts of interest and disclose information in its entirety.
7. Respect ownership rights and treat shareholders equally.

To Customers

1. Treat customers with honesty and fairness, as well as disclose information regarding products and services to customers.
2. Adhere to binding covenants with customers and treat customers with kindness.
3. Respond to customer complaints quickly, attentively, and impartially.
4. Safeguard customer's trade secrets.
5. Provide standardized goods and services, as well as develop and devise innovations to continuously enhance goods and services value.

To Employees

1. Treat all employees with courteousness and regards to human dignity and rights.
2. Maintain a working environment that is safe for the lives, health, and properties of employees.
3. Encourage and support the skill and knowledge development of all employees through trainings as well as create a stable work environment and opportunities for progress based on each employee's potential.
4. Provide fair and appropriate compensation based on knowledge, ability, and the performance of each employee.
5. Strictly comply with laws and regulations related to the labor law.

To Partners and/or Creditors

1. Avoid soliciting, accepting, or giving unlawful benefits to partners and/or creditors.
2. Adhere to agreements and covenants with partners and/or creditors with vigil. In the event of the inability to adhere to agreements and covenants, partners and/or creditors must be informed promptly so as to jointly consider solutions.
3. Create mutual relations and understanding.
4. Exchange information and knowledge to co-develop goods and services with added value.

To Competitors

1. Act and operate within the laws and encourage fair competition.
2. Avoid seeking competitor secrets through unethical or illegal means.
3. Avoid unfair actions or tainting the reputation of competitors through untruthful accusations or slander.

To the Society and the Environment

1. Avoid actions that damages the country's reputation, natural resources, environment, and society.
2. Encourage and support community and social activities that benefits the society.
3. Cultivate a continuous and serious sense of duty toward the community and society among employees at all levels.

3. Employee Code of Conduct

The following employee code of conduct is deemed as a reasonable implementation in being a benchmark and guideline for employee behavior and practices.

1. Perform duties with honesty, perseverance, discipline, responsibility, and consciousness towards the organization as well as avoid seeking benefits through one's position.
2. Foster cooperation and harmony among employees. Work as a team of professionals for the organization's maximal effectiveness and efficiency as well as constantly be ready to improve.
3. Commit to building and developing the Company towards business excellence.
4. Transfer knowledge and work experience to colleagues with the Company's interests as a priority.
5. Utilize the Company's properties for utmost benefit, maintain losses and depreciation, as well as avoid the unethical or unlawful exploiting of the Company's properties for personal benefit or the benefit of others.
6. Cooperate, coordinate, and assist in working with colleagues or related agencies for the Company's benefit and respect the rights of other employees in the same organization.
7. Strictly maintain the confidential information of customers, business partners, and the Company. Avoid exploiting such information for personal benefit or the benefit of others.
8. Be attentive and cooperative in maintaining a hygienic, safe, and suitable work environment.
9. Refrain from privately accepting money or any rewards from customers, partners/creditors, or third parties that are related to the Company's operations.
10. Refrain from accepting gifts from customers, business partners/creditors, or third parties except for the case of traditional givings. where the value of such items must not exceed appropriate thresholds. If employees are unsure, advise may be sought from the immediate superior.
11. Avoid accusing or slandering the Company, executives, and other colleagues.
12. Refrain from actions that may taint the reputation of oneself and of the Company.
13. The code of conduct may not cover all possible events, therefore employees are encouraged to seek advise from the immediate superior for appropriate guidelines whenever an issue beyond the coverage of the code of conduct occurs.

Attachment 6
Report of the Audit Committee

The Audit Committee of Thai Nam Plastic Public Company Limited, consisted of 3 independent directors. They are completely qualified in accordance with the Audit Committee's Charter and also meet all standards as defined by the office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

During the year of 2023 the committee has carried out their duties strictly responsibly as assigned by the Company's Board of Directors.

1. The Audit Committee attended totally 5 meetings.
2. The Audit Committee's members are as follows:

Name	Attendance of Meeting	Position
1. Mr. Vorathep Vithayaviroj	5/5	Chairman of the Audit Committee
2. Mr. Peesak Prapaiporn	5/5	Member of the Audit Committee
3. Mr. Wutipong Vechayanon	5/5	Member of the Audit Committee

3. Operations

The Audit Committee has submitted brief mission report to The Company's Board of Directors quarterly and the main contents are described accordingly:

Review of the Company's Financial Statements

The Audit Committee reviewed the quarterly and the annually financial statements of the Company and its consolidated financial statements of the company as well as its subsidiaries with the Auditor and the Management. This included the inquiries and provision of suggestions and comments which were useful for ensuring the process of preparing the Company's and its subsidiaries' financial statements accurately and complete according to the Generally Accepted Accounting Standards with sufficient and timely disclosure of information. As a result the financial reports were accurate and reliable.

Review of the Company's Risk Management

The Company has managed risk systematically which the Audit Committee has verified the risk management plan of the Company in order to ensure that the plan is suitable to the situation and business condition including risk management and control measures in favorable level. The emphasis is focused on financial liquidity of the Company and also increasing stock level including investment in fixed assets. Additionally, the Audit Committee has followed up problem and actions in the business operation of subsidiary company abroad to minimize all the impact to the Company.

Review of the Company's Compliance with Securities and Exchange Commission Act, The Stock Exchange of Thailand's requirements, and Applicable Laws.

The Audit Committee reviewed the compliance of securities and exchanges Act, the relevant regulations and laws including the observations of the working procedures to comply with the good governance principles consisting of overseeing the operations and the employee's ethic and code of conducts. The Company properly and consistently carried out their work.

Review of the Company's Business Relations

The Audit Committee reviewed the business transactions of the company and the related parties including all transactions which might cause conflict of interests during the year. This was to ensure that they were conducted according to their normal business. They were reasonable and without any conflict of interest. The information was sufficiently disclosed. Moreover the operations were monitored to ascertain that it worked in accordance with the laws and the regulations stipulated by the Capital Market Supervisory Board.

Review of the Internal Control System

The Audit Committee reviewed the independency of the Internal Audit department, the scope of works and the internal audit plan and assesses the sufficiency of the internal control system. According to the review of the internal auditing reports and the following up of the results of the suggested improvements of the highlighted issues, the Audit Committee found that the company and its subsidiaries had sufficient and appropriate internal control system. After consideration, the Board of Directors has the same view as the Audit Committee that the internal control system remains satisfactory, adequate and appropriate for the Company's business.

Selection and Appointment of the External Auditor

The Audit Committee reviewed the qualifications of the external auditor, the quality standard of work, the expertise and the independency and the consideration of the comparison between the auditing and reviewing fees of financial statements against the workload, it was proposed to the company's Board of Directors for further approval at the General Meeting of the shareholders appointment of

1. Mr. Thanawut Piboonsawat CPA No. 6699 and/or
2. Miss Techinee Pornpenpob CPA No. 10769 and/or
3. Miss Potjanarat Siripipat CPA No. 9012 and/or
4. Miss Roongnapha Saengchan CPA No. 10142

All of these auditors come from Dharmniti Auditing Co.,Ltd. and the total auditing and reviewing fee for the year 2024 of 1,202,500 baht, which is the increase from the year 2023 of Baht 20,000.- or 1.66 percent due to the higher audit workload.

In the year 2023, the Audit Committee had freedom in carrying out their assigned duties and received good cooperation from the Management. Moreover, there was a non-management meeting with the external auditors to discuss and to learn about their observations of the internal control of accounting to plan by talking into account the transparency, reliability, having appropriate internal control system and carried out their work according to the relevant announcements, regulations and laws.

1 March 2024

On behalf of the Audit Committee



Mr. Vorathep Vithayaviraj
Chairman of the Audit Committee



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