A wide-angle photograph of a modern office interior. The space features a high ceiling with exposed concrete and a series of long, horizontal concrete beams. On the left, a long white bar with a sink and a modern faucet is surrounded by white bar stools. Behind the bar is a wooden shelving unit filled with books and decorative items. In the center, there are blue lockers and a blue door. To the right, there are white desks with orange chairs and large windows that let in natural light. The floor is covered with a dark blue carpet with a geometric pattern.

modernform

Living & Working Design Solution

56-1 ONE REPORT 2024

Modernform Group Public Company Limited

บริษัท โมเดิร์นฟอร์มกรุ๊ป จำกัด (มหาชน)



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Vision

Vision of Modernform Group

To be a leader in providing innovative solutions that enhances quality of life and take care of society and environment

Vision of Modernform Furniture

The most preferred Thai furniture brand for designers and owners alike

Mission

- Offer innovative products at international quality and sensible prices
- Create distinctive marketing activities that foster engagement and build strong, sustainable relationships with all stakeholders.
- Do business with flexibility and team spirit
- Care for the communities & environment

5 Core Values

Lead Us Towards Our Goals



Consumer-centric

Truly understand the needs of customers and consumers to deliver good experiences and excellent services with our experts



Creativity

Think and work creativity and offer products and services more innovative than competitors



Achievement

Constantly strive for success and conquer all the mission as well as overcome obstacles to achieve the best results



Teamwork

Work together as a team and accept different opinions to aim for the same goal



Sustainability

Care for community and environment to be a part of sustainable development

Financial Highlights

Financial Position		2024	2023	2022
TOTAL REVENUES (Million Baht)		2,517.1	2,570.5	2,453.0
Revenues from Sales, Rental, Services (**Excluded Other Services), Design Services and Construction (Million Baht)		2,479.4	2,522.6	2,415.6
Cost of Sales, Rental, Services, Design Services and Construction (Million Baht)		1,657.3	1,727.3	1,710.9
Gross Profit (Million Baht)		822.1	795.3	704.7
Earnings before Non-Controlling Interests of the Subsidiaries (Million Baht)		136.2	60.1	39.5
Net Profit (Million Baht)		134.9	60.0	39.0
Total Assets (Million Baht)		3,153.6	3,275.2	3,351.9
Total Liabilities (Million Baht)		993.4	967.9	1,066.5
Non-Controlling Interests of the Subsidiaries (Million Baht)		9.3	8.1	8.0
Equity Attributable to the Owners of the Company (Million Baht)		2,150.9	2,299.2	2,277.5
PROFITABILITY:				
Gross Profit Margin (%) *		33.2	31.5	29.2
Net Profit Margin (%) *		5.4	2.4	1.6
RETURN ON INVESTMENT:				
Return on Total Assets (%)		4.2	1.8	1.2
Return on Equity (%)		6.0	2.6	1.7
LIQUIDITY & STABILITY:				
Current Ratio (Times)		2.6	2.8	2.6
Debt to Equity Ratio (Times)		0.5	0.4	0.5
DATA PER SHARE:				
Number of Shares Registered (Million Shares) (Ordinary 809.6 million Shares of Baht 1 Each)		809.6	809.6	809.6
Number of Shares Paid Up (Million Shares) (Ordinary 750.0 million Shares of Baht 1 Each)		750.0	750.0	750.0
Par Value (Baht/Share)		1.00	1.00	1.00
Book Value (Baht/Share)		2.88	3.08	3.05
Net Profit (EPS) (Baht/Share)		0.19	0.08	0.05
Dividends (Baht/Share) **		0.18	0.09	0.06

Remarks: 1. * The calculation of gross profit margin and net profit margin will not calculate other service income included in service income such as consulting fee and internal audit fee.

2. ** The resolution of the Board of Directors No.1/2025 held on February 27, 2025, passed to pay dividends for the 2024 operating year to shareholders of the Company at a rate of 0.18 Baht per Share. The matter will be proposed for approval at the 2025 Annual General Meeting of Shareholders on April 25, 2025.

Message from Chairman of the Board of Directors, Chief Executive Officer and President

Dear Shareholders and Stakeholders,

In 2024, Modernform will operate under the brand concept ‘Your Modern Aspiration - Making Every Inspiration a Reality in Your Style,’ with the campaign ‘Living & Working Design Solutions - Designing Every Space to Your Heart’s Desire.’ This initiative showcases the company’s potential and capability to meet diverse customer needs, acting as a consultant to help design furniture and deliver products that align perfectly with customer expectations, all while maintaining international quality standards at reasonable prices and appealing designs.

Modernform understands and adapts to the ever-changing and uncertain global landscape, which impacts both the company and the business sector. In response to consumer concerns regarding the future of the economy, we have adjusted our internal management strategies to strengthen our brand and remain responsive to the rapidly evolving lifestyle trends. Additionally, we are enhancing our production efficiency to ensure a unified approach, thereby increasing our competitiveness in the dynamic Thai and international furniture markets and creating new opportunities for long-term business sustainability.

Driven by a commitment to sustainability, Modernform has established a comprehensive roadmap for advancing the organization towards sustainable development since 2019. This initiative began with an in-depth analysis of the organizational context, the announcement of a sustainability management policy, and the formation of a dedicated sustainability development task force under the oversight of the Corporate Governance and Sustainable Development Committee. The framework includes strategic guidelines and business operations aligned with ESG principles, emphasizing a balanced approach that prioritizes ‘Environmental’ concerns, ‘Social’ responsibility, and ‘Business’ interests, ensuring that the organization’s operations are governed in accordance with its long-term objectives.

In 2024, Modernform was evaluated with an ‘A’ rating in the ‘ESG Investment’ category under SET ESG Ratings and received a ‘5-Star Excellence’ rating for corporate governance from the Thai Institute of Directors (IOD) in the Corporate Governance Report of Thai Listed Companies (CGR). Additionally, we were certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC), demonstrating our commitment to conducting business based on social and environmental responsibility while meeting the expectations of all stakeholders.

On behalf of the Board of Directors, the management team, and all employees, we would like to express our sincere gratitude to our shareholders, investors, partners, valued customers, and all stakeholders for your trust, confidence, and long-standing support. This marks nearly four decades of pride in Modernform’s steady growth, and we are poised to move forward into a strong and sustainable future.



Mr. Yothin Nerngchamnong
Chairman



Mr. Kitipat Nerngchamnong
Chief Executive Officer and President



Part 1

Business Overviews and Performance

01

Modernform Structure and Operations

1.1 Business Overview

Modernform Group Public Company Limited (“Modernform”) started its business in 2018 by importing furniture and interior decoration items before transforming itself into a Knocked-Down Furniture manufacture and distributes office, home, kitchen furniture and import accessories to be assembled as furniture and home/office decoration items. Modernform has enjoyed a healthy growth for more than four decades and was listed in the Stock Exchange of Thailand in 1992.

As of December 31, 2024, there are 10 subsidiary companies and associated companies and other investments under Modernform, as follows:

Subsidiary Companies	Associated Companies	Other Investments
<ul style="list-style-type: none">Modernform Tower Company LimitedModernform Health and Care Public Company Limited	<ul style="list-style-type: none">Itoki Modernform Company LimitedWorkspace Company LimitedBuilt Dee Company LimitedLesmo Company LimitedCharoensup Kamlung 3 Company Limited or MOTIF	<ul style="list-style-type: none">Arkitektura Company LimitedUICC Company Limited or Chiwa Mitra HospitalLesmo Plus Company Limited

1.1.1 Business Goals

- Furniture Business**

Modernform aims to bring the organization and business towards sustainability where the goal is to be a leader who offers innovations that respond to customer’s true needs and to be No. 1 favorite brand. This can be achieved by delivering quality products that meet international standards and furniture that focus on sophisticated designs with functionality to fulfil modern lifestyle as well as by researching for innovations that benefit the society through responsible designs for long-term health, green products and competent workforce collaborating for long-term business success.

- Investment in Other Businesses**

Modernform eyes investment opportunities in other businesses that will strengthen long-term stability by expanding footprint in to in-trend projects, health and healthcare businesses and innovation businesses focusing on lifestyle, work and home & living of today’s generation.

1.1.2 Business Strategy

In an era where the furniture industry faces intense competition and rapidly changing market dynamics, the development of a clear and effective organizational strategy is essential for sustainable growth. As one of the promising sectors in Thailand, furniture not only serves as a daily necessity but also reflects the culture and lifestyle of its users. Establishing an appropriate organizational strategy will enable Modernform to effectively respond to market demands by focusing on the development of high-quality products, building a strong brand, and fostering positive relationships with customers and all stakeholders.

Modernform has therefore defined key strategies and approaches for operating within Thai furniture industry to ensure sustainable and effective competition in both domestic and international markets, with the aim of creating long-term value for customers and society. These strategies include:

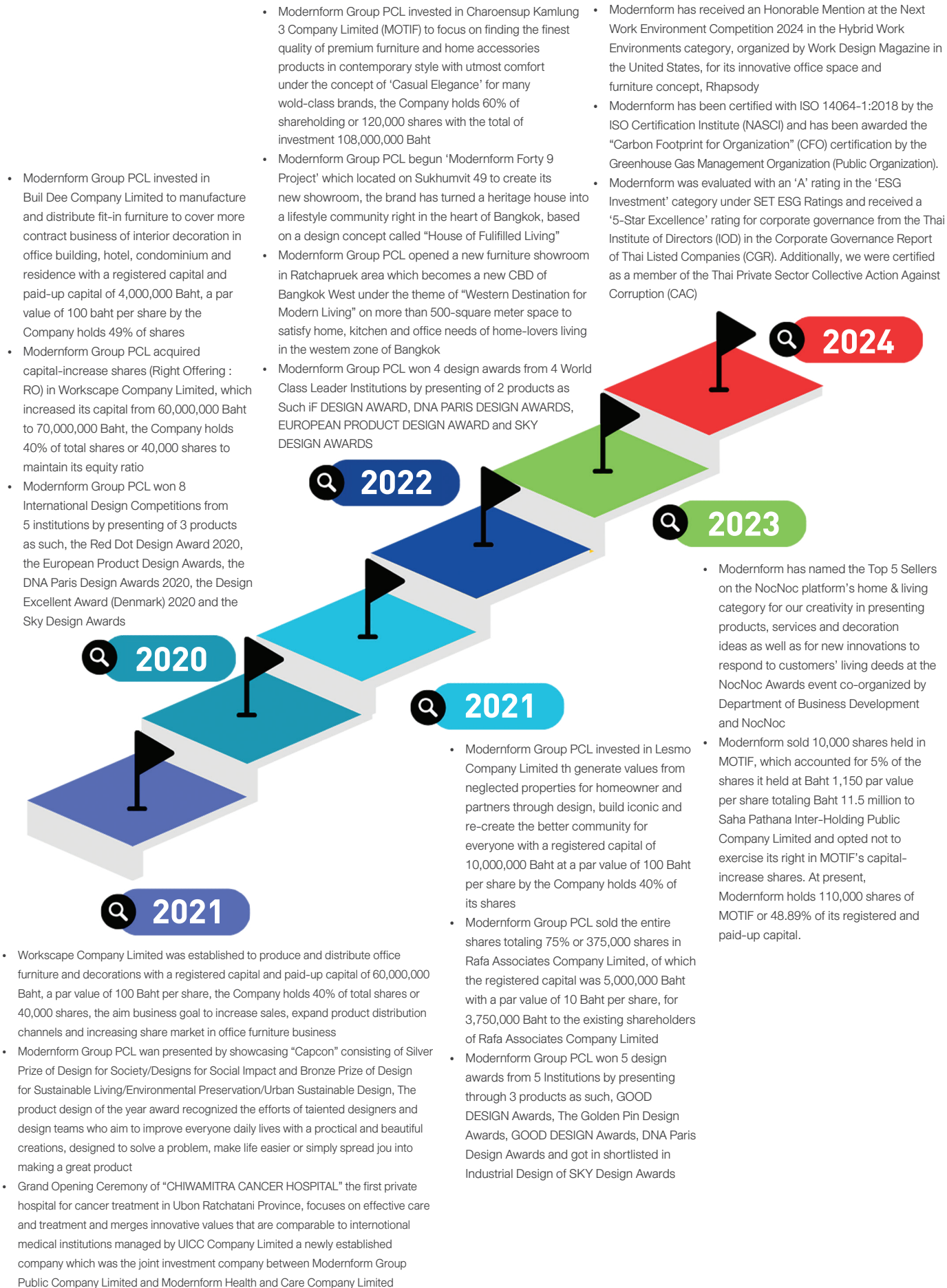
- Enhancing the quality of design, production, and services.
- Reducing unnecessary processes and optimizing operational efficiency.
- Creating the best customer experience with attention to every detail.

Modernform has established key business drivers that significantly impact business performance. Analyzing these key drivers will serve as a guideline for identifying and assessing the most critical factors for business success, which in turn influence operations and decision-making. By focusing on these factors, we can develop more suitable and effective strategies that will drive Modernform toward sustainable success in the future, including:

- Total Quality Management through continuous improvement across the quality chain, encompassing products, production processes, workflows, and personnel.
- Business Process Improvement by optimizing workflows and advancing technology and digital innovation.
- Customer Experience by truly understanding customers, fostering engagement, enhancing transportation and installation systems, and cultivating an effective organizational culture and communication.
- Sustainability by being mindful of the environment, society, and business practices.



1.1.3 Significant Changes and Developments



1.1.4 Head Office, Type of Business, Registration Number, Number and types of shares sold

Company's Name (in Thai)
Company's Name (in English)
Type of Business

Registration Number
Information of Securities

Registered Capital
as of December 31, 2024
Paid-up Capital
as of December 31, 2024

Par Value

Head Office

Website

Telephone Number

Email

บริษัท โมเดิร์นฟอร์มกรุป จำกัด (มหาชน)

Modernform Group Public Company Limited

Manufacturer, importer and distributor of finished furniture to distribute both in domestic and foreign countries including import furniture accessories and interior decorative products

0107536000943

Ordinary shares of Modernform Group Public Company Limited were listed and traded on the Stock Exchange of Thailand in 1992 under the name "MODERN"

THB 809,646,280

THB 750,000,000

THB 1 (One Baht)

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co.secretary@modernform.co.th, ir@modernform.co.th and enquiry@modernform.co.th



1.2 Nature of Business

1.2.1 Nature of Business and Revenue Structure

Modernform is a manufacturer and distributor of high-quality, durable furniture characterized by unique designs that are modern, luxurious, aesthetically pleasing, and tasteful. We create differentiation and diversity in our product offerings to meet the comprehensive needs of our customers, covering a wide range of categories, including office furniture, home furniture, kitchen furniture, and imported materials and components used in furniture assembly, as well as interior decoration materials from leading countries around the world. Additionally, we engage in real estate and health-related businesses. The revenue structure from Modernform and its affiliated companies is categorized by business segment for the years 2022 to 2024 as follows:

Business Group	Operated by	Shares (%)	2024		2023		2022	
			MB	%	MB	%	MB	%
Furniture Business								
- Office Furniture and Residential Furniture	Modernform Group Public Company Limited	-	1,719	68	1,679	65	1,602	65
- Furniture Fittings: Composite Stones, Carpet Tile and Engineering Wood			339	14	413	16	390	16
Space rental and services	Modernform Tower Company Limited	100	100	4	102	4	102	4
	Modernform Group Public Company Limited *	-	3	0	3	0	3	0
	Modernform Health & Care Public Company Limited *	95	16	1	18	1	14	1
Health Care **	Modernform Health & Care Public Company Limited	95	301	12	310	12	305	13
Miscellaneous ***	-	-	35	1	45	2	37	1
			2,517	100	2,570	100	2,453	100

Remarks

- * Space rental and services for Modernform Group Plc. and Modernform Health & Care Plc. is rental income, maintenance service and other service income collected under the agreement, including consulting fee, internal audit fee etc.
- ** Healthcare business for Modernform Health & Care Plc. has income in the distribution of healthcare furniture, design and construction services for operation rooms and laboratories in hospital.
- *** Miscellaneous revenues of the Company and subsidiary companies includes gain on sale of investment, dividend received, delivery services, gain on sale of asset, sales of raw material scraps, gain on sales of investment in associated company etc.

1.2.2 Business Structure of Modernform

Modernform is committed to developing products and services that meet the diverse needs and lifestyles of our customers. We strive to be trusted partners and advisors, assisting in design, providing recommendations, and delivering products that align perfectly with customer expectations, all while maintaining international quality standards at reasonable prices. We aim to create spaces that inspire and ignite a passion for living for everyone. Modernform delivers products and services in three business categories as follows:

1.2.2.1 Full-ranged Furniture Business

- **Office Furniture**

Modernform, a market leader in office furniture, is dedicated to creating innovative solutions that enhance work experience through Working Design Solutions. This activity-based workspace design solution understands employee work behaviors and adapts spaces to align with various activity types, accommodating individual work, collaborative efforts, focus areas, and relaxation zones. This approach enhances both employee efficiency and satisfaction by offering a diverse range of office furniture that meets all needs and supports every work style. Our products are made from high-quality, durable materials and feature modern designs, including a variety of workstations suitable for all usage scenarios, ergonomically designed chairs that provide appropriate support for users, and other office furniture. Additionally, Modernform offers comprehensive office design and decoration services provided by a team of experts, creating workspaces that reflect individual identities and inspire productivity. We ensure that offices can be operational within seven days, complete with delivery and installation services by skilled technicians, and we provide a quality guarantee of up to 12 years.

- **Residential Furniture**

Modernform makes high-end, contemporary home furniture that meets middle- and high-income customers. Our residential furniture is always outstanding thanks to its functionality and modern designs. Accessories and trendy objects and materials are added on to our portfolio to create a warm homey ambiance, convenience and every day's living inspiration.

In addition, Modernform offers kitchen furniture with unique and sophisticated designs. Modernform Kitchen is made of European-standard materials with full versatility to reflect the user's uniqueness through mix-and-match components to truly respond to specific needs and lifestyles. Interior design consultant teams are available to offer designs and advice to match customers' aspirations. They are ready to design space and select products that meet customers' diverse lifestyles and budgets.

- **Modernform HDP**

Modernform HDP is another business line that offers uniqueness and diversity to our customers. Most HDP are imported from leading manufacturers from around the world such as Germany, Italy, Switzerland, the UK and Denmark. These items are used with Modernform's own furniture and for local distribution to other furniture makers as well as sold to retail customers. Modernform HDP consists of the following:

Modernform's two major groups of customers are project customers and retail and e-Commerce B2C consumers. Details are as follows.

Furniture Accessory	Furniture Hardware	Cover and Flooring Material	Others
<ul style="list-style-type: none"> • Handles and pull handles of Furnipart and Confur brands • Hinges of Grass and FGV brands • Drawer rails of Grass and FGV brands • Knock-down accessories of Italiana and Titus brands • Kitchen basket accessories of the Peka brand • Aluminum Frame of the Confurn brand 	<ul style="list-style-type: none"> • House brand named “Home” • International Brand such as Linea Cali and AGB • Sliding doors under the Koblenz and Cinetto brands 	<ul style="list-style-type: none"> • Interior film under the Lx Hausys Benif brand • Synthetic rock under the Hi-Mac’s brand • Marble and composite quartz under the Verona Stone brands • Carpet under the Interface brand • Luxury Vinyl Tiles (LVT) under the Floover and Interface brands • Outdoor wooden deck under the M Deck brand 	<ul style="list-style-type: none"> • Ready-made doors and fireproof hardware under the ReadyDor brand • Interior materials for lift of the m-décor brand • Solar Rooftop

1.2.2.2 Real Estate Business

- Rental and Service Business
Modernform Tower Co Ltd rents office space, showroom and warehouse within an area of 3 rail and 35 square wah for a total rentable area of 28,000 square meters. This is divided into a parking lot, a food center, office space for rent in general, showroom and office space for Modernform Group Plc to rent.
- Residential Building Construction Business
Lesmo Company Limited operates a business which buys, sells, develops, designs, builds, renovates and decorates all kinds of immovable properties.

1.2.2.3 Health Care Business

Modernform Health & Care Public Company Limited was established in 2005 to manufacture, sell, import and export, repair and rent health products, which include equipment and health-related tools for use in hospitals, rehabilitation facilities and residences. In addition, a hospital with specialty in cancer treatment named Chiwamitra Cancer Hospital was established at Ubon Ratchathani Province under UICC Company Limited’s operation. The hospital is a result of a collaboration between the Company and a team of cancer specialists in the Northeast.

1.2.3 Marketing and Competition

1.2.3.1 Customers and Marketing

Modernform’s 2 major groups of customers are project customers and retail and e-Commerce B2C consumers. Details are as follows.

Project B2B Customers

Office furniture	Private companies	This refers to customers who look for office furniture to fulfil their hybrid working requirements as well as ergonomic office furniture to safeguard their health and wellbeing as well as to enhance their work efficiency.
	Government agencies	This refers to large project B2B customers where Modernform's sales teams usually reach them through architects, project consultants, contractors, interior decorators and project developers. Customers in this group are government agencies, state-owned enterprises, hospitals and educational institutes.
Residential and kitchen furniture	B2B customers	Designers, architects, contractors, large housing or condominium developers
Modernform HDP	B2B customers	<ol style="list-style-type: none"> 1. Large projects that collaborate with designers and developers where sales of furniture are made to housing projects, hotels, hospitals and condominiums. 2. Leading furniture makers/factories to whom sales are made. 3. Contractors to whom HDP are directly sold for use in built-in or interior furniture. 4. Distributors/retail stores nationwide where HDP, hardware and kitchen storage items are sold.

Retail and E-commerce B2C Consumers

Full-range furniture Office furniture Residential furniture Modernform HDP	Domestic retail customers	This group refers to end-users, namely, owners of single-detached houses, townhouses or condominiums with middle- and high-income levels. These end-users buy furniture through Modernform's five branches at Srinakarin, CDC, Ploenchit and Sukhumvit 49
	E-commerce consumers	This group of consumers buy furniture from Modernform Online Store, which features assorted collection of residential and office furniture as well as hardware and fittings. Consumers in this group also buy furniture from other platforms, i.e. social media, email and Line OA.
	Customers who buy furniture through dealers.	This refers to retail customers who access Modernform's furniture through various dealers in different provinces.
	Overseas customers	This group of customers buy Modernform's furniture in other countries.

1.2.3.2 Competition

In 2024, the furniture market is highly competitive, especially in furniture sales, as entrepreneurs can easily enter the furniture business without complex regulations or procedures. This is reflected in the number of operators in the market, which is more than 5,000 with over 90% being micro and small enterprises (MSEs) (Source: Industry Analysis & ESG Reports, Furniture Business). With increasing competition, operators need to adapt to maintain market share. Furniture manufacturers in Thailand are diverse in terms of product types and target groups, ranging from budget-friendly to premium furniture. Additionally, furniture imports from abroad add to the market's diversity. The large number of operators intensifies market competition, particularly in price and product quality, requiring operators to develop innovations and designs to attract customers, as well as using effective marketing strategies such as promotions, brand building, and online sales channels. In addition, both domestic and export markets face increasing competition from Chinese furniture, which has a price advantage. Currently, operators from China have entered the market with consumers in Thailand directly through two main channels: 1) Online Sales through various platforms, and 2) Partnerships with Distributors in Thailand. Furniture imports from China also benefit from the Free Trade Area (FTA) with 0% import tax, which is another factor that puts pressure on the competitiveness of Thai operators.

In 2024 (January-September), Thailand imported furniture from China worth 21,953 million baht, representing a growth rate of 23.7% compared to 2023. Overall, the competitive situation in the Thai furniture market in 2024 is considered very challenging. However, recovery comes from operators being able to adapt and respond to consumer needs effectively. In the future, the Thai furniture market may recover as the economy improves, especially in the high-end customer segment and accommodation businesses, hotels that need to renovate rooms and order more furniture. In addition, the use of technology in production and marketing is an important factor in competing in this market as well.

1.2.3.3 Industry

The overall furniture market in 2024 is gradually recovering. However, the furniture business still faces risks due to fragile domestic purchasing power, household debt, and high loan interest rates, which make consumers hesitant to spend. Consumers are delaying furniture purchases as the demand for residential furniture is still under pressure from the real estate sector, where sales have not yet recovered. This contrasts with the office group, which has returned to normal after the COVID-19 pandemic, and the hotel business group, which has increased due to the recovery of the tourism sector, along with high-end customers. In addition, production costs are high, which is a factor in reducing the profitability of furniture manufacturers, such as high prices of para rubber wood and aluminum, etc. This causes entrepreneurs to bear higher production costs, including other factors affecting business operations, such as global trade policies, the appreciation of the baht, and the trend of sustainable furniture production in the Eco-friendly Furniture and Green Furniture groups, etc., to meet the needs of modern customers and to comply with ESG policies that have stricter environmental measures from trading partner countries, such as standards on guidelines for managing carbon footprints (CARB), laws on importing goods that contribute to deforestation (EU Deforestation Regulation: EUDR), and carbon border adjustment mechanisms (CBAM), etc. Therefore, entrepreneurs must integrate the concept of ESG with business strategies to develop products that are in line with global trade policies and help reduce environmental impact in the long term. In 2030, it is predicted that the global Eco-Friendly Furniture market will be worth more than 81.9 billion US dollars, growing at an average of 8.0%, which will almost double from 47.8 billion US dollars in 2023 (Source: Market Research.biz).

1.2.4 Supplies, Inventory and Distribution

1.2.4.1 Raw materials Sourcing

Modernform Group manufactures and installs furniture products for offices, homes and kitchens. The main and important raw materials of furniture production are as follows.

Production 1

Type of Raw Material		Origin	Utilization Rate
Wood,	To be the main materials for making furniture such as desk, cabinet, closet and bed	Domestic	44.45%
Surface/Cover Material and	To be used as an accessory item for the furniture as a table leg or a table beam to accommodate a tabletop or a shelf	Domestic and International	26.65%
Cover Edge Materials	To be supporting materials used in furniture assembly such as screw, nuts and bolts, hinges and keys for the furniture's aesthetic look	Domestic and International	12.53%
Steel and Aluminum	Referring to acetone, tinner and alcohols as well as glue used in surface covering and corner covering work.	Domestic	3.85%
Accessories	Main packaging including paper boxes and corrugated boxes	Domestic	2.13%
Others		Domestic	10.39%

Production 2

Type of Raw Material		Origin	Utilization Rate
Steel	<ul style="list-style-type: none"> Steel sheet and structural steel for structural work, main table, desk, chair, sofa, cabinet Stainless steel for beautiful surface furniture, main table, desk, chair and sofa Aluminum for frame, cabinet door, screen and petition 	Domestic	18.75%
Leather and Fabric	<ul style="list-style-type: none"> Genuine leather made to order as specified by the Company Artificial leather made to order as specified by the Company and its color, pattern and format selected by customers Fabric selected as usage or customer needs 	Domestic and International	24.15%

Type of Raw Material		Origin	Utilization Rate
Wood	<ul style="list-style-type: none"> • Hard wood for use in making tables, desk, chair, sofa, bed and cabinet • Interlocking wood for large-scale work with unique form • Plywood, MDF and PB wood for shaping work, chair, sofa, table, cabinet and bed • Veneer wood and HPL 	Domestic and International	13.87%
Materials	<ul style="list-style-type: none"> • Plastic including injected plastic, wheels and back rest • Shock Absorber, recliner spring, nuts and bolts • Natural Stone, Artificial Stone 	Domestic and International	15.17%
Accessories	<ul style="list-style-type: none"> • Foam, Rubber, Synthetic Fiber • Packing such as Plastic Bag, Shockproof, Corrugated paper and Box 	Domestic	13.44%
Others		Domestic	14.60%

Costs of these major raw materials will vary according to oil prices as well as their supply and demand. This especially applies to the costs of wood, steel and aluminum, which are the main raw materials and accessories for our products. For the year that ended December 31, 2024, Production 1 imported 11.34% and Production 2 imported 7.80% of all raw materials from overseas, respectively, out of the total raw material values used in the production lines. Raw material prices usually fluctuate in tandem with foreign exchange rates and oil prices.

Modernform has a policy of sustainable supply chain management and emphasizes maintaining long-standing, positive relationships with partners who produce or supply key raw materials. This is to mitigate risks from potential shortages and/or significant price increases. The company also maintains ongoing communication, such as regular meetings, to exchange information on new technologies, furniture industry trends, and market data, as well as to collaborate on development efforts, such as training and exploring potential business partnerships.

As a furniture manufacturer, Modernform continuously seeks new suppliers of high-quality raw materials. Modernform considers various factors when selecting raw material and equipment suppliers, such as material quality, efficiency, reliability, production capacity, price, and service. Currently, ESG (Environmental, Social, and Governance) factors are also being considered. Modernform avoids relying on any single raw material supplier for procurement. Additionally, Modernform has a policy of considering alternative raw material sources and developing innovations for sustainable consumption, using technology to control the amount of wood and wood scraps used to ensure maximum value and minimize waste.

Results of Maximizing the Use of Wood and its Waste in the Production Process

	2024	2023	2022
% of wood reduced in the production of the entire year based on manufacturing formula of the Opti-Planning* program and Production 1's internal control procedures.	11.28%	7.89%	7.85%

* Opti-Planning is a project that enhances planning technology; it calculates how wood should be cut for optimization as part of a transition of the production process from Industry 2.0 to Industry 3.0.

Modernform interacts with several raw material distributors. As of end of December 31, 2024, purchasing orders from the first top 5 raw material distributors were:

	Top 5 of Distributors	% of Purchasing Volume
Production 1	Distributor 1	25.71%
	Distributor 2	17.06%
	Distributor 3	6.37%
	Distributor 4	3.56%
	Distributor 5	3.10%
Production 2	Distributor 1	7.85%
	Distributor 2	7.02%
	Distributor 3	4.94%
	Distributor 4	3.88%
	Distributor 5	3.74%

To manage the risk of exchange rate fluctuations, Modernform's policy is to primarily settle payments for raw materials, equipment, packaging, and services to suppliers and service providers in Thai baht. Some payments are made in foreign currencies, mostly in U.S. dollars, with the following proportions:

	Currency	2024	2023	2022
Production 1	Baht	87.86%	90.58%	88.66%
	US Dollar	12.14%	9.42%	11.34%
Production 2	Baht	87.26%	92.85%	92.20%
	US Dollar	12.74%	7.15%	7.80%

1.2.4.2 Product Sourcing

Modernform's product sourcing strategy comprises 2 key components: internal manufacturing capabilities and a network of external vendors and manufacturers.

Modernform's proprietary manufacturing processes

Production	Location	Establishment Year	Primary Product Lines
Production 1 (P1)	33/2 and 33/5 Moo 7 Bangna-trad Highway, Tambon Bangchalong, Amphoe Bangplee, Samutprakarn 10540	1978	Office furniture, home furniture and Kitchen furniture made of wood
Production 2 (P2)	P2A: 5 Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok 10150	1986	Office furniture, home furniture such as chair sofa, desk, coffee table, side table, cabinet and screen partition
	P2B: 622 Bangkhuntien Road, Kwang Ta-Kam, Khet Bangkhuntien, Bangkok 10150	1990	

Production Capacity

Production	Aggregate Production Capacity (units per annum) As of December 31;	Capacity Utilization Rate for the fiscal year ended December 31;		
		2024	2023	2022
Production 1 (P1)	162,787	88%	84%	87.52%
Production 2 (P2)	9,295	67%	67%	85%

Procurement from external suppliers or manufacturers

Production	Product Sourcing Strategies	Product Categories and Selection Criteria
P3 and P4	<ol style="list-style-type: none"> Products purchased from sellers or contracted to be made <ol style="list-style-type: none"> Products designed and contracted to be made by Modernform Products designed or copyrighted by manufacturers Products of brand owners <ol style="list-style-type: none"> One-time purchase from manufacturers or distributors 	<p>This mainly refers to office furniture under the Modernform brand. The selection is made after comparing prices from no fewer than three suppliers where 1) quality, 2) production costs, 4) purchased amount, 5) reliability and expertise, and 6) their ESG involvement are taken into consideration.</p> <p>For example, all Steelcase products are purchased upfront from the brand owner based on agreed prices before being directly imported. Modernform mainly pays in USD and furniture is selected based on customers' preferences.</p>

Production

Product Sourcing Strategies

Product Categories and Selection Criteria

2.2 Consignment

This refers to products Modernform will be compensated pro rata to gross sales and will also earn a rebate fee or other forms of support as agreed with each consignor. Products, to be sold at Modernform showrooms, include electronic appliances, carpets and other home decoration items. Purchasing, re-ordering and promotion campaigns will be discussed between Modernform and partners. Any item that exhibits a lower turnover than the target will be returned to suppliers in exchange for other items. This will be adjusted to reflect customer preference in each area based on an equal collaboration between Modernform and partners.

1.2.5 Assets Used in Business Operations

1.2.5.1 The key fixed assets that facilitate the business operations of Modernform and its subsidiaries

For the fiscal year ended December 31, 2024, the Company's principal fixed assets are comprised of land, buildings, machinery, and other assets, as detailed in the accompanying schedules.

Type of Assets	Area/Rai/ Number of Rooms	Usable Area/sqm.	Proprietary Nature	Value (million Baht)			Obligation
				Cost Price	Depreciation	Book Value	
Land and Buildings							
1. Land and Building No.1 33/2 Moo 7 Bangna-trad Road, Tambon Bangchalong, Amphoe Bangplee, Samutprakarn	26.5	30,000	Owner	462.85	305.95	156.90	Mortgage with BBL (Partial) 159 million Baht
2. Land and Building No.2 33/5 Moo 7 Bangna-trad Road, Tambon Bangchalong, Amphoe Bangplee, Samutprakarn	10.2	11,000	Owner				
3. Land and Building No.3 5 Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok	5.2	9,000	Owner	29.74	26.56	3.18	Mortgage with KBANK 29 million Baht
4. Land and Building No.4 622 Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok	6.0	10,000	Owner	74.34	66.23	8.11	-
5. Land and Building DBS 58 Soi Thien Talay 10, Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok	3 Rai 62.7 sq.wha.	4,800	Owner	46.55	14.95	31.60	-
Machines							
1. Machines for Production 1,2	113 Sets			176.36	152.04	24.32	
2. Machines for Production 3,4	263 Sets			88.89	86.08	2.81	
Other Assets				1,031.05	609.08	421.97	
Total Assets				1,909.78	1,260.89	648.89	

Remark : Assets used in the Company's business consist of property, plant and equipment-net and intangible assets-net.

1.2.5.2 Intangible Assets

As of December 31, 2024, Modernform's intellectual property portfolio includes the following trademarks, which are used in conjunction with its product lines



1.2.5.3 Revenue Recognition – Unfulfilled Orders

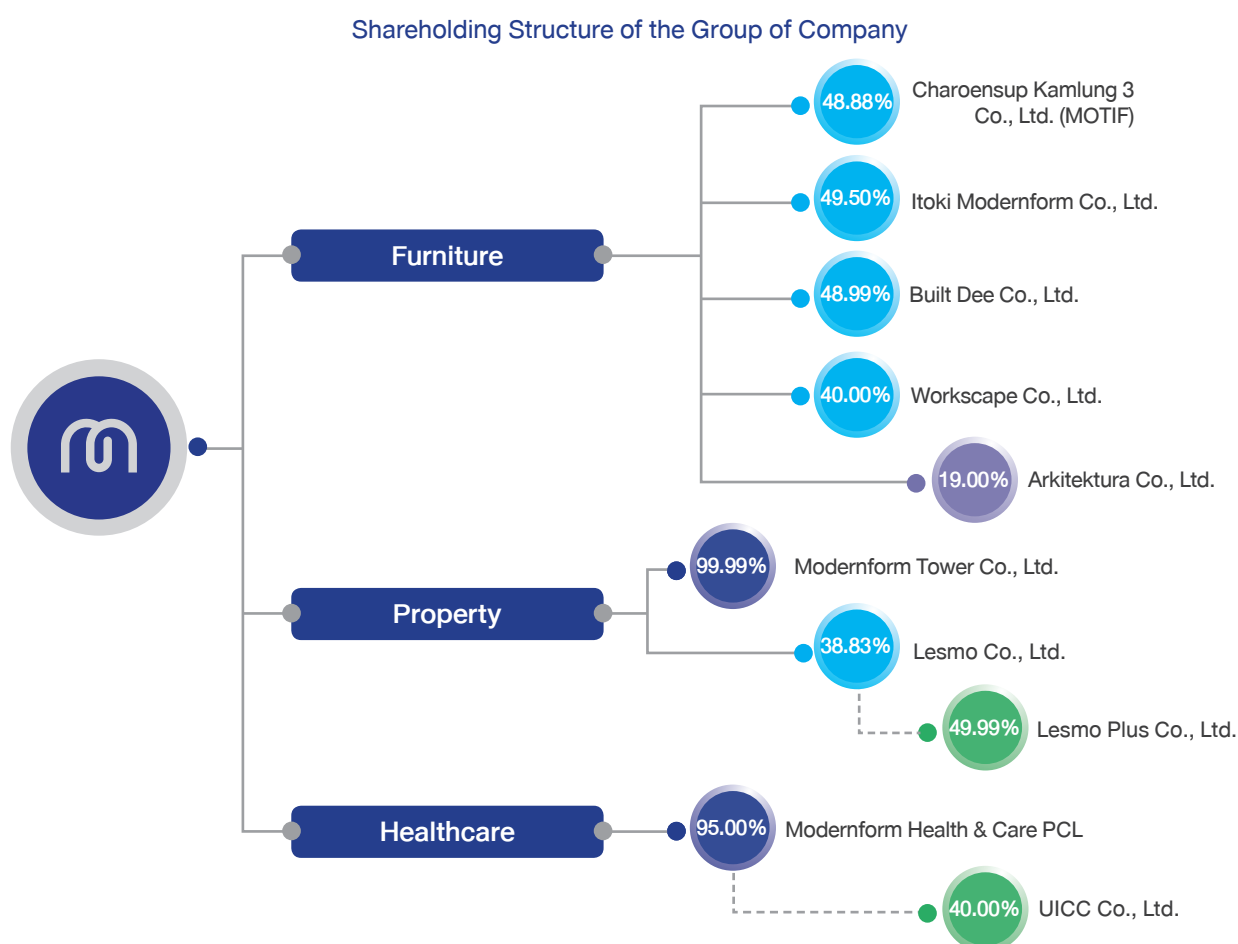
Modernform secures orders and reservations with deposits ranging from 15% to 40% of the total contract value. These deposits are recognized as deferred revenue until the underlying goods are delivered. The average order fulfillment period ranges from two weeks to two months for retail customers, and from two months to two years for project customers. As of December 31, 2024, the Company had approximately 213 million Baht in deferred revenue from customer deposits related to unfulfilled orders, representing a total order value of approximately 1,190 million Baht.

1.3 Shareholding Structure of the Group of Company

1.3.1 Overview of the operations of Modernform's subsidiaries and affiliated entities

Our investment policy is to invest in related businesses with direct and indirect potential. A business that we will invest will contribute to short-term and long-term operation of the Company. This can be in a form of profit sharing it will receive and added values from such investment for shareholders. The investment ratio will depend on to what extent a particular business needs and how the Company sees itself in its management. Investment will not exceed 50% of the Company's total assets

Subsidiaries and Associated Companies will be operated under the management policy of their respective executives who will govern the companies under the CG Code. Modernform Group PCL will dispatch directors or senior management as their director or executive director based on its equity ratio to supervise and take part in deliberating significant policies



As of December 31, 2024, Modernform had a controlling or significant interest at least 10% or more in 8 subsidiaries and associated companies, as detailed below.

No	Company Name	Nature of Business Operations	Paid-up Share Capital (THB)	Equity Interest (%)	Location of Headquarters
1	Modernform Tower Company Limited	Office space for rent and service facilities	220,000,000	99.99	699 Srinakarindr Road, Phatthanakan, Suan Luang, Bangkok 10250
2	Modernform Health and Care Public Company Limited	Manufacture, Import and Distribute Health Care Products	150,000,000	95.00	699 Modernform Tower 15 th Floor, Srinakarindr Road, Phatthanakan, Suan Luang, Bangkok 10250
3	Charoensup Kamlung 3 Company Limited	Import and Distribute Luxury Brand Furniture and Decorative Accessories from International Countries	22,500,000	48.88	Villa Fourteen, Floor 3, Room No.3B, 18 Soi Sukumvit 14, Kwang Klongtoey, Khet Khongtoey, Bangkok 10110
4	Itoki Modernform Company Limited	Import, Export and Distribute Office Furniture	30,000,000	49.50	699 Modernform Tower 22 nd Floor, Srinakarindr Road, Phatthanakan, Suan Luang, Bangkok 10250
5	Built Dee Company Limited	Manufacture and Distribute Fit-in Furniture including Interior and Decoration Contractor for Office Buildings, Hotels, Condominiums	4,000,000	48.99	33/2 Moo7 Tambon Bangchalong, mphoe Bangplee, ASamutprakarn 10540
6	Workscape Company Limited	Manufacture and Distribute Furniture and all kinds of Office Decoration Items	70,000,000	40.00	51 Moo5, Bang kruai-Tsainoi, Tambon Srithong, Amphoe Bangkruai, Nonthaburi
7	Lesmo Company Limited	Property Development, Design and Build Iconic Homes	10,300,000	38.83	89/2 Soi Phaholyothin 5, Phaholyothin Rd., Phyathai, Bangkok
8	Arkitektura Company Limited	Manufacture, Import and Distribute Furniture	20,000,000	19.00	1412 Crystal Design Center Room no.107/1 Building B, Ladprao 87 (Jantrasuk) Klong Chan, Bangkapi Bangkok

1.3.2 Person that has conflict of interest that holds shares more than 10% in subsidiaries and associates

-None-

1.3.3 Relationship with Business Corporation of Major Shareholders

-None-

1.3.4 Major Shareholders

The following list identifies the top 10 major shareholders as of December 31, 2024. Modernform operates independently of these shareholders and has no special agreements with them.

List of Shareholders		No. of Shares	Shareholding Proportion %
1.	Modernform Group PCL.	75,000,000	10.00
2.	Mr. Natthaphol Chulangkool	67,384,500	8.98
3.	Mr. Taweechat Chulangkool	50,474,500	6.73
4.	Mrs.Chuleewan Vivaddhanakasem	34,101,840	4.55
5.	Mr. Yothin Nerngchamnong	27,539,420	3.67
6.	Mr. Kavivud Nerngchamnong	27,504,000	3.67
7.	Mr.Jadjai Dhammarungruang	26,135,070	3.48
8.	Mr.Thaksa Busayapoka	24,446,000	3.26
9.	Mr.Ongart Thumrongsakunvong	22,000,000	2.93
10.	Mr.Apirum Panyapol	20,506,900	2.73
11.	Other shareholders	374,907,770	49.99
Total		750,000,000	100.00

1.4 Capital Registration and Paid-up Capital

1.4.1 Registered Capital and Paid-up Capital

As of December 31, 2024, Modernform Group Public Company Limited is a company listed on the Stock Exchange of Thailand (SET). The Company's registered capital is THB 809,646,280, with paid-up capital of THB 750,000,000, divided into shares with a par value of THB 1 each. The Company's shares are not listed on any other stock exchanges.

1.4.2 Shares that are not common stock, having different rights and privileges

-None-

1.4.3 Shareholding by Thai NVDR Company Limited (NVDR)

As of December 31, 2024, Thai NVDR Company Limited (NVDR) held 8,773,607 shares, representing 1.17% of the total issued shares. The company places great importance on treating all shareholders equally. The board of directors has established a voting right of one vote per share for shareholders. Thai NVDR Company Limited, as a shareholder, holds Non-Voting Depository Receipts (NVDRs), which do not confer voting rights at shareholder meetings, except in cases where voting rights are exercised regarding the delisting of shares from being registered securities on the Stock Exchange of Thailand

1.5 Other securities

-None-

1.6 Dividend Payment Policy

Dividend Payment Policy of MODERN

Modernform considers the ability to pay dividends as required by law, including Public Limited Companies Act B.E. 2535 (as amended) which stipulates that the public company can pay dividends from its separate financial statements if there is no accumulated loss.

Modernform has a policy to pay dividend to its shareholders at the rate of not less than sixty (60) percent of the net profit from its consolidated financial statements after tax deduction, the allocation of various funds required by law, However, such dividend payment rate may be changed depending on the performance, cash flow, financial liquidity, financial position, investment plan, reserve funds for working capital, funds for future investment, economic conditions, legal requirement as well as other necessities.

The annual dividend payment must be approved by the shareholders' meeting. Unless the interim dividend may be paid by the resolution of the Board of Directors if Modernform's profit deems sufficient to do so and such payment must be reported in the next shareholders' meeting. Therefore, the following are the statistics for dividend payments over the past five years, which the Shareholders and/or the Board of Directors of the Company have resolved to approve the dividend payment as follows:

Year	Net Profit (Baht/Share)	Interim Dividends (Baht/Share)	Final Dividend (Baht/Share)	Total Dividends	% of Dividend/ Payout Ratio
2024	134.94	-	0.18	0.18	94.74
2023	60.03	-	0.09	0.09	112.50
2022	39.00	-	0.06	0.06	120.00
2021	88.08	0.05	0.07	0.12	100.00
2020	141.60	0.05	0.15	0.20	105.30

Remark : • The Board of Directors, at its meeting on February 27, 2025, approved a proposed dividend payment for the 2024 fiscal year of THB 0.18 per share. The record date for dividend entitlement is May 9, 2025, and the payment date is May 23, 2025. This proposed dividend is contingent upon shareholder approval at the Annual General Meeting scheduled for April 25, 2025.

Dividend Policy of Subsidiaries

Modernform does not specify a rate of dividend its subsidiaries will pay each year as this will be decided by a board of directors of a relevant subsidiary where it will take into consideration numerous factors for the best interest of its shareholders. These factors include performance and financial status of subsidiaries, their cash flow, their reserves for working capital and their future investment and business expansion plans. Others are annual performance of each subsidiary, investment plans, liquidity and other factors relating to their management



02

Risk Management

In the face of ongoing uncertainty in 2024, Modernform prioritized proactive risk management, continuously monitoring evolving conditions and potential crises. Risk assessment was utilized to identify both opportunities and potential adverse impacts, enabling the Company to mitigate potential damage and ensure business continuity. A systematic approach to risk management facilitated efficient organizational oversight and preparedness. While forecasts for the Thai economy in 2024 indicated growth, this growth was not evenly distributed across all sectors. Global uncertainties, including political, economic, social, technological, and geopolitical factors, required careful consideration. Modernform therefore placed emphasis on concrete risk management practices, promoting a learning culture around risk management processes to proactively address challenges, ensure business continuity, and drive the continuous development of risk management capabilities for sustainable growth.

2.1 Risk Management Policy and Plan

Modernform's commitment to robust risk management is demonstrated through its comprehensive risk management policy (available at <https://www.modernform.co.th>). This policy provides a structured approach for directors, executives, and employees across all levels of the organization to effectively manage risks. The Company's risk management governance follows the Three Lines Model, clearly defining the roles and responsibilities of:

- Risk Owners: Executives and employees who are accountable for the management of specific risks.
- Risk Management Committee & Compliance: The body responsible for oversight, monitoring, and guidance of the risk management process.
- Internal Audit: The independent function responsible for evaluating and improving the effectiveness of the risk management framework.

These three lines of defense work in concert to ensure a comprehensive and robust risk management process. Modernform's risk management practices are in accordance with the globally recognized framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Modernform adheres to all eight integrated components of the COSO framework:



Modernform's approach to risk management includes a systematic framework, clearly defined processes, and continuous oversight, all aligned with the components of effective risk management. Ongoing monitoring and evaluation are conducted through the Risk Management Committee and Internal Audit to ensure that potential risks are thoroughly identified, comprehensively assessed, and effectively managed by risk owners and management within acceptable risk tolerance levels.

Risk Management Plan

Modernform's risk management plan encompasses the following key elements:

- **Risk Management Policy:** Modernform has a formal risk management policy to ensure consistent risk management practices throughout the organization, from the Board of Directors and executive management to all employees. This policy is regularly reviewed and updated, with significant revisions submitted to the Board for review and approval annually.
- **Risk Management Working Groups:** Dedicated risk management working groups are established to represent various business units as risk owners. These groups are responsible for assessing and managing key risks within their respective areas. Regular meetings are scheduled for these working groups, considered a key process within the organization, to collaboratively assess and manage risks at least quarterly. Progress reports are submitted to the Risk Management Committee.
- **Anti-Corruption Policy and Measures:** A formal anti-corruption policy is in place, communicated to all employees, executives, and directors. This policy outlines expected conduct and reinforced a zero-tolerance approach to corruption. An Anti-Corruption Working Group is also established to monitor and enforce the policy, ensuring practical implementation.
- **Risk Management Handbook:** A comprehensive risk management handbook has been developed to serve as a practical guide for directors, executives, and employees, facilitating the practical application of risk management principles. Training programs are conducted to ensure a thorough understanding of risk management concepts and the effective use of the handbook. This equips personnel to assess and manage risks across all key areas.

- Risk Management Training: Regular risk management training programs are conducted for directors, executives, and employees to promote continuous learning and enhance their ability to effectively manage risks.
- Risk Reporting: The Risk Management Committee provides regular risk management reports to the Board of Directors, ensuring that the Board is informed of and understands the key risks facing the Company, as well as factors that could affect Modernform's risk profile in the future.

2.2 Risk Factors Affecting the Company's Business Operations

2.2.1 Risks in the Business Operations of the Group of Companies

The Company has analyzed the business environment, internal factors and external factors related to the Company's business operations whether it is the political, economic, social, technological, environment, and relevant law sectors. The key risk factors that may affect the Company's goals, strategies, and objectives in 2024 are summarized as follows:

1. Strategic Risk

The Thai economy, including the furniture market and the real estate sector, which are intrinsically linked to consumer spending, experienced a continued period of subdued growth in 2024. This economic environment presented a significant challenge to the furniture market, despite government initiatives aimed at stimulating the real estate sector.

Response to the Risks

Modernform has implemented a dynamic strategic framework, incorporating continuous monitoring and adjustments to its strategic plan. Through comprehensive and timely risk analysis and management, the Company maintains operational flexibility and the ability to adapt its strategies to capture emerging business opportunities. This proactive approach is designed to ensure the ongoing achievement of sales targets. In response to the slower economic growth, Modernform has adopted a cautious sales strategy, diversifying its market focus beyond traditional segments to identify and engage new customer groups exhibiting higher growth potential. These targeted segments include high-potential customers within its existing customer base, markets demonstrating improving growth trends, and sectors requiring renovations and additional furniture to accommodate the recovery of international tourism or increased public sector investment. Modernform's diverse product portfolio, characterized by distinctive design and comprehensive segment coverage, enables the Company to effectively address the needs of its target customer groups. The Company is also strategically enhancing its multi-channel distribution network, which includes major projects, designers, developers, architects, contractors, project owners, end-users, and e-commerce platforms, to further strengthen its market position and achieve its strategic objectives.

2. Operations Risk

Modernform understands that effective production and inventory management are essential to its operational success. However, the Company faces challenges stemming from the volatility of raw material prices, which are influenced by macroeconomic factors, and the increasing diversification of customer preferences, leading to a greater demand for customized products. These issues have a direct impact on the management of raw materials and components, requiring a more rigorous approach to procurement and inventory management.

Response to the Risks

In 2024, Modernform placed significant emphasis on mitigating risks throughout its integrated production process. This comprehensive approach encompassed assessing evolving customer needs and market preferences, which directly influenced product design, and optimizing the entire value chain. Spanning from raw material procurement and production planning to the ultimate delivery of finished goods to customers, the Company focused on minimizing both the risk of excess inventory and potential losses arising during the production process. Key initiatives included implementing flexible product designs and promoting the shared use of materials and components to maximize efficiency, optimizing production layouts to achieve the highest possible output given diverse customer demands, and continuously streamlining operations, particularly within the production and supply chain functions, to effectively manage costs and adapt to changing market dynamics. These efforts have enabled the Company to reduce unnecessary expenditure and enhance operational effectiveness.

3. Financial Risk

3.1 Foreign Exchange Risk

In 2024, while the Thai economy demonstrated improved stability, global economic conditions remained a focal point of monitoring. Factors such as potential US Federal Reserve interest rate adjustments, global political and economic developments, and regional currency fluctuations contributed to exchange rate uncertainty. The Thai baht experienced a period of depreciation during the first half of the year. However, supported by Thailand's economic stability and global market recovery, the baht is projected to appreciate in the fourth quarter. This fluctuation presents foreign exchange risk for Modernform, given its receivables and payables denominated in foreign currencies.

Response to the Risks

Modernform manages this risk primarily through forward foreign exchange contracts with maturities of up to six months. The decision to utilize these contracts is made strategically, considering market conditions and opportunities to optimize both risk mitigation and potential gains from exchange rate movements. The baht's depreciation during part of the year had a positive impact on export revenues, increasing the Thai baht equivalent of foreign currency earnings. As Modernform's export revenues are increasing, this trend has been beneficial. The Company actively monitors economic and financial news, employing appropriate hedging instruments to mitigate exchange rate volatility, particularly during periods of market uncertainty. A disciplined approach is applied to managing both export-related receivables and import-related payables to maximize benefits from foreign exchange fluctuations.

3.2 Credit Risk Related to Receivables

The current economic climate increases the risk of customer payment defaults due to liquidity challenges and concerns about business continuity, particularly among some of Modernform's clients.

Response to the Risks

Modernform has established a comprehensive approach to managing overdue accounts, addressing both existing long-outstanding debts and more recent payment delays. This includes intensified collection efforts and close monitoring by the legal department. To mitigate risk, Modernform has enhanced its due diligence processes, including gathering and sharing information about customers' business performance and payment history with sales and other relevant departments. This information informs us of decisions regarding

customer transactions. The Risk Management Working Group, comprising representatives from Accounting and Finance, Collections, Legal, Project Management, and Sales, collaboratively addresses potential risks and implements the following measures.

- Intensified follow-up on overdue accounts, addressing issues related to invoicing, product delivery, and payment tracking.
- Strengthened customer credit management processes from initial sales engagement, including more rigorous due diligence on new and existing customers' financial standing. Increased emphasis on pre-production deposits and closer communication to assess customer payment capacity, with early warning mechanisms for potential risks.
- Review of credit policies to minimize bad debt exposure.
- Enhanced project management from contract execution to delivery and payment collection, ensuring alignment with project milestones and close monitoring at every stage.

3.3 Fraud & Corruption Risk

Modernform recognizes the significant societal concern regarding corruption and its potential impact on the Company's reputation and long-term sustainability. We consider the risk of corruption to be a material business risk, the occurrence of which could negatively affect Modernform's image and impede sustainable growth.

Response to the Risks

Modernform is a certified member of the Thai Private Sector Collective Action Against Corruption (CAC) and is committed to conducting business with the highest ethical standards. We adhere to a formal, written anti-corruption policy that is communicated to all employees, executives, and directors. This policy clearly articulates our zero-tolerance stance on bribery and encourages active participation in anti-corruption initiatives. Modernform is dedicated to integrating its anti-corruption strategy with its broader ESG (Environmental, Social, and Governance) framework to ensure transparency and promote long-term sustainability. The Company systematically implements the CAC's guidelines to foster a culture of transparency, accountability, and trust among all stakeholders. Our key activities and processes in this area include:

- Anti-Corruption Working Group: This group is responsible for monitoring and driving the implementation of the anti-corruption policy. They report regularly to the Corporate Governance and Sustainability Development Committee.
- Preventative Measures: Specific anti-corruption measures are communicated to relevant personnel, and their implementation is actively monitored to prevent various forms of corruption.
- Whistleblowing Mechanism: Modernform maintains a confidential whistleblowing channel, along with a robust policy to protect whistleblowers. This channel, which is detailed in our anti-corruption policy, is accessible to all employees, executives, and directors, reinforcing our commitment to combating corruption.

3.4 Emerging Risk

Modernform recognizes the importance of ongoing preparedness for potential business disruptions. Even though recent crises have abated, the Company maintains a proactive approach to risk assessment and business continuity planning. Modernform systematically evaluates factors that could lead to operational interruptions, including

- The risks posed by natural disasters and accidents (e.g., floods, power outages, fires)

- The growing threat of cyberattacks and disruptions to essential data systems or operating infrastructure
- The possibility of future pandemics or other significant national or global events that could cause business operations to be impacted.

Response to the Risks

Modernform maintains a proactive and systematic approach to business continuity planning, recognizing the potential for unforeseen events to disrupt operations. The Company's comprehensive plan addresses this risk through:

- Environmental Scanning: Continuous monitoring of the economic, political, environmental, and other relevant landscapes to identify potential threats.
- Dynamic Risk Assessment: Regular risk assessments and the development of responsive mitigation strategies for emerging risks.
- Operational Continuity Planning: A well-defined plan to ensure business operations can continue, even under disruptive circumstances.
- Resource Contingency Planning: Robust contingency plans for critical data, operating systems, information systems, assets, and personnel, reinforced by regular drills to ensure readiness

3.5 ESG Risk

Sustainability risks, encompassing environmental, social, and governance (ESG) factors, represent a key strategic challenge for organizations. Proactive risk management is necessary to leverage opportunities and mitigate potential negative impacts associated with ESG issues. Effectively managing these risks is essential to support profitability, enhance competitiveness, protect reputation, and ensure the organization's long-term viability and sustainable growth.

• Environment

Modernform recognizes the potential impacts of climate change on product design, material sourcing, and operational processes. These include concerns related to production noise, dust, chemical use, heat, waste, and emissions, which could affect employee health and safety, as well as potentially contributing to pollution in surrounding communities. To proactively address these environmental considerations, Modernform's Corporate Governance and Sustainability Development Committee, which includes the Chief Executive Officer, along with the Sustainable Development Working Group, are responsible for overseeing and directing the implementation of enhanced environmental management measures. These include establishing specific, measurable targets for improvement:

- Climate Change Mitigation: A target to reduce greenhouse gas emissions from business operations by 20% by 2030.
- Energy Efficiency: A target to reduce electricity consumption by 10% and fuel consumption by 10%.
- Water Management: A target to reduce water usage by 10%.
- Waste Reduction: A target to limit production waste to no more than 3% of total production volume.
- Air Quality and Noise Control: A commitment to maintaining air quality and noise levels within established standards.

- **Social**

Modernform is committed to driving business towards sustainability by relying on human resources as an important factor which consists of the employees, business partner or nearby communities throughout the supply chain. Modernform hence places its importance on caring for and developing knowledge and ability for employees in line with business operations to promote complete and efficient operations in the social dimension, Modernform has determined “Policy on Safety, Occupational Health, and Working Environment” to demonstrate its concern for the lives and health of personnel, strengthening consciousness, and to adopt as a guideline in determining measures to control and manage safety, occupational health, and a suitable working environment. The Company continues to implement measures to develop the potential to operate in the social dimension in a sustainable manner as follows:

- Continuously developing the employees’ potential through various training courses not less than 7 hours/person/year
- Organizing projects on developing quality of life for the community not less than 7 projects/year
- Ensuring sustainable value creation with partners, with 100% awareness and commitment to adhering to code of ethics for business partners

- **Governance**

Modernform under the supervision of the Board of Directors recognizes and places its importance on sustainable business management by promoting the Company’s operation to adhere to business ethics. Good practices for directors of listed companies, relevant rules, regulations and guidelines of the Stock Exchange of Thailand (SET), Office of the Securities and Exchange Commission (SEC). In addition, raising the level of corporate governance of the company by promoting the group of companies to be an efficient organization in terms of good corporate governance and conducting business with transparency to foster confidence among all groups of stakeholders in a sustainable manner in accordance with the principles of good corporate governance of the Organization for Economic Cooperation and Development (OECD).

Besides, Modernform prioritizes the disclosure of information and transparency. These are set out as good practices specified in the Good Corporate Governance and Code of Conduct Manual which has been disclosed on the website for shareholders and interested parties in which the Company considers accuracy, completeness, adequacy, timeliness and reliability. In addition, the disclosure of financial and non-financial information according to relevant laws, rules, and regulations through the stock exchange’s system, such as disclosing information in the Form 56-1 One Report in both Thai and English versions whereby Investor Relations and Company Secretary are responsible for answering inquiries.

3.6 New Risk

The growing urgency of addressing climate change has resulted in increased regulatory scrutiny and the development of new legislation, both domestically and internationally. This includes initiatives such as the drafting of the Climate Change Act and the proposed Greenhouse Gas Emission Reduction and Carbon Promotion Act. These changes reflect evolving sustainability trends and underscore the need for businesses to proactively

adapt. The Stock Exchange of Thailand (SET) is also playing a key role by upgrading its SET ESG Ratings to align with international best practices. To facilitate a smooth transition, the SET will implement these enhanced ratings progressively, with a pilot program scheduled for 2024-2025, followed by increasing levels of enforcement in subsequent years, allowing listed companies adequate time to prepare.

Response to the Risks

Modernform recognizes the risks associated with climate change, both directly in terms of potential disruptions to operations due to extreme weather events (e.g., floods, storms) and indirectly through evolving regulatory and sustainability landscapes.

To address these risks, Modernform has a comprehensive strategy that includes:

- **Business Continuity Planning:** The Company maintains and regularly updates a business continuity plan to mitigate the impact of potential operational disruptions caused by extreme weather or other unforeseen events.
- **Risk Transfer:** Modernform utilizes insurance to transfer a portion of the financial risk associated with potential property damage or other losses resulting from these events, ensuring sufficient coverage.
- **Regulatory Compliance:** The Corporate Governance and Sustainability Development Committee oversees risk management related to compliance with evolving environmental laws and regulations. The Company monitors sustainability trends and collaborates with relevant working groups, including the Risk Management Working Group, to align its practices with the Stock Exchange of Thailand's (SET) guidelines.

Modernform takes a structured and phased approach to managing climate-related risks, beginning with:

- **Impact Analysis:** Analyzing the potential impacts of climate change on its operations and value chain.
- **Adaptation and Preparedness:** Developing strategies and measures to adapt to the changing climate and enhance the Company's resilience.
- **Stakeholder Engagement:** Identifying and addressing key sustainability issues material to its business and engaging with stakeholders to ensure that the management of climate-related risks and opportunities is both effective and creates value for all involved.

3.7 Risk from New Entrants

The influx of Chinese capital and other significant investments into Thailand's furniture sector has intensified competition, leading to increased market share battles. These large investors often have cost advantages, enabling them to offer products at prices considerably lower than those of established Thai competitors.

Response to the Risks

This heightened competition poses a risk of market share erosion and potential future impact on sales and revenue for Modernform. To mitigate this risk, Modernform is implementing a multi-faceted approach, focusing on:

- **Sales Enhancement:** Leveraging the Company's strengths in product quality and design, which resonate with its core customer base.
- **Market Diversification:** Exploring new distribution channels and developing innovative products to cater to evolving consumer lifestyles and diverse preferences.

- Operational Efficiency: Streamlining internal structures and processes, optimizing raw material and component utilization, and enhancing supply chain and production efficiencies to achieve cost reductions.

These combined efforts aim to strengthen Modernform's competitive position, enabling the Company to maintain and protect its market share in the face of increasing competition.

2.2.2 Risks to Securities Holders Investment

-None-

2.2.3 Risks to Foreign Securities Investments

-None-



03

Business Sustainability Development

3.1 Sustainability Management Policy and Goals

Modernform Group Public Company Limited (“Modernform”) has been a leading manufacturer and distributor of comprehensive furniture solutions for over four decades. The Company’s vision is to be the foremost provider of innovative solutions that meet all customers’ needs while prioritizing social and environmental responsibility. Modernform aspires to be the most admired Thai furniture brand among designers, homeowners, and business owners.

Modernform’s mission aligns with its vision of sustainable business practices. The Company is committed to proactively pursuing sustainable development based on the ESG (Environmental, Social, and Governance) framework. Its long-term objective is to create growth for all stakeholders and the business, while simultaneously caring for society and the environment. Modernform is dedicated to being the best Thai furniture manufacturer. Modernform’s commitment to providing furniture solutions that truly meet customer needs is rooted in its adoption of sustainable development principles and good corporate governance practices. The Company strives to achieve balance across three dimensions – environmental, social, and governance & economic – by considering the expectations, priorities, and potential positive and negative impacts on all stakeholders throughout its value chain.

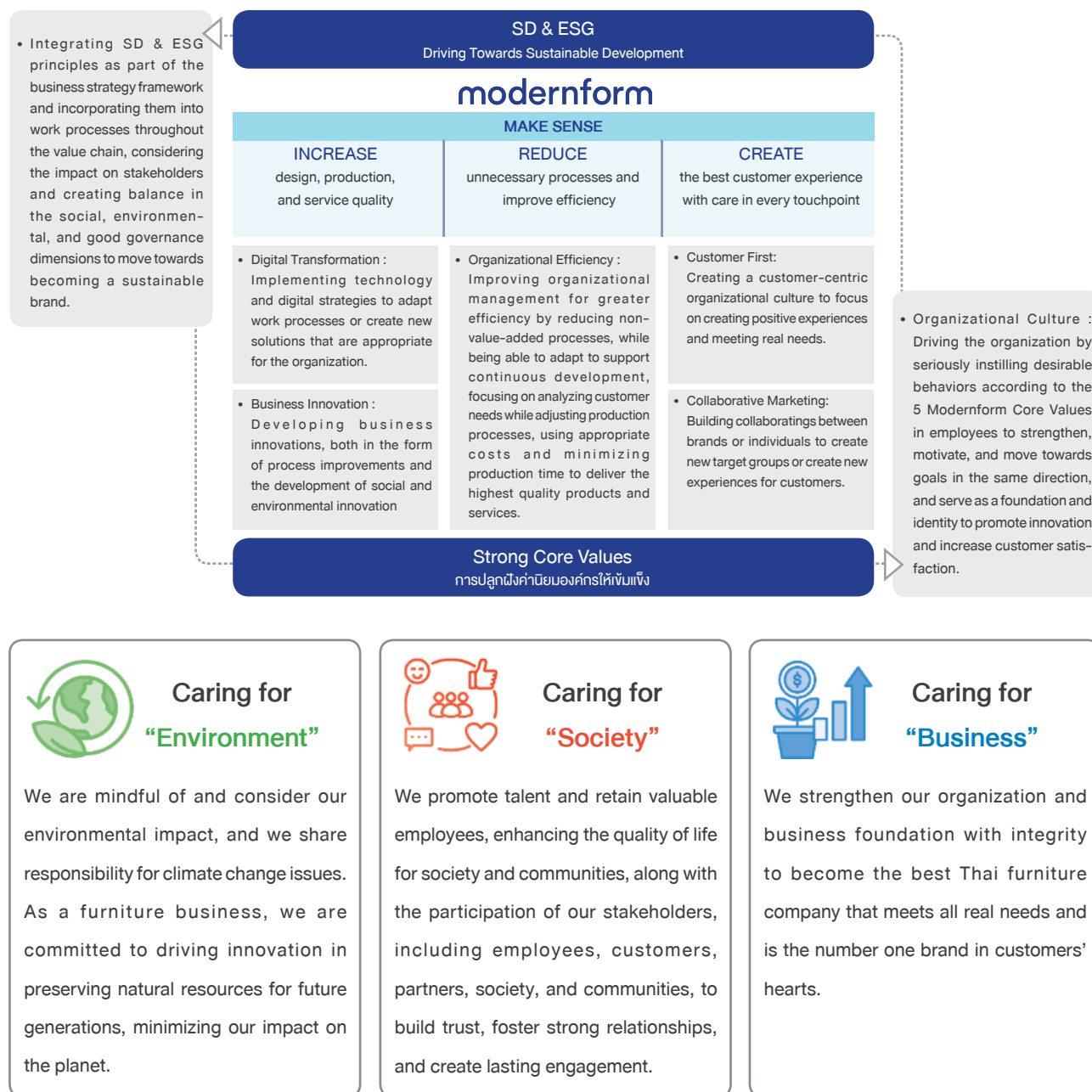
In 2021, Modernform established the “Sustainable Development Working Group,” comprising representatives from relevant departments, to ensure that sustainability initiatives are integrated with business operations, drive continuous improvement, and maintain clear communication, under the supervision of the Corporate Governance Committee.

Subsequently, in 2022, to further enhance the effectiveness and clarity of its sustainable development efforts, the Board of Directors, in its meeting No. 7/2022, assigned Corporate Governance Committee to define sustainable development goals and oversee Modernform’s sustainability performance. Consequently, the sub-committee was renamed “Corporate Governance and Sustainability Development Committee”.

Modernform has established a company-wide sustainability management policy to guide all departments in implementing sustainable practices. Sustainable development goals are cascaded throughout the organization, starting with the Board of Directors, the Executive Committee, executive management, department heads, and employees, ensuring alignment and unified direction. This policy is designed to drive, support, monitor, and review overall sustainability management to effectively and efficiently achieve established goals.




For more details about ‘Sustainability Management Policy’
please find in the ‘2024 Sustainability Development Report’
(<https://www.modernform.co.th>)

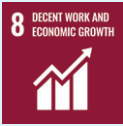

Sustainability Strategy and Implementation Framework



Modernform's Corporate Sustainability Goals

Modernform has established sustainability goals and indicators, considering the alignment with the United Nations Sustainable Development Goals (SDGs) and Modernform's long-term sustainability strategy for 2023-2030. These goals were developed in consideration of the current global context and trends, as well as Modernform's business capabilities and practices.

Key Sustainability Issues	SDGs	Goals
Environment Responsibility		
Climate Change Mitigation		<ul style="list-style-type: none"> Reduce greenhouse gas emissions by 20% by 2030, compared to the 2023 baseline.
Energy Management		<ul style="list-style-type: none"> Reduce electricity consumption by 10%. Reduce fuel consumption by 10%. Reduce water consumption by 10%.
Water Management		
Waste Control in Production Processes		<ul style="list-style-type: none"> Maintain waste generation at no more than 3% of total production output. Ensure compliance with standards.
Air and Noise Quality Control		
Community Complaints Related to Factory Operations		
Sustainable Design and Circular Economy		
Environmental Responsibility		

Key Sustainability Issues	SDGs	Goals
Social Responsibility		
Health and Safety		<ul style="list-style-type: none"> Zero fatal accidents.
Employee Care and Development		<ul style="list-style-type: none"> Zero work-related accidents resulting in lost time.
Human Rights Practices		<ul style="list-style-type: none"> Employee engagement score above 75%.
Customer-Centric Approach		<ul style="list-style-type: none"> Provide at least 7 hours of learning and development per employee annually.
Community Engagement		<ul style="list-style-type: none"> Zero complaints related to human rights violations from employees or business partners.
Sustainable Value Creation with Business Partners		<ul style="list-style-type: none"> Achieve a customer satisfaction score above 90%.

Key Sustainability Issues	SDGs	Goals
Business Responsibility		
Corporate Governance	 	<ul style="list-style-type: none"> Achieve a 5-star Corporate Governance Rating (CGR). Obtain certification as a member of Thailand's Private Sector Collective Action Against Corruption (CAC). Maintain zero incidents of policy violations related to anti-corruption.

3.2 Management of Impacts on Stakeholders in Business Value Chain

3.2.1 Business Value Chain

Modernform engages in the manufacturing and distribution of furniture, encompassing a comprehensive value chain from product development and production to marketing, sales, transportation, installation, and after-sales service. To effectively create value and meet the genuine needs of our customers, we have identified our key stakeholders based on the positive and negative impacts of activities within our business value chain. This includes both primary activities and support activities. Our objective is to mitigate any potential negative impacts of our operations on stakeholders by conducting business fairly, responsibly utilizing limited resources, and demonstrating accountability towards all stakeholders.



Primary Activity



Support Activities



3.2.2 Stakeholder Analysis in Modernform's Value Chain

Modernform has analyzed the expectations arising from activities throughout its business value chain, identifying 7 key stakeholder groups: (1) employees, (2) customers, (3) business partners, (4) business alliances, (5) shareholders, (6) society and communities, and (7) government agencies. The expectations and concerns of these stakeholders have been used to analyze and define key sustainability issues, as well as to develop methods of communication and engagement practices, both formal and informal, with these stakeholders.

Further details regarding “the analysis and determination of key sustainability issues” can be found in “Sustainability Development Report 2024” (<https://www.modernform.co.th>)

3.3 Environmental Sustainability Management

3.3.1 Environmental Policies and Practices

Modernform is committed to conducting business sustainably with environmental responsibility. Our approach to environmental management encompasses efficient management across all areas, including greenhouse gas management, energy management, water management, and waste management. We are also committed to strictly complying with all applicable environmental laws and regulations at the national level. This is to minimize the environmental impact of our business operations, products, and services throughout Modernform's value chain.

Environmental Policy

1. Strict adherence to all applicable environmental laws, regulations, and standards.
2. Proactive protection, prevention, and control of pollution resulting from our operations to minimize environmental impact.
3. Promotion of a healthy working environment and efficient resource utilization.
4. Communication of this policy to all personnel and relevant external parties, emphasizing that compliance with environmental regulations is a responsibility for all employees. Appropriate budget, personnel, and time resources will be allocated to ensure successful implementation of this policy.
5. Continuous improvement and development of our environmental management system.

Energy Policy

1. Implementation and development of an appropriate energy management system, integrating energy conservation into Modernform's operations in accordance with relevant laws and regulations.
2. Continuous improvement of the organization's energy efficiency, tailored to the technologies used and operational practices.
3. Establishment of annual energy conservation plans and targets, effectively communicating them to all employees for proper understanding and compliance.
4. Recognition of energy conservation as a duty and responsibility of all levels of management and all employees, who will cooperate in implementing the prescribed measures to achieve the objectives.
5. Support for human resources, budget, work time, training, and participation in providing feedback for energy-related development

3.3.2 Environmental Performance

Modernform has established clear operational guidelines, targets, and performance results related to mitigating the environmental impact of its operations across various areas. These include; Greenhouse gas management, Energy management, Fuel energy management, Water management, Waste and material management, Air and noise quality management

Further details regarding “the company’s operational guidelines, targets, and performance results related to minimizing environmental impact” can be found in “Sustainability Development Report 2024” (<https://www.modernform.co.th>)

3.4 Social Sustainability Management

3.4.1 Social Policies and Practices

Modernform is committed to conducting business ethically, based on responsibility, transparency, and integrity. This commitment is reflected in our Code of Conduct, which serves as a standard for the organization and builds trust among all stakeholders. The Code of Conduct covers executives and employees, as well as guidelines for stakeholder engagement. Compliance with the Code of Conduct is strictly monitored and enforced. Modernform has policies in place regarding human rights management, diversity, equity, and inclusion, as well as the Personal Data Protection Act (PDPA). These policies are implemented with a strong commitment to respecting human rights in all business operations. Modernform also encourages its subsidiaries, business partners, and stakeholders to adopt and adhere to these fundamental principles.

Further details regarding “the company’s policies and practices related to human rights and labor practices, diversity, equity, and inclusion, and personal data protection” can be found in “Sustainability Development Report 2024” (<https://www.modernform.co.th>)

3.4.2 Social Performance

Modernform supports stakeholders both within and outside the organization, under the framework of Modernform’s core strategies. This includes emphasizing the well-being of employees, who are the driving force behind the organization’s success, and creating value for the community, society, and environment through various activities. These activities include supporting initiatives that promote health, safety, and security for the disadvantaged in the community. At the same time, Modernform emphasizes environmental conservation by promoting waste reduction, recycling, and the efficient use of resources.

Further details regarding “Social Performance”
can be found in “Sustainability Development Report 2024” (<https://www.modernform.co.th>)

3.5 Economic Sustainability Management

3.5.1 Governance and Economic Policies and Practices

Modernform’s Board of Directors recognizes the importance of good corporate governance, believing that conducting business with integrity, ethics, transparency, and accountability to stakeholders will enable Modernform to grow steadily and sustainably. Therefore, a good corporate governance policy has been established to serve as a guideline for creating sustainable value for the business and building trust among all stakeholders. This leads to competitiveness, good performance with consideration for long-term impacts, ethical business practices, respect for rights, and accountability to shareholders and stakeholders. This is in line with the Principles of Corporate Governance for Listed Companies (CG Code) of The Organization for Economic Co-operation and Development (OECD), the criteria under the Corporate Governance Report of Thai Listed Companies (CGR) project of the Thai Institute of Directors (IOD), the Sustainable Stock Assessment Guidelines (SET ESG Ratings), and the criteria for membership in Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC).

Further details read in “Section 02, Corporate Governance”
whitin this 56-1 One Report (<https://www.modernform.co.th>)

3.5.2 Governance and Economic Performance

In 2024, Modernform operated under business ethics, policies, guidelines, laws, regulations, and related regulations of listed company regulators, focusing on good corporate governance throughout the value chain, both internally and externally, with transparency, fairness, and consideration for the best interests of Modernform, including all stakeholder groups, which is an important part of driving the organization towards sustainable development.

Further details regarding “the company’s key performance indicators in corporate governance”
can be found in “Section 08, Report on Key Corporate Governance Performance”
whitin this 56-1 One Report (<https://www.modernform.co.th>)

04

Management Discussion and Analysis (MD&A)

4.1 Analysis of Operations and Financial Position

Performance Overview

Income statement	Q4/2024	Q3/2024	Q4/2023	% Increase (decrease)		2024	2023	% Increase (decrease) YoY
				QoQ	YoY			
Revenues from sales	647.9	626.3	557.5	3.5%	16.2%	2,247.6	2,326.5	(3.4%)
Revenues from rental, services	32.0	30.8	30.5	3.7%	4.8%	123.4	123.6	(0.1%)
Revenues from design services and construction	57.5	6.7	40.4	752.7%	42.2%	110.8	75.1	47.6%
Other income	8.8	3.1	7.7	185.1%	14.2%	35.3	45.3	(22.1%)
Total revenues	746.2	666.9	636.1	11.9%	17.3%	2,517.1	2,570.5	(2.1%)
Cost of sales	444.4	402.4	367.8	10.4%	20.8%	1,501.2	1,596.1	(5.9%)
Cost of rental, services	15.7	17.0	15.2	(7.5%)	3.4%	63.6	68.2	(6.7%)
Cost of design services and construction	46.7	5.1	34.3	815.9%	36.1%	92.5	63.1	46.4%
Selling and administrative and other expenses	193.4	175.3	199.3	10.4%	(2.9%)	737.7	751.2	(1.8%)
Total expenses	700.2	599.8	616.6	16.7%	13.6%	2,395.0	2,478.6	(3.4%)
Profit (loss) from operating activities	46.0	67.1	19.5	(31.4%)	135.2%	122.1	91.9	32.9%
Share of profit (loss) from investments in associates and investments in joint venture	21.0	2.0	2.6	948.7%	717.3%	33.4	(5.3)	735.3%
Finance income	3.1	3.2	2.7	(4.4%)	15.4%	12.8	6.4	100.3%
Finance cost	(3.2)	(3.1)	(2.7)	2.9%	19.0%	(12.3)	(13.3)	(7.0%)
Profit (loss) before income tax expenses	66.9	69.2	22.1	(3.3%)	202.7%	156.0	79.7	95.6%
Income tax expenses	(3.4)	(7.5)	(5.2)	(54.5%)	(34.2%)	(19.8)	(19.6)	1.2%
Profit (loss) for the year	63.5	61.7	16.9	2.9%	275.5%	136.2	60.1	126.5%
Profit (loss) for equity holders of the company	62.4	61.6	16.9	1.3%	268.2%	134.9	60.0	124.8%

Operating Revenue

In Q4/2024, total revenues Baht 746.2 million

- YoY

The company and subsidiaries recorded total revenues which were up 17.3% or Baht 110.1 million. This accounted for sales revenues increased 16.2% or Baht 90.4 million due to an increase in delivery of furniture to project; rent and service incomes increased 4.8% or Baht 1.5 million; design service and construction increased 42.2% or Baht 17.1 million; as well as other incomes increased 14.2% or Baht 1.1 million.

- QoQ

The company and subsidiaries recorded total revenues which were up 11.9% or Baht 79.3 million. This accounted for sales revenues increased 3.5% or Baht 21.6 million due to increase delivery of furniture to project; rent and service incomes increased 3.7% or Baht 1.2 million; design service and construction increased 752.7% or Baht 50.8 million; as well as other incomes increased 185.1% or Baht 5.7 million.

In 2024, total revenues Baht 2,517.1 million

- YoY

The company and subsidiaries recorded total revenues which were down 2.1% or Baht 53.4 million. This accounted for sales revenues decreased 3.4% or Baht 78.9 million due to delayed delivery of furniture to project; rent and service incomes decreased 0.1% or Baht 0.2 million; design service and construction increased 47.6% or Baht 35.7 million; as well as other incomes decreased 22.1% or Baht 10.0 million.

Operating Cost

In Q4/2024, total Cost Baht 506.8 million

- YoY

The company and subsidiaries recorded total costs, which were up 21.4% or Baht 89.5 million. This accounted for the cost of sales increased 20.8% or Baht 76.6 million. This will be in line with the increase in sales revenue; cost of rent and service incomes increased 3.4% or Baht 0.5 million; cost of design service and construction increased 36.1% or Baht 12.4 million. This will be in line with the increase in design service and construction revenue.

- QoQ

The company and subsidiaries recorded total costs which were up 19.4% or Baht 82.3 million. This accounted for the cost of sales increased 10.4% or Baht 42.0 million. This will be in line with the increase in sales revenue; cost of rent and service incomes decreased 7.5% or Baht 1.3 million; cost of design service and construction increased 815.9% or Baht 41.6 million. This will be in line with the increase in design service and construction revenue.

In 2024, total costs Baht 1,657.3 million

- YoY

The company and subsidiaries recorded total costs, which were down 4.1% or Baht 70.1 million. This accounted for cost of sales decreased 5.9% or Baht 94.9 million. This will be in line with the decrease in sales revenue. However, the cost % decrease due to better cost management; cost of rent and service incomes decreased 6.7% or Baht 4.6 million; cost of design service and construction increased 46.4% or Baht 29.4 million This will be in line with the increase in design service and construction revenue.

Operating Expenses

In Q4/2024, Selling and distribution expenses, administrative expenses and other expenses Baht 193.4 million

- YoY

The company and subsidiaries recorded sales and distribution expenses, administrative expenses and other expenses of Baht 193.4 million, which was down 3.0% or Baht 5.9 million. This was categorized into selling and distribution expenses totaling Baht 137.9 million an increase by 7.6% or Baht 9.7 million; administration expenses totaling Baht 51.0 million, which represented a decrease by 25.5% or Baht 17.5 million. Other expenses totaling Baht 4.5 million an increase by 71.2% or Baht 1.9 million.

- QoQ

The company and subsidiaries recorded selling and distribution expenses, administrative expenses and other expenses of Baht 193.4 million, which was up 10.4% or Baht 18.1 million. This was categorized into selling and distribution expenses totaling Baht 137.9 million and increased by 1.0% or Baht 1.4 million; administration expenses totaling Baht 51.0 million, which represented an increase by 46.1% or Baht 16.0 million. Other expenses totaling Baht 4.5 million increase by 16.4% or Baht 0.7 million.

In 2024, Selling and distribution expenses, administrative expenses and other expenses Baht 737.7 million

- YoY

The company and subsidiaries recorded selling and distribution expenses, administrative expenses and other expenses of Baht 737.7 million, which was down 1.8% or Baht 13.5 million. This was categorized into selling and distribution expenses totaling Baht 517.2 million an increase by 0.8% or Baht 14.5 million; administration expenses totaling Baht 200.9 million, which represented a decrease by 9.5% or Baht 33.0 million; other expenses totaling Baht 19.6 million an increase by 1.8% or Baht 5.0 million.

Profit (loss) for equity holders of the company

In Q4/2024, Profit for equity holders of the company Baht 62.4 million

- YoY

The company and subsidiaries recorded net profit attributable to shareholders' equity totaling Baht 62.4 million, an increase of 268.2% or Baht 45.5 million due to in Q4/2023, there was a net profit of Baht 16.9 million. Due to the increase in sales revenue. Administrative expenses decreased and the share of profits from investments in associates and joint ventures increased.

- QoQ

The company and subsidiaries recorded net profit attributable to shareholders' equity totaling Baht 62.4 million, an increase of profit 1.3% or Baht 0.8 million due to in Q3/2024, there was a net profit of Baht 61.6 million. Due to the increase in sales revenue and the share of profits from investments in associates and joint ventures increased.

In 2024, Profit for equity holders of the company Baht 134.9 million

- YoY

The company and subsidiaries recorded net profit attributable to shareholders' equity totaling Baht 134.9 million, an increase 124.8% or Baht 74.9 million due to in 2023, there was a net profit of Baht 60.0 million. Although there was a decrease in sales revenue, there was better cost management. Operating expenses decreased and the share of profits from investments in associates and joint ventures increased, resulting in an increase in profits.

Business units and subsidiaries performance

(Unit : Million Baht)

Business Units	2024	2023	Increase (decrease)	%
Office and Residential furniture business	1,718.7	1,678.5	40.2	2.4%
Furniture fittings, solid surface, carpet tile and flooring business	338.7	413.1	(74.4)	(18.0%)
Space rental and services business	108.9	107.5	1.4	1.4%
Healthcare product and medical equipment business	315.5	326.1	(10.6)	(3.3%)
Total	2,481.8	2,525.2	(43.4)	(1.7%)

Office and Residential furniture business

Sales: Baht 1,718.7 million, representing an 2.4% increase

Sales of office and residential furniture business totaled Baht 1,718.7 million in 2024, up 2.4% YoY or Baht 40.2 million due to increased delivery of furniture to project.

Furniture fittings, solid surface, carpet tile and flooring business

Sales: Baht 338.7 million, representing a 18.0% decrease

Sales of furniture accessories, synthetic rock, carpet and flooring materials during 2024, down 18.0% totaling Baht 74.4 million to remain at Baht 338.7 million YoY.

Space rental and Services Business

Income: Baht 108.9 million, representing an 1.4% increase

During 2024, the rental and service businesses recorded Baht 108.9 million revenues from rent and services, which up 1.4% or Baht 1.4 million YoY.

Healthcare products and medical equipment business

Income: Baht 315.5 million, representing a 3.3% decrease

The healthcare furniture and medical equipment business recorded a total of Baht 315.5 million worth of sales revenues, design and construction fees during 2024, a decrease 3.3% totaling Baht 10.6 million YoY.

Key Data Analysis of Operations and Financial Position

Financial Position Analysis

(Unit : Million Baht)

	31 December 2024	31 December 2023	Increase (decrease)	%
Assets				
Total current assets	2,045.5	2,143.5	(98.0)	(4.6%)
Total non-current assets	1,108.1	1,131.7	(23.6)	(2.1%)
Total Assets	3,153.6	3,275.2	(121.6)	(3.7%)
Liabilities				
Total current liabilities	774.5	765.0	9.5	1.2%
Total non-current liabilities	218.9	202.9	16.0	7.9%
Total liabilities	993.4	967.9	25.5	2.6%
Shareholders' equity				
Equity attributable to the owners of the Company	2,150.9	2,299.2	(148.3)	(6.5%)
Non-controlling interests of the subsidiaries	9.3	8.1	1.2	15.4%
Total shareholders' equity	2,160.2	2,307.3	(147.1)	(6.4%)
Total liabilities and shareholders' equity	3,153.6	3,275.2	(121.6)	(3.7%)

Significant changes of assets, liabilities and shareholders' equity as of December 31, 2024, compared to the outstanding as of December 31, 2023, are as follows.

Assets

As of December 31, 2024, the company and subsidiaries registered total Baht 3,153.6 million, 3.7% decreased totaling Baht 121.6 million compared to as of December 31, 2023, with the following details:

1. Cash and cash equivalents totaled Baht 606.7 million, increasing Baht 43.6 million from Baht 563.1 million.
2. Inventories totaled Baht 911.9 million, decreased Baht 119.7 million from Baht 1,031.6 million.
3. Investments in associates and joint ventures totaled Baht 217.0 million, increased Baht 33.4 million from Baht 183.6 million.
4. Properties for investment, land, plants and equipment totaled Baht 527.9 million, decreased Baht 55.2 million from Baht 583.1 million.
5. Right-of-use assets totaled Baht 57.6 million, increased Baht 24.2 million from Baht 33.4 million.

Liabilities

As of December 31, 2024, the company and subsidiaries registered total liabilities of Baht 993.4 million, 2.6% increased totaling Baht 25.5 million compared to as of December 31, 2023, with the following details:

1. Bank overdrafts and short-term loans from financial institutions totaled Baht 230.0 million, increased Baht 50.6 million from Baht 179.4 million.
2. Trade and other payables totaled Baht 261.7 million, increased Baht 30.3 million from Baht 231.4 million.
3. Contract liabilities totaled Baht 212.9 million, decreased Baht 66.9 million from Baht 279.8 million.
4. Long-term loans totaled Baht 5.3 million, decreased Baht 9.6 million from Baht 14.9 million.
5. Lease liabilities totaled Baht 59.2 million, increased Baht 23.2 million from Baht 36.0 million.

Shareholders' equity

As of December 31, 2024, the company and subsidiaries registered Baht 2,160.2 million worth of shareholders' equity, decreased 6.4% or Baht 147.1 million compared to as of December 31, 2023.

Liquidity analysis

As of December 31, 2024, the company's cash and cash equivalents totaled Baht 606.7 million, up Baht 43.6 million from end of 2023. Details are as follows.

(Unit : Million Baht)

	2024
Net cash flows from operating activities	269.7
Net cash flows from investing activities	11.5
Net cash flows used in financing activities	(237.6)
Net increase (decrease) in cash and cash equivalents	43.6
Cash and cash equivalents at beginning of period	563.1
Cash and cash equivalents at end of period	606.7

Changes in cash and cash equivalents for the year that ended December 31, 2024, can be explained through the following activities:

- Net cash from operating activities totaling Baht 269.7 million was a result of operation results during the current year.
- Net cash from investing activities totaled Baht 11.5 million. This resulted from Baht 10.2 million of Cash received from interest income; Baht 7.4 million of Cash received from dividend; Baht 22.9 million of Cash received from loan to related party; Baht 22.1 million of cash paid for purchase of property, plant and Baht 8.0 million of Cash paid for short-term loans to related party.
- Net cash used in financing activities totaled Baht 237.6 million. This resulted from Baht 50.7 million increase in bank overdrafts and short-term loans; Baht 9.6 million repayment of long-term loans; Baht 21.3 million cash paid to lease liabilities; Baht 190.0 million cash paid to treasury Stock and Baht 67.5 million from dividend paid.

Analysis of significant financial ratios

	2024	2023
Net profit (loss) margin (%)	5.4	2.4
Return on equity (%)	6.0	2.6
Return on total assets (%)	4.2	1.8
Debt to equity ratio (Times)	0.5	0.4
Current ratio (Times)	2.6	2.8

During 2024, the company and subsidiaries' net profit margin remained at 5.4%, 3.0% increase YoY. Return on equity (ROE) went up 3.4% while return on total assets (ROA) went up 2.4%. Debt to equity ratio (D/E Ratio) went up 0.1 times and Current ratio down 0.2 times from the same period a year ago.

4.2 Factors that may significantly affect the Company's financial position or future performance

The furniture industry is considered a continuous business segment within the real estate sector, leading to a shared trajectory with the property market. Based on economic trends and the direction of the real estate market in 2023, the Thai furniture market experienced a slowdown in demand, as some consumers extended their decision-making period regarding home purchases, which consequently impacted the furniture market. However, as the situation gradually improves in 2024, there is a slight increase in demand for home decor products, driven by consumers' growing interest in enhancing their living spaces. Additionally, businesses in the hospitality, hotel, and real estate sectors are increasingly favoring distinctive interior design and decoration styles, benefiting from the ongoing recovery in the service and tourism sectors. This trend is further supported by a rising demand for well-decorated residences among high-income Thai customers and foreign nationals, particularly in the high-end real estate market.

Modernform remains committed to being an adaptable and flexible organization, conducting its business with caution. The company consistently monitors its operational plans on a quarterly basis while managing risks in alignment with the ever-changing economic conditions and consumer behaviors. Furthermore, it focuses on efficient cost and expense management to ensure robust and sustainable growth.

4.3 Financial Information and Financial Ratios

Modernform Group Public Company Limited and its subsidiaries

Statement of financial position (Consolidated)

(Unit : Million Baht)

	2024	%	2023	%	2022	%
Assets						
Current assets						
Cash and cash equivalents	606.7	19.2	563.1	17.2	368.5	11.0
Contract assets	79.4	2.5	50.1	1.5	72.7	2.2
Trade and other receivables	350.0	11.2	391.9	12.0	373.5	11.1
Short-term loans to related parties					20.1	0.6
Inventories	911.9	28.9	1,031.6	31.5	1,176.3	35.1
Other current financial assets	13.6	0.4	22.5	0.7	28.0	0.8
Other current assets	83.9	2.7	84.3	2.6	75.6	2.3
Total current assets	2,045.5	64.9	2,143.5	65.5	2,114.7	63.1
Non-current assets						
Short-term loans to related parties	20.1	0.6	32.8	1.0		
Non-current contract assets	15.2	0.5	14.6	0.4	17.8	0.5
Other non-current financial assets	210.4	6.7	236.2	7.2	297.0	8.9
Investments in associates	45.4	1.4	35.4	1.1	36.7	1.1
Investment in joint venture	171.6	5.4	148.2	4.5	159.0	4.8
Investment properties	199.4	6.3	218.4	6.7	237.3	7.1
Property, plant and equipment	328.6	10.4	364.7	11.1	390.4	11.6
Right-of-use assets	57.6	1.9	33.4	1.0	42.4	1.2
Intangible assets	7.8	0.2	10.2	0.3	12.9	0.4
Deferred tax assets	40.9	1.3	32.6	1.0	40.2	1.2
Other non-current assets	11.3	0.4	5.2	0.2	3.5	0.1
Total non-current assets	1,108.1	35.1	1,131.7	34.5	1,237.2	36.9
Total assets	3,153.6	100.0	3,275.2	100.0	3,351.9	100.0

(Unit : Million Baht)

	2024	%	2023	%	2022	%
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	230.0	7.3	179.4	5.5	215.7	6.4
Trade and other payables	261.7	8.3	231.4	7.1	265.7	7.9
Current portion of long-term loans from financial institution	5.3	0.2	9.6	0.3	9.6	0.3
Unbilled payables	16.2	0.5	19.0	0.6	23.0	0.7
Contract liabilities	212.9	6.7	279.8	8.5	261.7	7.8
Current portion of lease liabilities	19.4	0.6	18.6	0.6	17.4	0.5
Income tax payable	14.2	0.5	6.4	0.2	7.3	0.2
Other current liabilities	14.8	0.5	20.8	0.6	19.0	0.5
Total current liabilities	774.5	24.6	765.0	23.4	819.4	24.4
Non-current liabilities						
Long-term loans from financial institution net of current portion			5.3	0.2	14.9	0.4
Lease liabilities, net of current portion	39.9	1.3	17.4	0.5	27.6	0.8
Provision for long-term employee benefits	159.0	5.0	161.1	4.9	185.0	5.6
Other non current liabilities	20.0	0.6	19.1	0.6	19.5	0.6
Total non-current liabilities	218.9	6.9	202.9	6.2	247.0	7.4
Total liabilities	993.4	31.5	967.9	29.6	1,066.4	31.8
Shareholders' equity						
Share capital						
Registered						
ordinary 809.6 million shares of Baht 1 each	809.6		809.6		809.6	
Issued and paid-up						
ordinary 750.0 million shares of Baht 1 each	750.0	23.8	750.0	22.9	750.0	22.4
Share premium	733.6	23.3	733.6	22.4	733.6	21.9
Treasury stocks premium	146.0	4.6	146.0	4.5	146.0	4.4
Other surplus	5.8	0.2	5.7	0.2	5.7	0.2
Retained earnings						
Statutory reserve	115.3	3.7	115.3	3.5	114.9	3.4
Reserve for treasury stock	190.0	6.0				
Unappropriated	496.0	15.6	619.2	18.9	575.3	17.1
Treasury stocks-Ordinary shares	(190.0)	(6.0)				
Other components of shareholders' equity	(95.8)	(3.0)	(70.6)	(2.2)	(48.0)	(1.4)
Equity attributable to the owners of the Company	2,150.9	68.2	2,299.2	70.2	2,277.5	68.0
Non-controlling interests of the subsidiaries	9.3	0.3	8.1	0.2	8.0	0.2
Total shareholders' equity	2,160.2	68.5	2,307.3	70.4	2,285.5	68.2
Total liabilities and shareholders' equity	3,153.6	100.0	3,275.2	100.0	3,351.9	100.0

Modernform Group Public Company Limited and its subsidiaries
Income statement (Consolidated)

(Unit : Million Baht)

	2024	%	2023	%	2022	%
Revenues						
Sales	2,247.6	100.0	2,326.5	100.0	2,207.0	100.0
Rental income	38.6	1.8	37.6	1.6	38.2	1.6
Service income	84.8	3.8	86.0	3.7	82.2	3.7
Architectural design services and construction income	110.8	4.9	75.1	3.2	89.1	4.0
Dividend income	7.4	0.3	8.7	0.4	5.7	0.3
Other income	27.9	1.2	36.6	1.6	30.8	1.4
Total revenues	2,517.1	112.0	2,570.5	110.5	2,453.0	111.0
Expenses						
Cost of sales	1,501.2	66.8	1,596.1	68.6	1,573.6	71.3
Cost of rental and services	63.6	2.8	68.2	2.9	64.7	2.9
Cost of design services and construction	92.4	4.1	63.1	2.7	72.5	3.2
Selling and distribution expenses	506.5	22.5	502.7	21.6	466.9	21.1
Administrative expenses	211.6	9.4	233.9	10.1	191.4	8.7
Other expenses	19.7	0.9	14.6	0.6	21.5	1.0
Total expenses	2,395.0	106.6	2,478.6	106.5	2,390.6	108.2
Operating profit	122.1	5.4	91.9	3.9	62.4	2.8
Share of profit from investments in associates	10.0	0.4	(1.3)	(0.1)	6.1	0.3
Share of loss from investment in joint venture	23.4	1.0	(4.0)	(0.2)	1.5	0.1
Finance income	12.8	0.7	6.4	0.3	2.8	0.1
Finance cost	(12.3)	(0.5)	(13.3)	(0.6)	(13.5)	(0.6)
Profit before income tax expenses	156.0	7.0	79.7	3.4	59.3	2.7
Income tax expenses	19.8	(0.9)	(19.6)	(0.8)	(19.8)	(0.9)
Profit for the year	136.2	6.1	60.1	2.6	39.5	1.8
Profit (loss) attributable to:						
Equity holders of the Company	134.9	6.0	60.0	2.6	39.0	1.8
Non-controlling interests of the subsidiaries	1.3	0.1	0.1	0.0	0.4	0.0
	136.2	6.1	60.1	2.6	39.5	1.8
Earnings per share						
Basic earnings per share						
Profit (loss) attributable to equity holders of the Company	0.19		0.08		0.05	

Modernform Group Public Company Limited and its subsidiaries
Statement of comprehensive income (Consolidated)

(Unit : Million Baht)

	2024	2023	2022
Profit for the year	136.2	60.1	39.5
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Profit (loss) on investment designated at fair value through other comprehensive income			
- net of income tax	(25.2)	(22.5)	(24.3)
Actuarial gain(loss) for post-employment benefits plan			
- net of income tax	(0.7)	29.2	
Other comprehensive income for the year	(25.9)	6.7	(24.3)
Total comprehensive income for the year	110.3	66.8	15.2
Total comprehensive income attributable to:			
Equity holders of the Company	109.0	66.7	14.7
Non-controlling interests of the subsidiaries	1.3	0.1	0.5
	110.3	66.8	15.2

Modernform Group Public Company Limited and its subsidiaries

Statement of cash flows (Consolidated)

(Unit : Million Baht)

2024 2023 2022

Cash flows from operating activities			
Profit before income tax	156.0	79.7	59.3
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortization	95.8	96.8	96.8
Written-off equipment	0.0	0.0	0.1
Allowance for doubtful accounts (reversal)	5.1	3.1	5.9
Allowance of diminution in value of inventory (reversal)	0.0	12.9	(13.8)
Impairment loss on non-financial assets (reversal)	(0.2)	3.0	(8.2)
Share of loss (profit) from investments in associates	(10.0)	1.3	(6.1)
Share of loss from investment in joint venture	(23.4)	3.9	(1.5)
Loss (gain) on sales of property, plant and equipment	(1.3)	(0.7)	(3.8)
Gain on cancellation of lease agreements			(0.2)
Loss (gain) on fair value adjustments of financial assets	9.5	(0.8)	9.1
Gain on sales of investments in joint ventures		(2.2)	
Loss on sales of investments in other financial assets		6.2	
Gain on cancellation of lease agreements	0.0		
Long-term employee benefit expenses	36.9	20.5	25.1
Dividend income	(7.4)	(8.7)	(5.7)
Finance income	(12.8)	(6.4)	(2.8)
Finance cost	12.3	13.3	13.5
Profit from operating activities before changes in operating assets and liabilities	260.4	221.9	167.7
(Increase) decrease in operating assets			
Trade and other receivables	36.8	(21.4)	(98.0)
Inventories	119.8	131.7	(20.7)
Contract assets	(29.6)	22.7	28.6
Other current assets	(3.6)	(6.3)	(18.0)
Other non-current financial assets	0.6	28.8	(0.2)
Other assets	(6.1)	(1.7)	1.2
Increase (decrease) in operating liabilities			
Trade and other payables	28.8	(40.9)	(53.1)
Other current liabilities	(74.4)	17.9	10.7
Provision for long-term employee benefits	(39.8)	(7.9)	(25.9)
Other non-current liabilities	0.9	(0.4)	(1.5)
Cash flows from operating activities	293.7	344.4	(9.0)
Interest paid	7.8	(8)	(6.5)
Cash received from withholding tax refund	2.9		
Corporate income tax paid	(19.1)	(22.6)	(22.8)
Net cash flows from operating activities	269.7	313.8	(38.3)

Modernform Group Public Company Limited and its subsidiaries
Statement of cash flows (Consolidated)

(Unit : Million Baht)

	2024	2023	2022
Cash flows from investing activities			
Cash paid for short-term loans to related parties	(8.0)	(11.5)	(20.0)
Cash paid for purchase of financial instruments			(33.7)
Cash received from disposals of investment in subsidiary			
Share subscription in joint venture		(2.4)	(128.0)
Cash receipt from share capital reduction of investment measured at fair value through profit or loss		10.0	
Cash received from loan to related party	22.9		
Cash received from disposal of investment in joint ventures		11.5	
Dividend received from investment measured at fair value through other comprehensive income	4.0	7.9	4.8
Dividend received from investment measured at fair value through profit or loss	3.4	0.8	0.8
Cash paid for purchase of property, plant and equipment	(22.1)	(29.4)	(70.8)
Cash paid for purchase of intangible asset	(0.2)	(0.4)	(1.9)
Proceeds from sales of equipment and investment properties	1.4	0.9	8.1
Cash received from interest income	10.2	4.7	2.0
Net cash flows from (used in) investing activities	11.5	(7.7)	(238.5)
Cash flows from financing activities			
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	50.6	(36.3)	(5.1)
Cash receipt from long-term loan from financial institution			28.5
Treasury stocks	(190.0)		
Repayment of long-term loans	(9.6)	(9.6)	(5.9)
Cash payment for lease liabilities	(21.3)	(20.7)	(17.9)
Dividend paid	(67.5)	(45.0)	(52.5)
Net cash flows used in financing activities	(237.7)	(111.5)	(52.5)
Net increase (decrease) in cash and cash equivalents	43.6	194.6	(329.7)
Cash and cash equivalents at beginning of year	563.1	368.5	698.2
Cash and cash equivalents at end of year	606.7	563.1	368.5

Modernform Group Public Company Limited and its subsidiaries
Financial Ratios (Consolidation)

2024 2023 2022

LIQUIDITY RATIO

Current ratio	(Times)	2.6	2.8	2.6
Quick ratio	(Times)	1.3	1.2	0.9
Cash from operating ratio	(Times)	0.4	0.4	(0.05)
Receivable turnover ratio	(Times)	5.2	5.3	5.8
Collection days	(Days)	69	68	62
Inventory turnover	(Times)	1.5	1.5	1.4
Average number of days sales	(Days)	232	240	250
Account payable turnover	(Times)	10.7	10.5	7.5
Payment days	(Days)	34	34	48
Cash Cycle	(Days)	268	273	264

PROFITABILITY RATIO

Gross profit margin	(%)	33.2	31.5	29.2
Operating profit	(%)	3.4	1.7	1.0
Quality of earnings	(%)	319.3	713.1	(153.9)
Net profit margin	(%)	5.4	2.4	1.6
Return on total income	(%)	5.4	2.3	1.6
Return on equity	(%)	6.0	2.6	1.7

EFFICIENCY RATIO

Return on total assets	(%)	4.2	1.8	1.2
Return on fixed assets	(%)	37.7	22.4	18.3
Assets turnover	(Times)	0.8	0.8	0.7

FINANCIAL POLICY RATIO

Debt to Equity ratio	(Times)	0.5	0.4	0.5
Interest payment ratio	(Times)	38.0	43.3	(1.4)
Cash coverage	(Times)	3.0	4.1	(0.1)
Dividend Payment	(%)	94.7	112.5	120.0

Remark : the calculation of gross profit margin and net profit margin will not calculate other service income included in service income such as consulting fee and internal audit fee.

05

General Information

5.1 General Information (as of December 31, 2024)

Securities Registrar	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Din Daeng Sub-District, Din Daeng District, Bangkok, 10400 Tel. 0-2009 9000 Fax 0-2009 9991
Bond Registrar	-None-
Legal Advisor	Legal Department, Modernform Group Public Company Limited 699 Modernform Tower, Srinakarindr Road, Pattanakarn, Suan Luang, Bangkok 10250 Tel. 0-2094 9999 Fax. 0-2722 8382
Auditor	EY Office Company Limited 193/136-137, 33rd Floor, Lake Rajada Office Complex, Rajadapisek Road, Klongtoey Bangkok 10110 Tel. 0-2264 0777 Fax. 0-2264 0790

5.2 Other Information

5.2.1 Other Information that may materially affect Investors' decisions

-None-

5.2.2 Foreign Ownership Restrictions

-None-

5.3 Legal Disputes

Modernform or its subsidiaries may occasionally face legal proceedings or become a litigant in legal cases stemming from normal business operations of Modernform or its subsidiaries. As of 31 December 2024, Modernform or its subsidiaries has no legal case or dispute that is still ongoing, which may have a negative impact on the assets of Modernform or its subsidiaries in the tune of over 5 percent of shareholders' equity (based on Modernform's consolidated financial statements for the year ending 31 December 2024) or significantly impact the business operation or which may stem from the normal business operation of Modernform or its subsidiaries.

5.4 Secondary Market

-None-

5.5 Regular Financial Institutions

-None-



Part 2

Corporate Governance

06

Corporate Governance

6.1 Overview of Corporate Governance Policy and Guidelines

The Board of Directors of Modernform recognizes the importance of corporate governance and believes that conducting business with integrity, ethics, transparency, and accountability to stakeholders will enable Modernform to achieve stable and sustainable growth. Consequently, Modernform has established a good corporate governance policy to serve as a guideline for creating long-term value and building trust among all stakeholders, leading to enhanced competitiveness and strong performance while considering long-term impacts. This approach emphasizes ethical business practices, respect for rights, and responsibility towards shareholders and stakeholders, in alignment with the principles of good corporate governance for listed companies (CG Code) set forth by the Organization for Economic Co-operation and Development (OECD), the guidelines of the Corporate Governance Report (CGR) by the Thai Institute of Directors Association (IOD), the Sustainable Stock Assessment (SET ESG Ratings), and the criteria for membership in the Thai Private Sector Collective Action Coalition Against Corruption (CAC).

Moreover, the Corporate Governance and Sustainability Committee has been assigned to conduct reviewing and monitoring Modernform's operations in accordance with the good corporate governance policy on a regular annual basis. Modernform also ensures that all executives and employees are aware of the said policy and guidelines over the internal information systems and website <https://www.modernform.co.th> which encompasses 8 key principles.

6.1.1 Board Policies and Practices : A Framework for Effective Governance

Practice 1: Recognize roles and responsibilities of the Board as the leader who promotes sustainable values to the business

Understanding and recognizing its roles and responsibilities as the leader and driver of this organization, the Board has prepared the Board Charter to clearly separate scopes of its power, roles and responsibilities from those of the management. The Board identifies strategies, policies and goals as well as main corporate values. It establishes components, roles and responsibilities of various committees with prudence and responsibilities while adhering to corporate governance, respecting shareholders' rights and being accountable to shareholders and stakeholders for the company's best interest on the basis of social and environmental responsibilities. Details are as follows.

- Ensuring sound management for the business where the Board and the management truly recognize and duly perform their roles and responsibilities for the business to head to the same direction and align with stakeholders' expectation. Major resources are allocated for the business to achieve its goals, and communication is made for employees to share a common goal and commitment to help the organization achieve its objectives.
- Steering the business towards governance outcomes by setting main goals and objectives for the business to be sustainable and able to cultivate long-term values.
- Supervising directors and the management to perform Duty of Care, Duty of Loyalty, Duty of Obedience and Duty of Disclosure for the best interest of the company and for fair treatment to all stakeholders by promoting

corporate culture encompassing ethics and business that respects the rights of and is responsible for shareholders and stakeholders on the basis of the CG principles.

- Monitoring performance evaluation based on roles and responsibilities of the management; supervising performance reports and taking into consideration the society, communities, the environment and all stakeholders.

Practice 2 : Establish main objectives and goals to achieve sustainability

To identify the company's main objectives, the Board takes into consideration overall factors. An annual strategic plan to be formulated should reflect the company's vision, missions, objectives and goals while indicating the company's readiness, expertise, competitiveness, adaptation to change and disruption and implementation of new technology to strengthen competitiveness on the basis of social and environmental responsibility.

Meanwhile, circumstances, risks and opportunities that may affect stakeholders throughout the value chain will be carefully reviewed. This includes factors that may jeopardize the achievement of our main objectives. Targets, goals and strategies, both short- and long-term, will be revised to ensure that annual strategic plans have incorporated impacts with enough timeframe to remain predictable. This will be actively communicated so everyone will move forward in the same direction. The Board also supervises the right allocation of resources, ensures proper operation control, monitors the implementation of annual strategic plans and designates responsible persons to oversee and monitor operation results for the firm to be sustainable.

Practice 3 : Promote an Efficient Board

- **Structure of the Board, Qualifications and Nomination of Board Members**

The Board entrusts the Nomination and Remuneration Committee to nominate a qualified candidate as a director. The selection is made by those who have expertise, knowledge, skills, competence and diverse experiences that could oversee the business with no discrimination over gender, nationality, race, religion and culture. The Board plays a pivotal role in establishing policies, goals, business plans and budgets as well as in overseeing the management to effectively and efficiently run this business on the basis of these entrusted policies.

A policy governing the structure of the Board and committees and the revision of its structure in terms of the committee size, components, qualifications of its members and a proper ratio between independent directors, executive and non-executive directors for the balance of power have been made by the Board, who also identifies roles and responsibilities of committees and those between the Board and the management based on the Board Charter. As of 31 December 2024, there were 11 directors, one of whom was executives, seven were non-executives and three were independent directors. They were all competent and skillful with diverse work experiences and their qualifications were in compliance with the CG principles for listed companies as well as the SEC's terms and conditions governing qualifications of independent directors.

- **Board Meeting**

The Board of Directors is required to convene six times a year to report quarterly results after the auditor reviews and audits quarterly and annual financial statements. The Board also requires the Audit Committee to call for a meeting of related departments during the year to offer advice and monitor internal auditing outcomes as well as to perform tasks relating to sustainability. An annual general meeting of shareholders (AGM) will be held within four months from the end of an accounting period. The extraordinary shareholders' meeting may be convened from time to time when necessary.

- **Directorship in Listed Companies**

In line with best practices in corporate governance, the Board has established a policy limiting the number of concurrent directorships in other listed companies to a maximum of five. This policy underscores the Company's commitment to ensuring that directors have the necessary capacity to provide effective oversight and contribute meaningfully to Board deliberations.

- **Remunerations of the Board**

The Board has appointed the Nomination and Remuneration Committee to review the remunerations of directors and committee members as well as those of senior executives, except the remunerations of the Nomination and Remuneration Committee itself. This Nomination and Remuneration Committee reviews remunerations considered fair and reasonable to roles and responsibilities of the Board and the company's performance by comparing with those offered by other listed companies in the same industry to incentivize directors to steer the firm to meet short- and long-term goals.

- **Supervising the operation of subsidiary and associated companies**

The Board ensures that a framework and mechanisms to supervise departments and operation of subsidiaries, associated companies and other businesses materially invested by the company are in place at a level favorable to each entity. This is to allow the monitoring of business progress and technological and experience exchange for the benefit of the business.

- **Evaluation of the Board performance**

The performance of the entire Board and committees is to be evaluated annually at least once a year. Evaluation forms should reflect the CG principles as well as scopes of work of the Board. The purpose is to use evaluation outcomes to review issues and challenges during the past year to improve the performance of both the Board and committees to enhance efficiency and to incorporate the information when deciding their remunerations.

Practice 4 : Nomination and Capacity-Building of Senior Executives and HR Development

The Board entrusts the Nomination and Remuneration Committee to select those to hold major management positions at all levels. Selection criteria are vision, knowledge, competence, qualifications, experiences that reflect corporate culture and impressive performance results. Focus will be made on internal staff first. In addition, knowledge and skill enhancement are offered to Chairman of the Board, directors, CEO and President as well as senior executives whose roles are pivotal to propel the company to its goals. A succession plan is also made for CEO, President and senior executives to avoid chasm that could jeopardize business operation as well as to assure investors, the organization and its staff that the show will go on.

For human resource (HR) management, HR strategies are established to reflect Modernform's business strategies. A process offering incentives in a form of money, career path, recognition, expression of opinions and participation in major projects has been put in place. Fair tools to manage performance are constructively implemented with a focus on human resources, creating business outcomes in an efficient manner where staff are happy to work, and quality of life continues to improve.

Modernform has put in place a development plan of senior executives and a succession plan of President and CEO. Senior management will have their performance evaluated annually. A transparent system is in place to determine remunerations of these senior management that reflect their roles and responsibility to incentivize them both in short and long term. Workshops are encouraged for senior management to exchange strategic ideas. They are urged to attend training held by external bodies if proven beneficial to their performances. Modernform also has projects designed to enhance capacity building, covering staff in all types of work including those that can constructively evaluate performance of staff of all levels.

6.1.2 Policies, Practices, and Measures Related to Shareholders and Stakeholders: Fostering Sustainable Growth and Value Creation

Practice 5 : Promote innovation and conduct a responsible business

The Board recognizes the significance of innovation that helps creating business values and promoting ethical operation. The Board is also aware of how to benefit customers and related parties while being responsible for communities, society and the environment without violating the rights of various groups of stakeholders. Policies relating to the practices and responsibilities to stakeholders in various groups are stated in the Code of Conduct and the CG Principles. Details are as follows.

- **Innovations for business and intellectual property**

Modernform underlines innovation that ignites values to the business while benefiting customers and relevant parties. This is reflected through its product development center established to design and develop new products with innovation. The center enables staff to express their creativity and propose ideas relating to new business opportunities. Recognizing the importance of intellectual property, Modernform mandates that its management and staff must not violate intellectual property or copyrights of other businesses to express its respect to the rights owners. Simultaneously, it also registers patents of every group of its furniture products to prevent others from violating its intellectual property. An oversight of IT management at the corporate level is being made to reflect the business's requirements, enhance business opportunity and improve the operation. IT management policies and practices are produced for use as a practice guideline.

- **Consideration of Stakeholder Interests and Sustainable Business Development**

By taking into considerations stakeholders' roles and business development for sustainability, Modernform and subsidiaries group together all internal and external stakeholders with a strong relationship with Modernform's value chain. The Board underlines the importance of doing business with responsibility to communities, society and the environment. These factors are reviewed in conjunction with risk factors and sustainable development to be stated in the Code of Conduct and to be implemented as a policy with stakeholders as follows.

Stakeholders	Treatment of Stakeholders
Internal stakeholders	
Shareholders	Modernform publishes quarterly/annual results, organizes the Annual General Meeting of Shareholders (AGM) and prepares an annual report. Its policy is to conduct a business with integrity, transparency, prudence and ethics by underlining the importance of shareholders as a business owner. Shareholders are equally treated and encouraged to exercise their fundamental rights. Modernform commits to making shareholders most satisfied while taking into consideration sustainable and stable growth. It aims to create added values and strive to generate constant returns to shareholders.
Employees	Modernform commits to promote corporate culture and work environment favorably to trigger creativity, teamwork and workplace happiness. It focuses on capacity building for all staff so that they too can grow in tandem with the business. It equally listens to opinions and recommendations expressed by staff from all levels. Remunerations, welfare and benefits are established by taking into consideration standards of the Thai labor laws and international human rights standards relating to labor protection, welfare and benefits as well as health, safety and environment (HSE). The management system is in place to make all staff proud and be confident in the organization, which sees human resources as a sustainable and valuable factor for the business.

Stakeholders

Treatment of Stakeholders

External stakeholders

Customers

Modernform commits to providing excellent services to customers by making them satisfied and by assuring that they receive quality products and services at a reasonable price. Modernform also strives to improve its standards while safeguarding the company-customer relationship. Contact channels are established for customers to inquire about product information, to contact the business and to file complaints through its Call Center and other social media platforms such as the company website, Facebook, Instagram and others.

Suppliers

Modernform equally and fairly treats suppliers and conducts its business based on fair remunerations to be earned by both parties. Mutually agreed agreements or business conditions are strictly adhered to nurture a sustainable relationship between us. No sum will be unscrupulously demanded, received or paid to suppliers. A procurement regulation is established for implementation when selecting, screening and reviewing its suppliers.

Business partners

Modernform conducts business on the basis of fairness and integrity. The relationship, based on equality and mutual interest, must not jeopardize its reputation or violate any law. Suppliers are considered an important factor who will ignite values to Modernform's standards of products and services. The Code of Conduct relating to procurement is established through proper and fair contracts to all parties. A value chain is mutually created to develop a production and service process that will deliver the best interest shared by everyone.

Competitors

Modernform's policy governing competitors is that it will not violate confidentiality or spy on their trade secrets through improper or unscrupulous methods. Under the rules of sound competition, it will not create unfair competitive advantage or maliciously attack competitor's reputation. It will support and promote fair and non-monopolizing competition.

Creditors

Modernform's fair policy and practices towards creditors is reflected through its commitment to contracts and compliance with terms and conditions agreed with creditors in returning principals and interests and in taking care of collaterals and guarantee conditions. In case of payment default where it cannot comply with such terms and conditions, Modernform will notify creditors in advance to find mutual solutions.

Government agencies

Modernform and subsidiaries conduct business under relevant laws, rules and regulations issued by government sectors as well as those issued by customers. That's why practice guidelines with government agencies is made to prevent improper actions.

NGOs

Modernform seeks opportunities to support sharing and creative activities and projects that reduce social and environmental impacts possibly resulting from our operation with NGOs to fulfil our sustainability goal.

Media and the press	Recognizing the importance of information disclosure to the press so that accurate information is communicated to the public in a timely fashion, we equally treat the entire press. We offer opportunities for the press to meet senior executives for close and intimate information sessions. Our Investor Relations (IR) Department also maintains a good relationship with members of the press.
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Stakeholders**Treatment of Stakeholders**

- Labor and Human Rights**

Modernform is committed to treating all personnel fairly and equitably, without discrimination. This includes differences in age, race, nationality, origin, ethnicity, skin color, language, religion, social status, gender identity, and sexual orientation. Modernform respects freedom of association and provides appropriate welfare for its employees to enable them to reach their full potential. This is in accordance with international labor standards, the Labor Protection Act, Thai labor standards, and other relevant laws and regulations. Modernform is committed to upholding human rights and fair labor practices for its personnel, customers, business partners, and all stakeholders throughout the value chain. To this end, Modernform has established a Human Rights and Fair Labor Practices Policy, which is applicable to all directors, executives, and employees. Modernform also encourages its business partners, such as suppliers, distributors, contractors, and other related parties, to support these principles. The objectives of this policy are as follows:

1. To prevent human rights and labor rights violations in all business activities, products, and services throughout the company's value chain.
2. To prevent unfair labor practices and protect personnel from discrimination and harassment of all kinds.
3. To promote collaboration and provide equal opportunities for personnel development.
4. To promote human rights and labor rights practices among business partners and stakeholders throughout the value chain, in line with international labor standards.

- Resource Allocation and Management**

Modernform manages its resources efficiently and effectively, considering the impact and development of resources throughout the value chain. This includes all stakeholders, from procurement to consumers, who are at the end of the supply chain. This is to ensure that the company can achieve its objectives and core goals in a stable and sustainable manner. The management team regularly reviews and improves resource utilization, considering changes in internal and external factors.

Practice 6 : Establish proper risk management and internal control

The Board issues a risk management policy and requires that a proper internal control system, internal audit and risk management be in place. Policies, plans and budgets are monitored where Modernform's business and that of its subsidiaries are evaluated at least once a year by taking into consideration competitiveness as well as industrial direction and trends that may impact on the business in short, medium and long term. This will then be used as a framework for everyone to move towards the same direction and to achieve Modernform's main

objectives. The Board has appointed the Audit Committee to screen significant issues relating to auditing. It also appoints the Risk Management Committee to support its risk management tasks while the committee is to report or express opinions and recommendations in this matter to the Board. Details are as follows.

- The Audit Committee consists of three independent directors who are competent and independent to oversee the operation and review the adequacy of internal control. Its roles and responsibilities have been specified. The Audit Committee convenes at least once a quarter to review financial statements already audited by auditors and to assure that internal control is efficient and effective and that the internal auditing is adequate to protect shareholders' investment and business assets covering five components and 17 sub-principles of the internal control. The Internal Control Department, which directly reports to the Audit Committee, is entrusted to audit and review operation systems as well as to evaluate them annually.

- The Board appoints the Risk Management Committee, of which its roles and responsibilities are clearly stated to systematically manage risks associated with work processes. A risk assessment process is also established to reflect Modernform's main objectives and strategies by identifying risk incidents, analyzing internal and external risk factors, assessing risks and responding to them. Measures, scopes of work and practices are communicated to the management and staff so they recognize the importance of risk management to reduce or control an operational risk that could impact our operation. This includes risk from economic uncertainty, competition, investment in subsidiaries and associated companies, financial risk, risk from raw materials and IT risk.

- A policy to oversee the use of internal information is established to prevent the management and relevant parties from exploiting Modernform's internal information for their own benefit or for the benefit of others. The management and staff are prohibited from using non-disclosed inside information to buy, sell or be transferred or to persuade others to buy or sell Modernform's securities 30 days before the information is disclosed to the public. The management is to report on the holding of securities whenever there is a change to the SEC in accordance with Section 59. The Audit Committee must be immediately convened on the day the auditor completes the auditing of Modernform's quarterly/annual financial statements to express opinions and submit them to the Board meeting for same-day approval. Financial statements shall be submitted to the SET on the same day or no later than the following morning for transparency purposes. Measures and penalties for violators are already made in writing.

- Directors, the management and relevant parties are required to report on the Company of their interest or that of those connecting to them. This refers to interest relating to the management of Modernform/subsidiaries. The Board is to report on the interest of itself and relevant parties to the Company Secretary within seven days whenever a change takes place for further report to the meeting of the Audit Committee and the Board.

- Modernform is committed to conducting business with integrity and fairness and opposes all forms of corruption. Under the principles of good corporate governance, Modernform emphasizes ethics, morality, and transparency within the organization. To this end, Modernform has established an Anti-Corruption Policy and a Whistleblowing Policy to ensure accountability and responsibility towards all stakeholders. Modernform has been certified as a member of the Thai Private Sector Collective Action against Corruption (CAC) for the first year, demonstrating its commitment to combating corruption through transparent management in accordance with good governance principles, building confidence among all stakeholders. Modernform has established channels for internal and external parties to report any illegal activities, unethical conduct, or suspected corruption by personnel at all levels and other stakeholders. The company has a clear, impartial, and transparent process for investigating such reports, including protection for whistleblowers and related witnesses. The Internal Audit Department is responsible for overseeing the process and reporting findings to the Audit Committee and the Board of Directors. These policies are available on the company's website at <https://www.modernform.co.th>.

Reporting Channels :

Stakeholders can submit comments, complaints, or reports of misconduct through the following channels:

1. Customer Relations Center (Call Center) : 0-2094-9999
2. Company Secretary :
Tel : 0-2094-9999
Fax : 0-2722-8382
Email : co.secretary@modernform.co.th
3. Chairman of the Audit Committee :
Modernform Group Public Company Limited
699 Srinakarindr Road, Phatthanakarn, Suan Luang, Bangkok 10250

In 2024, we received neither complaint nor whistleblowing reports about corruption by internal staff and other stakeholders.

Practice 7 : Maintain financial credibility and information disclosure

The Board recognizes that information disclosure is the essence of the operation of listed companies. It is an important channel for shareholders who have no participation in the company's management to monitor the management's action. That's why we underline the importance of disclosing accurate and adequate information in a timely fashion equally to all groups of shareholders based on the CG principles. Aside from disclosing the information encompassing financial statements, the 56-1 One Report, a sustainability report and a situation report on the accounting period basis as required by the SET, Modernform also discloses important information through its Investors Relations (IR) on a quarterly basis to analysts, investors, the media and the public. This is done through press conferences, press releases and participation at the Opportunity Day and by disseminating information via www.modernform.co.th.

• Report on the Board's responsibility for financial statements

Modernform's quarterly financial statements and annual financial statements are in alignment with the generally accepted accounting standards and have been audited and reviewed with unconditional opinions by certified public accountants of an independent audit company. They are already approved and reviewed by Modernform's Audit Committee.

The Board of Directors recognizes its roles and responsibilities as board members of a listed company in the SET and therefore is responsible for separate financial statements of the company, its consolidated financial statements and those of its subsidiaries. Its responsibility also covers financial information disclosed in the annual report. This is reflected through financial statements prepared in accordance with the generally accepted accounting principles where appropriate accounting policies are applied and constantly complied with. In addition, discretion is made with prudence together with reasonable estimates and that signification information is adequately disclosed in Notes to Financial Statements for shareholders and investors to receive enough and accurate information in a timely fashion. Qualifications of CFO and accounting supervisors are also specified to reflect the SET's criteria to maintain financial credibility. Besides, financial liquidity is monitored, planned and controlled to correspond to its financial activities. The MD&A is prepared together with supporting figures of operation results, policies and trends as well as business success and challenges to support the disclosure of financial statements each quarter.

The Board prioritizes the disclosure of significant company information in an accurate and complete manner within an appropriate timeframe and with transparency. This includes, for example, information about the adequacy of an internal control system, the auditor's opinions of financial statements and the disclosure of connected transactions between the company and connected persons whether they are executives, major shareholders or persons with controlling power of subsidiaries or associated companies. This is to allow information to be delivered to shareholders and investors with transparency under measures that approve connected transactions subject to the SET's regulations as a transaction between a listed company vs subsidiaries or associated companies, controlling persons or executives. In addition, policies that prevent executives and staff from exploiting inside information for their benefit or for the benefit of others are established. The management is required to report on the holding of company shares as soon as there is a change to the SET in accordance with Section 59.

Practice 8 : Support participation and communication with shareholders

• Rights and equal treatment of shareholders

The Board underlines the rights of small-time shareholders and equal and fair treatment to all shareholders as a means to promote corporate governance. This is also a way to recognize shareholders' fundamental rights, namely, rights to buy, sell and transfer shareholders' securities independently in accordance with the laws governing securities and exchange. To protect the rights of retail shareholders to call for the shareholders' meeting, one or several shareholders whose combined shares are no less than 10% of all shares being sold may call in writing for the Board to convene the extraordinary shareholders' meeting. Shareholders will also be equally entitled for profit-sharing and dividend payment. They also have the rights to attend the shareholders' meeting or appoint a proxy to attend the meeting and vote on their behalf. Other rights include the rights to take part in a decision-making process of important issues such as electing board members or approving important transactions that affect business direction. All shareholders are entitled to vote up to the amount of shares held thereby. One share equals to one vote. No share has any preferential right above other shareholders. Thailand Securities Depository Co Ltd (TSD) is designated as Modernform's share registrar. Share registration is in accordance with the rules and procedures set by the share registrar. Aside from fundamental rights, Modernform also establishes the following to encourage shareholders to exercise their rights at the AGM.

Prior to the shareholder's meeting

1. Modernform provided an opportunity for shareholders, individually or collectively holding at least 5% of the total voting shares, to propose agenda items for the 2024 Annual General Meeting (AGM) and to nominate qualified individuals for election as directors. Shareholders were also invited to submit advance questions related to the AGM agenda. The call for proposals, nominations, and advance questions was opened from September 29 to December 31, 2023. Shareholders were requested to submit their proposals, nominations, and questions in the prescribed forms, which were made available on the Company's website at <https://www.modernform.co.th>. This information was also disseminated through the Stock Exchange of Thailand's reporting system. During the designated period, the Company did not receive any shareholder proposals for agenda items, director nominations, or advance questions.
2. Modernform submitted an invitation letter to attend the AGM in Thai and English to shareholders more than 21 days in advance. The invitation specifies the meeting date and time, meeting venue, map to the venue by car or public transportation, meeting agendas and supporting information for

each agenda. Proxy Appointment Form A, Form B and Form C were sent for shareholders to choose accordingly. This invitation and supporting documents were posted at <https://www.modernform.co.th> on 26 March 2024, which was more than 25 days prior to the meeting date to allow shareholders to go through the information in advance. The notice to attend the meeting was advertised in Thai daily newspapers no fewer than 3 days prior to the meeting date. The invitation to attend the shareholders' meeting and supporting documents were accurate, complete and adequate for shareholders' consideration. Meeting agendas were clearly stated, and approval was separately solicited for each agenda. Details are as follows.

- **Agenda for acknowledgement:** To inform matters the Board had already executed no required resolution from the shareholders' meeting.
- **Agenda for consideration:** To establish minimum issues and significant matters requiring resolutions from the shareholders' meeting as mandated by the laws and the Articles of Association (AOA) as well as those considered appropriate by the Board to additionally seek shareholders' approval, including positive and negative impacts to the company and shareholders and board's opinions on that agenda.

Agenda for dividend payment

A dividend policy was disclosed with details of a dividend proposed for payment, record date for the rights to dividend payment, date of payment and record of dividend payment during the past three years. This information was specified in the invitation to attend the AGM for shareholders to go through its details prior to the meeting.

An agenda to elect director members

Details of nominated candidates were specified. This included personal information of the person such as name/last name, age, education background, work experience, expertise, training records from the IOD, family relationship, securities holding, number of listed companies and companies in general the candidate was having directorship, number of years holding such directorship, type of board member he/she was nominated to, a meeting attendance record during the past year, start date of directorship and terms of office since first appointment. For an independent director, a candidate must have required qualifications defined by the company; and that he/she must have no interest in the company, its subsidiaries, associated companies or other corporate entities that could pose a conflict of interest. Shareholders may also vote to elect directors on an individual basis.

Director's remuneration agenda

A policy and criteria leading to remunerations of each directorship and other benefits to be received as board members were disclosed. This agenda was for the AGM to consider and approve directors' remuneration on an annual basis even though the remuneration does not change from a resolution adopted at the previous meeting. This includes presenting supporting information such as five-year comparative information to support the approval.

Agenda to appoint auditors and the auditing fee

Auditor's name/last name, the company the auditor is working with, experiences, competency, independency, comparison of auditing fee during the past five years and relationship with the company such as the auditor's holding of Modernform's securities, being the company's consultant, a number of years the auditor audits the company, reasons why auditor is changed in case a new auditor is appointed and his/her status as an auditor of subsidiaries and associated companies were disclosed. The Audit Committee has already expressed its opinions on this information, which was also approved by the Board, for shareholders to review when appointing an auditor.

Other agendas

Agendas considered important as required by the law and those that could affect the company's direction.

Modernform entrusted Thailand Security Depository Co., Ltd (TSD) to submit to shareholders an invitation to attend the 2024 AGM on March 26, 2024, or 25 days prior to the AGM date scheduled on April 19, 2024.

3. Modernform facilitated shareholder participation in the Annual General Meeting (AGM) by selecting a conveniently accessible venue with sufficient capacity to accommodate shareholders and proxies. The 2024 AGM was held at Sri Nakharin 1 Room, Dusit Princess Srinakarin Hotel, located at 53 Srinakarin Road, Bang Bon, Pravet, Bangkok. This location is served by public transportation and is near the Yellow Line Srinakarin 38 Station, ensuring convenient access for shareholders.
4. To further facilitate shareholder participation, Modernform appointed three independent directors as proxy representatives. This allowed shareholders to appoint a proxy to attend the meeting and vote on their behalf. Detailed information about the independent directors available to serve as proxies was provided in the proxy form.

Meeting Day

1. The 2024 Annual General Meeting (AGM) was conducted as a physical meeting on April 19, 2024, at Sri Nakharin 1 Room, Dusit Princess Srinakarin Hotel, located at 53 Srinakarin Road, Bang Bon, Pravet, Bangkok. Shareholder registration was opened approximately one hour prior to the meeting commencement.
2. Meeting technology such as barcode registration and software to record and count votes as well as present counted votes was implemented to make the meeting accurate, precise and fast.
3. Shareholders and proxies attending the shareholders' meeting are required to present identification documents for verification purposes. Shareholders may present a copy of their identification card, while proxies attending on behalf of shareholders may present their original identification card.
4. Recognizing the significance of the Annual General Meeting (AGM), the company mandates the attendance of all Directors, the Chief Executive Officer, the Managing Director, senior management, and internal auditors. Additionally, external auditors are invited to participate in the AGM to offer insights and address any inquiries from shareholders. A representative from the Thai Investors Association, tasked with safeguarding shareholder rights, also attends the meeting to observe and engage in discussions.

5. Chairman of the Board was designated as chair of the AGM. The Company Secretary reported the number of attendees meeting, the number of votes, meeting procedures and vote-counting procedures and the use of ballots as well as resolutions to be separately adopted in each item in case an agenda had various items for shareholders to vote. This was all for shareholders to acknowledge before the meeting started.
6. The AGM went through meeting agendas based on the order stated in the invitation to attend the meeting without alternating them. No other matters shall be considered aside from those stated in the invitation.
7. Modernform's policy stipulates that directors with a special interest in any matter shall not be entitled to vote on that matter, except for the election of directors.
8. Modernform utilized ballot voting for all agenda items requiring a resolution. In the election of directors, shareholders were given the opportunity to vote for individual candidates. The vote tally for each agenda item, including the number of votes for, against, and abstentions, was announced to the meeting following the vote and duly recorded in the meeting minutes.
9. Shareholders attending the meeting after the commencement by the Chairman were entitled to vote on agenda items under consideration and not yet resolved. These shareholders were counted as part of the quorum from the time of their attendance, which may have resulted in a different number of eligible voters for each agenda item.
10. The Chairman provided all shareholders with an equal opportunity to express their views and ask questions, allocating sufficient time for this purpose. The meeting was conducted appropriately and transparently. The meeting secretary meticulously recorded key questions, answers, and shareholder suggestions in the meeting minutes.

At the 2024 AGM held on April 19, 2024, the meeting was conducted in accordance with the laws, rules and regulations and the AOA. No shareholders proposed additional meeting agendas. Neither did they nominate a candidate to be elected as a director. No shareholder submitted questions in advance as advertised on Modernform's website, either. The meeting was carried out based on its agendas and no other agenda was discussed aside from those stated in the invitation to attend the meeting.

After the shareholders' meeting

1. Modernform disclosed the resolutions adopted at the 2024 Annual General Meeting (AGM), along with the voting results for each agenda item, on the same day as the meeting, April 19, 2024. This information was made available on both the Stock Exchange of Thailand's website and Modernform's website.
2. The Company Secretary prepared the minutes of the AGM. A list and positions of directors present at or absent from the meeting, the management, auditors and independent witnesses in the vote-counting procedures who represented shareholders from Thai Investors Association were recorded. Voting and vote-counting procedures were clearly stated, including meeting resolutions and voting results (yes, no, abstention and void ballots) of each agenda. Q&A and clarifications by the Board at the meeting were accurately and completely made in Thai and English in a timely fashion. A copy of the minutes of the AGM was submitted to the SET within 14 days from the AGM date and also posted at the company website.

3. Shareholders having question or opinion on the minutes of the AGM or finding the meeting or its resolution inaccurate or illegal may exercise their rights to object in order to withdraw the resolution by notifying the Company Secretary within 30 days from the AGM.

In 2024, Modernform complied with the criteria for the Assessment of the Quality of Annual General Meetings of Listed Companies (AGM Checklist) established by the Thai Investors Association in collaboration with the Securities and Exchange Commission (SEC) and the Thai Listed Companies Association. This assessment covers various stages of the AGM process, from pre-meeting preparations to post-meeting activities. Modernform received a score of 96%, which is rated as “Excellent.”

- **Equitable Treatment of Shareholders**

Modernform recognizes and values the fundamental rights of all shareholders equally, regardless of whether they are major or minority shareholders. The Company is committed to avoiding any actions that may be discriminatory or unfair to shareholders, in accordance with the principles of good corporate governance and relevant legal requirements. This is implemented through various measures, including:

1. Annual General Meeting (AGM): Modernform provides opportunities for minority shareholders to propose agenda items, nominate individuals for director elections, and submit questions in advance for the 2024 AGM. The Company also designates independent directors as proxy representatives to provide an option for shareholders who are unable to attend the meeting in person.
2. Directors and Executives: Modernform has established guidelines to prevent the use of inside information and to manage conflicts of interest. These include:
 - The Company has implemented policies to prevent conflicts of interest, both internal and external, and policies to prevent the use of inside information. These policies apply to directors, senior executives, and employees who are considered to have access to non-public information that could be used for securities trading, which is considered unfair to general investors and insider trading, a violation of the Securities and Exchange Act B.E. 2535. Modernform has therefore established guidelines for directors, senior executives, and employees to refrain from acquiring or disposing of the Company’s securities during the “Blackout Period,” which is one month prior to the disclosure of financial statements or 24 hours after the disclosure of inside information that affects the securities price to the public. In addition, they are required to provide one day’s advance notice before any changes in their securities holdings or securities trading.
 - At each Board of Directors meeting, if there is an agenda item related to a connected transaction, the relevant directors or executives are not allowed to attend the meeting or vote on that agenda item. Furthermore, if the transaction is subject to disclosure or requires shareholder approval under the regulations of the Stock Exchange of Thailand, the Company will disclose details, reasons for the transaction, the relationship of the related parties, and the calculation of the transaction value to shareholders in a comprehensive manner.

All related party transactions that occurred in 2024 were conducted transparently, fairly, verifiably, and in accordance with Modernform’s normal business operations.

- **Investors Relations**

In 2024, Modernform underlined the disclosure of accurate and complete financial information, operation results and other business information to the public in a timely and transparent fashion. This communication, which benefited investors, the press and securities analysts, was made through the following channels:

1. Investors Relations being designated as a direct point of contact with domestic and international investors.
2. Press Releases: Modernform issued 11 press releases covering significant business activities and developments.
3. Media Coverage: Modernform's news and information were disseminated through various media outlets on 9 occasions.
4. Opportunity Day: Modernform participated in the "Opportunity Day" event for the second quarter of 2024, organized by the Stock Exchange of Thailand. This provided an opportunity for the Company to communicate its performance and outlook to investors.
5. Disseminating information at <https://www.modernform.co.th> and various social media.

6.2 Code of Conduct

Modernform has established a written "Modernform Code of Conduct" to serve as principles and ethical standards for directors, executives, and employees. It provides a framework for ethical decision-making and ensures that the Company's operations adhere to the highest ethical and integrity standards. Code of Conduct covers various topics, including anti-corruption (in line with Modernform's status as a member of Thailand's Private Sector Collective Action against Corruption), conflicts of interest, human rights and labor practices, anti-competitive practices, occupational health and safety and work environment, resource utilization, environmental and energy management, confidentiality, data protection and insider information, securities trading and reporting of interests for directors, executives and related parties, information and information system security, and handling complaints and whistleblowing, with clearly defined sanctions. The Code of Conduct is part of the employee regulations and is used in conjunction with Modernform's policies and practices. It is included in the orientation program for new directors, executives, and employees, who are required to acknowledge and adhere to it. The Code is also disseminated through internal communication channels to reinforce Modernform's ethical standards throughout the year. The Code, along with related policies and practices, is available on the Company's website at <https://www.modernform.co.th>.

6.3 Significant Changes and Milestones in Policy, Guidelines and System of Corporate Governance in 2024

6.3.1 Significant Changes and Milestones in Corporate Governance

Modernform undertook a comprehensive review and enhancement of its corporate governance framework and related policies. Key updates include:

- Charter Revisions: The charters of the Board of Directors and all sub-committees were reviewed. Specific revisions were made to:

- The Nomination and Compensation Committee Charter, aligning it with best practices in corporate governance for listed companies.
- The Risk Management Committee Charter, ensuring alignment with Modernform's risk management objectives and strategies.
- The Corporate Governance and Sustainable Development Committee Charter, aligning it with the Company's operations and ensuring its suitability within Modernform's business context.
- Code of Conduct Enhancements: The Business Code of Conduct was updated to encompass policies and measures addressing all criteria of the SET ESG Ratings assessment for sustainable businesses in the Corporate Governance and Business Ethics category. This includes enhanced guidelines on anti-corruption, conflict of interest prevention, whistleblowing, confidentiality, anti-competitive practices, prevention of insider trading, workplace safety and health, and information and information system security.
- Securities Trading Policy: The Securities Trading Policy for directors, executives, and employees was revised and separated from the Business Code of Conduct, the Corporate Governance Policy, and the Board of Directors Charter. A designated individual was appointed by the Board to receive notifications regarding futures trading and to disseminate this information internally to directors, executives, and employees.
- Related Party Transaction Policy: The Policy on Reporting of Interests of Directors and Executives was updated, and a designated individual was appointed by the Board to receive notifications regarding the reporting of interests of directors and executives.
- Conflict of Interest Policy: The Policy and Guidelines on Prevention of Conflicts of Interest were updated. Policy and practice guidelines were communicated internally to directors, executives, and employees for acknowledgment and compliance.
- Sustainability Policy: The Sustainability Management Policy was updated to cover the Company's material ESG issues.
- Human Rights and Labor Practices Policy: The Policy and Guidelines on Human Rights and Labor Practices were updated to cover 5 key areas: 1) equitable employment/termination 2) employee compensation and benefits 3) employee development 4) workplace safety and 5) employee feedback mechanisms regarding welfare.
- Confidentiality and Data Protection Policy: The Policy on Confidentiality, Data Protection, and Use of Inside Information was updated to address 2 key areas: 1) the protection of customer personal data in accordance with the Personal Data Protection Act and 2) channels and processes for handling customer complaints regarding personal data. Internal communication was provided to directors, executives, and employees for acknowledgment and compliance.
- Environmental and Energy Policies: The Environmental Policy and the Energy Policy were updated to cover issues related to resource utilization and environmental impact from business operations, such as energy use, water use, waste management, pollution, and greenhouse gas management.
- Internal Audit Charter: The Internal Audit Charter was revised to align the department's operational guidelines and practices with current operations.
- Sustainability Management Policy: The Sustainability Management Policy was updated to align sustainable development principles, considering value creation in 3 dimensions: economic, social, and environmental, based on good corporate governance to create stable and sustainable growth for Modernform.

All updated policies and charters are available on Modernform's website at <https://www.modernform.co.th>. This comprehensive approach to policy review and enhancement demonstrates Modernform's ongoing commitment to good corporate governance and sustainable business practices.

6.3.2 Unaccompanied Corporate Governance Code for Listed Companies 2024

The Board of Directors recognizes the importance of conducting business in accordance with the Corporate Governance Code for Listed Companies. The Board has adopted the principles of the Code as guidelines for its duties in overseeing the Company's affairs. This is to ensure that Modernform's operations are efficient and that the Company can achieve long-term sustainable growth, conducted in a correct, transparent, verifiable, and equitable manner that prioritizes the best interests of shareholders as a whole.

In 2024, there are certain matters under consideration by the Board of Directors, which are being addressed with careful judgment based on fundamental principles of reasonableness, prudence, and thoroughness, to ensure compliance with the various requirements for listed companies.

- **Chairman of the Board Independence**

While the Chairman of the Board is not currently an independent director, the Board is actively seeking qualified candidates for independent director positions. The Board is prioritizing candidates with strong leadership skills, capabilities, and in-depth knowledge and expertise in the furniture manufacturing and distribution business. It is important to note that the lack of an independent Chairman does not currently impact internal controls, as the Company has appropriate internal control review mechanisms, a robust system of checks and balances, including defined approval authority levels, and an Internal Audit Department that reports directly to the Audit Committee. Furthermore, the roles, duties, and responsibilities of the Chairman of the Board and the Chief Executive Officer are clearly defined.

- **Chairman and CEO Relationship**

The Board recognizes the importance of clearly defined roles and responsibilities when the Chairman and CEO are related. The roles, duties, and responsibilities of the Chairman of the Board and the Chief Executive Officer are clearly delineated. The Chairman of the Board fulfills their duties as a director in accordance with the Board Charter, adhering to the Code of Conduct and corporate governance principles, and serving as a role model for directors, executives, and employees. The Chairman also presides over the Board of Directors meetings and shareholder meetings, ensuring their smooth operation and providing opportunities for directors and shareholders to express their views and suggestions freely. The Chief Executive Officer is responsible for managing the organization and ensuring its operations align with the defined strategic plan, vision, and mission, within the scope of authority granted by law, the Company's objectives and articles of association, and resolutions of the Board of Directors and shareholder meetings.

- **Tenure of Independent Directors**

The Board recognizes the importance of limiting the tenure of independent directors to no more than 9 years, in line with best practices in corporate governance. However, before seeking shareholder approval for the reappointment of independent directors, the Board carefully considers the rationale, necessity, and suitability for

Modernform's business. Modernform requires independent directors with specific knowledge and understanding of finance, accounting, and laws related to the furniture business. While the three independent directors have served for more than 9 years, their qualifications, experience, and suitability are recognized. They provide independent perspectives and are beneficial to internal control oversight, risk assessment, accounting, and legal matters. They have consistently demonstrated responsible, efficient, and effective performance as independent directors and possess all the qualifications required by the Securities and Exchange Commission's definition of independent directors. Modernform encourages independent directors to support beneficial policies and shareholders as a whole. The independent directors are not controlled by management and have no significant involvement or interest in the Company's affairs that would impair their ability to perform their duties or make independent decisions.

- **Regarding the insufficient number of independent directors below the minimum requirement for listed companies and the suitability of the independent director's composition within sub-committees**

Modernform recognizes the importance of having an appropriate and sufficient number of independent directors, taking into account the internal balance of power within the Board of Directors. This aligns with shareholder expectations for independent directors to oversee the company's operations and transactions with transparency and safeguard shareholder interests. Modernform is currently in the process of recruiting additional independent directors, considering various aspects of independence for potential candidates.

- **Regarding gender diversity on the Board of Directors, the determination of female director representation, and the proportion of directors in each age group**

Modernform prioritizes respecting the human rights of all individuals equally, including appropriate participation with gender and age diversity. There are no restrictions or discrimination against Modernform's approach to Board Diversity. Therefore, consideration of the composition ratio of the Board of Directors will depend on skills and experience that align with business strategies. Modernform will assess the diversity of skills and experience needed and appropriate to the nature of the business.

In 2024, Modernform did not engage in any actions that violated the regulations of regulatory agencies for listed companies, including the Stock Exchange of Thailand and the Securities and Exchange Commission. There were no violations or breaches of laws resulting in criminal actions, civil sanctions, or administrative actions. There were no lawsuits or complaints from external parties. Throughout its history, Modernform has consistently adhered to the principles of good corporate governance and business ethics in its management and operations, including compliance with relevant laws, regulations, and requirements, and has developed the level of good corporate governance to be efficient and appropriate for Modernform.

6.3.3 Other Practices to Comply with the Principles of Good Corporate Governance in Preparation for Assessments

Modernform is committed to enhancing its organizational development process towards sustainability, in accordance with good corporate governance principles and organizational goals. In 2024, Modernform received the following corporate governance assessments

- Received an "Excellent" or 5-star rating in the Corporate Governance Report of Thai Listed Companies (CGR) survey from the Thai Institute of Directors (IOD).



- Received certification as a member of the Private Sector Collective Action Coalition against Corruption (CAC) from the Thai Institute of Directors (IOD).
- Received an “A” rating in the SET ESG Ratings from the Stock Exchange of Thailand (SET).
- Received a 96% score in the Annual General Meeting (AGM) Checklist quality assessment from the Thai Investors Association, in collaboration with the Securities and Exchange Commission (SEC) and the Thai Listed Companies Association, categorized as “Excellent”.

These results demonstrate Modernform’s commitment to continuously developing the organization towards sustainability, preparing to adapt to various changes while operating with transparency, fairness, and accountability. Modernform also emphasizes the importance of all stakeholders and builds a network for sustainable development together.

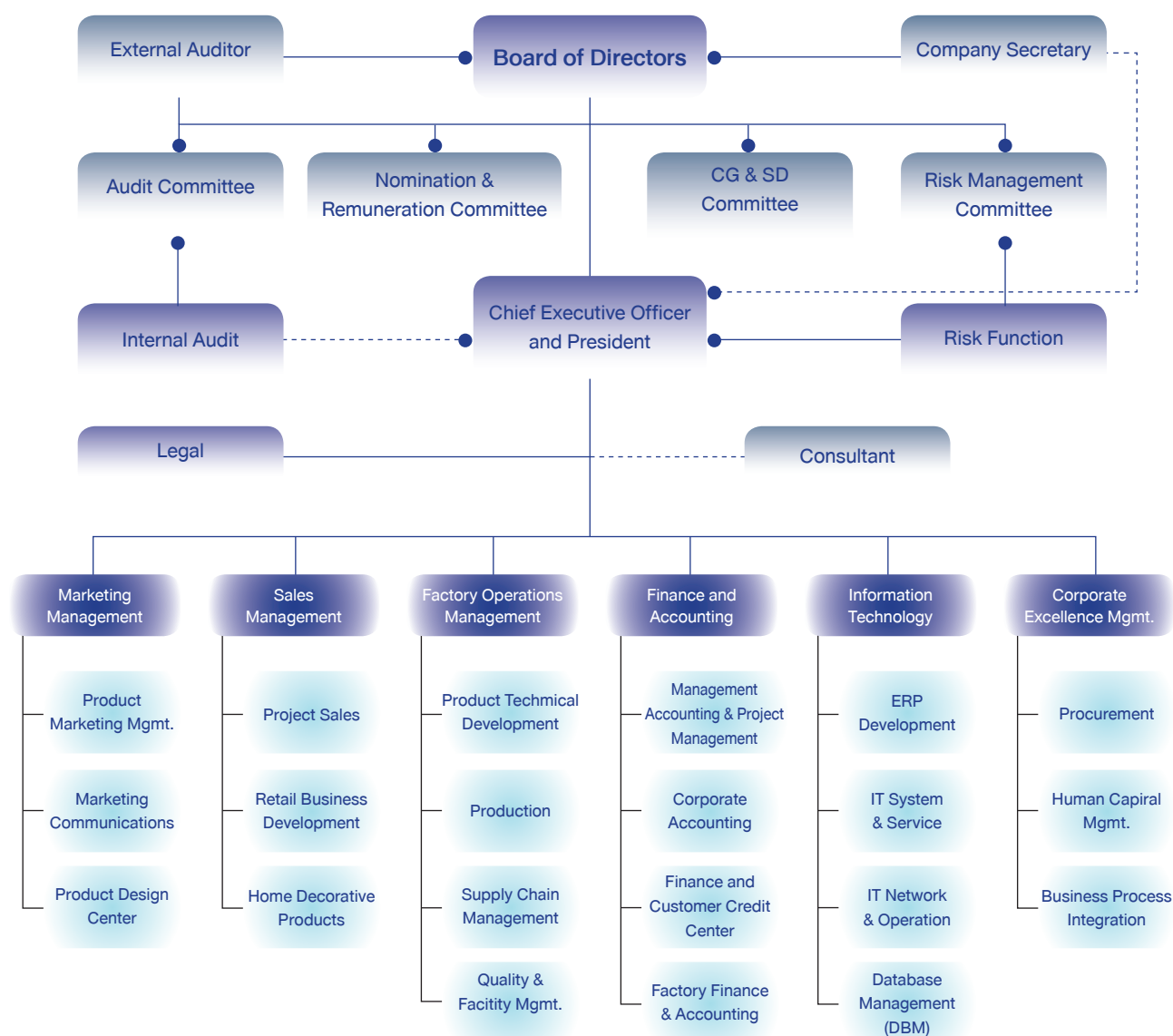
07

Corporate Governance Structure and Key Information about the Board, Sub-Committees, Management, Employees and Others

7.1 Corporate Governance Structure

As of December 31, 2024, the Board of Directors' meeting No. 5/2024, held on November 13, 2024 established the corporate governance model for Modernform which is structured as follows:

Governance Structure Chart



7.2 Directors' Information

7.2.1 Board of Directors' Composition

Modernform maintains a Board of Directors with appropriate composition and qualifications, demonstrating diversity in skills, expertise, knowledge, and experience that are beneficial to the business operations. Modernform recognizes the importance of having an adequate and sufficient number of independent directors to balance internal power within the Board, aligning with shareholder expectations for independent directors to oversee the company's operations and transactions with transparency and protect shareholder interests. Modernform is currently in the process of recruiting additional independent directors, considering other dimensions of independence for potential candidates. Regarding gender diversity on the Board, the determination of female director representation and the proportion of directors in each age group, Modernform emphasizes respecting the human rights of all individuals equally, including appropriate participation with gender and age diversity, without any restrictions or discrimination against Modernform's approach to Board Diversity. The consideration of the composition ratio of the Board will depend on the skills and experience that align with business strategies, with Modernform assessing the diversity of skills and experience necessary and appropriate to the nature of the business.

As of December 31, 2024, the Board of Directors comprises 11 directors, which complies with the company's regulations, Article 4, Clause 16, stipulating that the number of directors shall not be less than 5, and at least half of the total number of directors must be domiciled in the Kingdom, appointed and removed by the general meeting of shareholders. The details of the composition are as follows:

Composition of the Board of Directors	Number (Persons)	Percentage (%)
Total Directors	11	100.00
Male Directors	11	100.00
Female Directors	-	-
Executive Directors	1	9.09
Non-Executive Directors	10	90.91
Independent Directors	3	27.27
Non-Executive Directors (Non-Independent)	7	63.64

7.2.2 Individual Information on the Board of Directors and Controlling Persons

Modernform's Board of Directors is appointed by the shareholders to determine policies and operational direction, effectively and efficiently supervise operations in accordance with established policies, increase the economic value of the business, and generate the best interests for shareholders. Modernform's directors possess the qualifications stipulated in the Public Company Limited Act B.E. 2535, which are considered general qualifications, and their duties must be performed with caution and integrity. All directors have equal duties and responsibilities, as defined in the Public Company Limited Act B.E. 2535 and the Securities and Exchange Act B.E. 2535. Modernform's independent directors are fully qualified according to the Capital Market Supervisory Board's regulations. Modernform recognizes that independent directors are another important mechanism in corporate governance to help protect the interests of shareholders by supporting policies that benefit shareholders or objecting when they believe decisions may be unfair. In 2024, there were no directors who resigned, left office, or were newly appointed during the year.

7.2.2.1 Details of the Board of Directors (Individual Profiles) as of December 31, 2024

Director Name	Position	Term Start Date	Skills and Expertise
<p>(1) Mr. Yothin Nerngchamnonng</p> <p>Gender : Male</p> <p>Age : 74 years old</p> <p>Education : Honorary Doctorate Degree in Business Administration</p> <p>Nationality : Thai</p> <p>Domicile in Thailand : Yes</p> <p>Family Relationship : Yes with Directors and Executives</p> <p>History of Legal Violations in the past 5 years : None</p> <p>Director Training Programs</p> <ul style="list-style-type: none"> Director Accreditation Program (DAP) : No Director Certification Program (DCP) : Yes <p>Company Shareholding : 27,539,420 Shares (3.67%)</p>	<p>Chairman, Member of Nomination and Remuneration Committee and Authorized Signatory Director</p>	<p>March 1992</p>	<p>Large-scale organization management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, good corporate governance and sustainable development, human resource development</p>
<p>(2) Mr. Kitipat Nerngchamnonng</p> <p>Gender : Male</p> <p>Age : 46 years old</p> <p>Education : Master's degree in business administration</p> <p>Nationality : Thai</p> <p>Domicile in Thailand : Yes</p> <p>Family Relationship : Yes with Directors and Executives</p> <p>History of Legal Violations in the past 5 years : None</p> <p>Director Training Programs</p> <ul style="list-style-type: none"> Director Accreditation Program (DAP) : Yes Director Certification Program (DCP) : No <p>Company Shareholding : 4,675,200 shares (0.62%)</p>	<p>Executive Director, Member of Risk Management Committee, Chief Executive Office and President and Authorized Signatory Director</p>	<p>April 2016</p>	<p>Large-scale organization administration and management, core business of the company and subsidiaries, good corporate governance and sustainable development, economics, investment, policy setting and strategic planning, risk management and business continuity management, sales, marketing and public relations, human resource development</p>

Director Name	Position	Term Start Date	Skills and Expertise
(3) Mr. Thaksa Busayapoka Gender : Male Age : 74 years old Education : Master's Degree in New Technology Ventures Nationality : Thai Domicile in Thailand : Yes Family Relationship : Yes with Directors and Executives History of Legal : None Violations in the past 5 years Director Training Programs <ul style="list-style-type: none"> Director Accreditation Program (DAP) : No Director Certification Program (DCP) : Yes Company Shareholding : 24,446,000 shares (3.26%)	Non-Executive Director, Chairman of Nomination and Remuneration Committee and Authorized Signatory Director	May 2023	Large-scale organization administration and management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, human resource development, good corporate governance and sustainable development
(4) Mr. Charoen Usanachitt Gender : Male Age : 73 years old Education : Bachelor's degree in business administration Nationality : Thai Domicile in Thailand : Yes Family Relationship : Yes with Directors and Executives History of Legal : None Violations in the past 5 years Director Training Programs <ul style="list-style-type: none"> Director Accreditation Program (DAP) : No Director Certification Program (DCP) : Yes Company Shareholding : 142,000 shares (0.02%)	Non-Executive Director	March 1992	Large-scale organization administration and management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, good corporate governance and sustainable development

Director Name	Position	Term Start Date	Skills and Expertise
<p>(5) Mr. Somsak Varikarn</p> <p>Gender : Male</p> <p>Age : 74 years old</p> <p>Education : Education: Bachelor's degree in Business Administration</p> <p>Nationality : Thai</p> <p>Domicile in Thailand : Yes</p> <p>Family Relationship : No with Directors and Executives</p> <p>History of Legal Violations in the past 5 years : None</p> <p>Director Training Programs</p> <ul style="list-style-type: none"> Director Accreditation Program (DAP) : No Director Certification Program (DCP) : Yes <p>Company Shareholding : None</p>	<p>Non-Executive Director, Member of Nomination and Remuneration Committee and Authorized Signatory Director</p>	<p>March 1992</p>	<p>Large-scale organization administration and management, core business of the company and subsidiaries, good corporate governance and sustainable development, human resource development</p>
<p>(6) Mr. Patana Usanachitt</p> <p>Gender : Male</p> <p>Age : 65 years old</p> <p>Education : Bachelor's degree in Marketing</p> <p>Nationality : Thai</p> <p>Domicile in Thailand : Yes</p> <p>Family Relationship : Yes with Directors and Executives</p> <p>History of Legal Violations in the past 5 years : None</p> <p>Director Training Programs</p> <ul style="list-style-type: none"> Director Accreditation Program (DAP) : No Director Certification Program (DCP) : Yes <p>Company Shareholding : 111,750 shares (0.01%)</p>	<p>Non-Executive Director, Member of Corporate Governance and Sustainable Development Committee and Authorized Signatory Director</p>	<p>April 2001</p>	<p>Large-scale organization administration and management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, sales, marketing and public relations, good corporate governance and sustainable development</p>

Director Name	Position	Term Start Date	Skills and Expertise
(7) Mr. Kitti Busayapoka Gender : Male Age : 67 years old Education : Bachelor's degree in economics Nationality : Thai Domicile in Thailand : Yes Family Relationship : Yes with Directors and Executives History of Legal : None Violations in the past 5 years Director Training Programs <ul style="list-style-type: none"> Director Accreditation Program (DAP) : Yes Director Certification Program (DCP) : No Company Shareholding : 369,360 shares (0.05%)	Non-Executive Director	April 2017	Large-scale organization administration and management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, sales, marketing and public relations, good corporate governance and sustainable development
(8) Mr. Bancha Dhammarunguang Gender : Male Age : 42 years old Education : Education: Master's degree in information technology Nationality : Thai Domicile in Thailand : Yes Family Relationship : No with Directors and Executives History of Legal : None Violations in the past 5 years Director Training Programs <ul style="list-style-type: none"> Director Accreditation Program (DAP) : Yes Director Certification Program (DCP) : No Company Shareholding : 6,700,000 shares (0.89%)	Non-Executive Director	April 2021	Information technology, large-scale organization administration and management, good corporate governance and sustainable development, economics, investment, policy setting and strategic planning

Director Name	Position	Term Start Date	Skills and Expertise
<p>(9) Mr. Suchart Thammapitagkul</p> <p>Gender : Male</p> <p>Age : 75 years old</p> <p>Education : Master's degree in law</p> <p>Nationality : Thai</p> <p>Domicile in Thailand : Yes</p> <p>Family Relationship : No with Directors and Executives</p> <p>History of Legal : None Violations in the past 5 years</p> <p>Director Training Programs</p> <ul style="list-style-type: none"> • Director Accreditation Program (DAP) : Yes • Director Certification Program (DCP) : Yes <p>Company Shareholding : None</p>	<p>Independent Director and Chairman of Audit Committee</p>	<p>November 1999</p>	<p>Laws and regulations of listed companies, large-scale organization administration and management, risk management and business continuity management, accounting and finance, large-scale organization administration and management, good corporate governance and sustainable development</p>
<p>(10) Mr. Surachai Sonthirathi</p> <p>Gender : Male</p> <p>Age : 73 years old</p> <p>Education : Bachelor's degree in commerce and accountancy</p> <p>Nationality : Thai</p> <p>Domicile in Thailand : Yes</p> <p>Family Relationship : No with Directors and Executives</p> <p>History of Legal : None Violations in the past 5 years</p> <p>Director Training Programs</p> <ul style="list-style-type: none"> • Director Accreditation Program (DAP) : Yes • Director Certification Program (DCP) : No <p>Company Shareholding : None</p>	<p>Independent Director, Member of Audit Committee, Chairman of Risk Management Committee, Chairman of Corporate Governance and Sustainable Development Committee and Authorized Director</p>	<p>July 2014</p>	<p>Accounting, finance and tax, information technology, large-scale organization administration and management, laws and regulations of listed companies, risk management and business continuity management, good corporate governance and sustainable development</p>

Director Name	Position	Term Start Date	Skills and Expertise
(11) Mr. Kittichai Lattisophonkul Gender : Male Age : 75 years old Education : Bachelor's degree in commerce and accountancy Nationality : Thai Domicile in Thailand : Yes Family Relationship with Directors and Executives : No History of Legal Violations in the past 5 years : None Director Training Programs <ul style="list-style-type: none"> Director Accreditation Program (DAP) : Yes Director Certification Program (DCP) : No Company Shareholding : 15,000 shares (0.00%)	Independent Director, Member of Audit Committee and Member of Corporate Governance and Sustainable Development Committee	May 2012	Accounting, finance and tax, large-scale organization administration and management, risk management and business continuity management, good corporate governance and sustainable development

7.2.2.2 Board of Directors Classification by Position

Director Name	Position	Executive Director	Non-Executive Director	Independent Director	Non-Executive Director (Non-Independent)	Authorized Signatory Director
(1) Mr. Yothin Nerngchamnong	Chairman		✓		✓	✓
(2) Mr. Kitipat Nerngchamnong	Director	✓				✓
(3) Mr. Thaksa Busayapoka	Director		✓		✓	✓
(4) Mr. Charoen Usanachitt	Director		✓		✓	
(5) Mr. Somsak Varikarn	Director		✓		✓	✓
(6) Mr. Patana Usanachitt	Director		✓		✓	✓
(7) Mr. Kitti Busayapoka	Director		✓		✓	
(8) Mr. Bancha Dhammarungruang	Director		✓		✓	
(9) Mr. Suchart Thammapiatagkul	Director		✓	✓		
(10) Mr. Surachai Sonthirathi	Director		✓	✓		
(11) Mr. Kittichai Lattisophonkul	Director		✓	✓		
Total		1	10	3	7	5

7.2.2.3 Overview of Directors' Skills and Expertise

Skills and Expertise	Number of Directors	Percentage (%)
(1) Good Corporate Governance and Sustainable Development	11	100.00
(2) Large-Scale Organization Management	11	100.00
(3) Risk Management and Business Continuity Management	4	36.36
(4) Economics, Investment, Policy Setting, and Strategic Planning	6	54.54
(5) Core Business of the Company and Subsidiaries	7	63.63
(6) Sales, Marketing, and Public Relations	2	18.18
(7) Human Resource Development	4	36.36
(8) Accounting, Finance, and Tax	2	18.18
(9) Laws and Regulations of Listed Companies	2	18.18
(10) Information Technology	2	18.18

7.2.2.4 Additional Information Regarding the Board of Directors

- Chairman of the Board and Chief Executive Officer are the same person: No
- Chairman of the Board is an Independent Director: No
(Remark: Further explanation is provided in section 6.3.2, "Unaccompanied Corporate Governance Code for Listed Companies 2024.")
- Chairman of the Board and Chief Executive Officer are family members: Yes
(Remark: Further explanation is provided in section 6.3.2, "Unaccompanied Corporate Governance Code for Listed Companies 2024")
- Chairman of the Board is a member of the Executive Committee or Working Group: No
- The company appoints at least one Independent Director to determine the agenda for Board meetings: Yes

7.2.2.5 Measures to Balance Power between the Board of Directors and Management

Modernform recognizes the importance of establishing an appropriate and sufficient number of independent directors, in accordance with the criteria set forth by the Securities and Exchange Commission (SEC), to balance the internal power of the Board of Directors. This aligns with shareholder expectations for independent directors to oversee the company's operations and transactions with transparency and safeguard shareholder interests. Modernform is currently in the process of recruiting additional independent directors, considering other dimensions of independence for potential candidates.

Regarding measures to balance power between the Chairman of the Board and the Chief Executive Officer, Modernform has clearly separated their roles by defining the roles, duties, and responsibilities between the Chairman of the Board and the Chief Executive Officer as follows:

Roles and Responsibilities of Chairman of the Board

1. To supervise and ensure that performances of the Board of Directors are effective and fulfil Modernform's critical goals and targets.
2. To ensure that all directors take part in promoting ethical corporate culture.
3. To promote the standard of corporate governance among the Board of Directors.
4. To call the Board of Directors' Meeting and ensure that important items are incorporated as part of the meeting agendas with discussion made with executive chairman, managing director or chairman of the Audit Committee, as the case may be. Allow all directors to propose meeting agendas. Set the board meetings the annual general meeting dates in advance so that directors are ready to attend no fewer than 90% of all Board Meetings held in a particular year.
5. To ensure that meeting invitations and supporting documents are delivered to the Board so that it receives adequate information in time for the meeting.
6. Chair the Board of Directors' Meeting and the Shareholders' Meeting; supervise the meeting to comply with the Company's Articles of Association and relevant meeting agendas; provide enough time for directors to discuss important matters in each meeting agenda; encourage directors to exercise discretion and to independently express their opinions; allow shareholders to inquire about various matters and encourage answers to shareholders' questions in a comprehensive manner.
7. To promote a good relationship between directors, the management and shareholders
8. To perform other duties as required by the laws.

Roles and Responsibilities of Chairman of Executive Officer

1. To determine missions, objectives, guidelines and policies of the Company as well as to order and supervise overall operation to maximize corporate management
2. To ensure that the management meets objectives, policies, goals, operation plans and budgets approved by the Board and/or the Executive Board of the Company
3. To manage and supervise the business and/or day-to-day activity of the Company
4. To appoint and manage various work groups for good and transparent management; to appoint a substitute and/or to assign other parties to do a specific task on the Chief Executive Director's behalf where the authorization given to the substitute and/or the assignment shall be subject to the extent of power authorized under the Power of Attorney and/or to approval authority regulations previously approved by the Board of Directors
5. To monitor and evaluate operation performance on a regular basis; and to report results of such performance, management and operation progress to the Executive Board, the Audit Committee and the Board of Directors
6. To review and propose investment plans to the Executive Board and the Board of Directors for further approval
7. To be an authorized representative of the Company and manage its business to meet objectives, regulations, policies, rules, terms, orders, resolutions of the Shareholders' meeting and/or those of the Board and the Executive Board in all aspects
8. To review and approve each execution of legal acts that shall bind the Company during the normal course of business as stipulated in the approval and direction regulations previously approved by the Board of Directors
9. To approve each spending item during the normal course of the Company's business operation as stipulated in the approval and direction regulations previously approved by the Board of Directors
10. To consider hiring, appointing, cross-department transferring or terminating employment of Assistant Vice President and higher; to determine wages, remunerations, salaries and bonuses and welfare of the Company's employees under the policy framework stated by the Executive Board and the Board of Directors
11. To issue orders, regulations, notices and memorandum to ensure operation compliance with the Company's policy and interest and to maintain regulatory discipline within the organization
12. To perform other duties according to the resolutions of the Shareholders' meeting, the Board of Directors' meeting and/or as entrusted by the Board of Directors or the Executive Board from time to time

The authorization of power, duties and responsibilities for the Chief Executive Director shall not be in the nature that such authorization or substitution may allow the Chief Executive Director or his authorized representative to approve transactions that he or the person may have any conflict of interest against (based on a definition of relevant departments), any interest in or any other forms of conflict of interest with the Company or subsidiaries unless it's an approval of transaction during the normal course of business that has been clearly defined. The Chief Executive Director may be appointed or removed by the Board of Directors.

The President

The Board of Directors through recommendations of the Nomination and Remuneration Committee, will approve and appoint the President who will work for Modernform only as its President so that he has enough time to manage the business to meet its objectives for the best interest of shareholders. President may hold directorship in another company, but such position must not jeopardize his performance as the company's managing director. President will directly report to the Executive Board and Chairman of the Executive Board. The Executive Board will evaluate the managing director's performance annually and will initially set his remunerations before seeking the Nomination and Remuneration Committee's approval.

Authority and duties of the President are as follows:

1. To administer, manage, and control operations concerning the general management of the Company and set up structure and internal administrative regulations to maximize effectiveness
2. To comply with policies and guidelines formulated by the Board of Directors, the Executive Board or the CEO.
3. To hire, appoint, transfer, discharge, and lay off; determine wages, bestow awards, adjust monthly salaries, remunerations, and bonuses of all employees
4. To approve or transfer the power to approve the purchasing of assets and services that are beneficial to the Company, and financial transactions involved in business operations; all within the budget provided by the Board of Directors or Board of Executive Directors.
5. To issue orders, regulations announcement and memorandum in order to ensure operations align with Company's policies and follow specific codes of conduct.
6. To represent the Company in business activities and transactions related and beneficial to the Company.
7. To consider important asset purchase or distribution and propose to the Board of Directors
8. To have authorization as the Company's representative to contact related company that benefit the Company
9. To appoint advisors in different fields as deemed necessary in operations.
10. To review operations from time to time in order to find a solution rapidly for goal achievement
11. To do any other functions as may be designated by the Board of Directors, or Board of Executive Directors, or Chief Executive Director.

The powers conferred above do not extend to approval of any transaction which the President himself or other related parties may have interest in conflict with that of the Company or any subsidiary or affiliate of the Company.

7.2.3 Information on Board of Director' Roles

The Board of Directors, as representatives of the shareholders and leaders of the organization, has the duties and responsibilities to perform its duties in overseeing the governance of Modernform in accordance with the law, objectives, regulations, Board resolutions, and shareholder resolutions with responsibility, carefully, and integrity to protect the rights and interests of Modernform and shareholders equally. The details are disclosed on Modernform's website <https://www.modernform.co.th> and are reviewed annually. The key details in defining the roles, duties, and responsibilities are summarized in the Board of Directors' Charter as follows:

Authorities, Duties and Responsibilities of the Board of Directors

1. The Board of Directors has authorities, duties, and responsibilities in the management and business operations of the Company and in the supervision of the business operations of the Company's subsidiaries to ensure they comply with applicable laws, objectives, and Articles of Association together with the resolutions of shareholders with honesty and prudence in order to protect the interests of the Company and shareholders. This includes monitoring the Company's operations so that they are conducted in accordance with laws applicable to the business conduct of the Company and its subsidiaries, which also include laws relating to bribery or corruption.
2. To determine the Company's vision, mission, targets, policies, strategies, directions, business plans, and annual budgets, including managing and supervising the business performance of the Management team to be in line with these criteria, in an efficient manner and in the best interests of the Company and its shareholders.
3. To continuously monitor the business performance of the Company and its subsidiaries to be in line with their respective operational plans and budgets.
4. To arrange for the Company and its subsidiaries to put in place proper and efficient systems for accounting, financial reporting, and auditing, including the accurate disclosure of important information within a reasonable period of time and in full compliance with applicable regulations and standards. In addition, the Board of Directors shall arrange for the Company to have proper and adequate systems for internal controls, internal audit, and storage of material documents so that all data can be examined or verified at any later date.
5. To determine the management and administrative structure governing the Company's subsidiaries and associated companies such that the Board of Directors can then efficiently supervise them and be responsible for their business operations.
6. To appoint sub-committees and determine their scope of duties so that such sub-committees can assist and support the Board of Directors in performing their responsibilities.
7. To arrange for the proper disclosure of information on those persons who have conflicts of interest, on stakeholders, and on related persons in an accurate, complete, proper, and timely manner, and in accordance with applicable laws, notifications, and regulations.

7.3 Information of Sub-committees

7.3.1 Information Regarding the Roles and Responsibilities of Sub-Committees

The Board of Directors has clearly defined the roles, duties, and responsibilities of all sub-committees and has disclosed this information on Modernform's website at <https://www.modernform.co.th>. The key details regarding the defined roles, duties, and responsibilities in the charter of each sub-committee are summarized as follows:

Sub-Committees	Roles, Duties and Responsibilities
Audit Committee	<ol style="list-style-type: none"> 1. To review the Company's financial report, both quarterly and annual financial statements are accurate and comprehensive, and they reflect the standards and the generally accepted accounting principles before they are proposed for the Board to approve. 2. To ensure that the Company has an effective and sound internal audit system, and that the adequacy of the internal control system is reviewed annually. 3. To review the Company's compliance with the Securities and Exchange Act, the SET's requirements and the laws governing the Company's business. 4. To disclose connected transactions or those with possible conflict of interest to ensure compliance with relevant rules and regulations and that such connected transactions are reasonable and for the Company's best interest. 5. To review the independence of the Internal Audit Unit, which directly reports to the Audit Committee; to approve, remove, transfer or terminate executives within the Internal Audit Unit. 6. To nominate and propose for termination and appointment of independent persons who will become an auditor and to set the auditor's annual fee; to organize a meeting with auditors without the management's presence at least once a year. 7. To approve an annual plan, budget and manpower of the Internal Audit Unit. 8. To ensure that the Internal Audit Unit comprehensively audits other departments' significant matters before proposing recommendations or remedies to the management and to follow up with such recommendations within a specific timeframe. 9. To align the understanding among the auditor, the Board and the Internal Audit Unit. 10. The Audit Committee is authorized to invite the management, executives or staff to express opinions, attend a meeting or submit documents considered necessary to perform its duty under the scope of its authority. 11. To report on the performance of the Audit Committee to the Board at least on a quarterly basis. 12. To evaluate the Audit Committee's performance annually for further improvement. 13. The Audit Committee will issue a report expressing its opinion with regard to the adequacy of the risk management system and the internal control system before publishing it in the annual report. 14. The Audit Committee may seek an independent opinion from any other professional if deemed necessary at the Company's cost. 15. To regularly review and update the Audit Committee's Charter to properly reflect on the SET's Securities and Exchange Act.

**Corporate Governance
and Sustainable
Development
Committee**

1. Corporate Governance
 - 1.1 To determine policies on good corporate governance, anti-corruption, whistle blowing, code of conduct as well as policies on corporate social responsibility for sustainable development in the conduct of business of the Company and to present the same to the meetings of the Board of Directors and/or shareholders for approval.
 - 1.2 To review policies on good corporate governance, anti-corruption, code of conduct on a regular basis at least once a year to keep up-to-date and consistent with international best practices as well as laws, rules and all regulations.
 - 1.3 To foster the organizational culture of ethics and good corporate governance and to monitor compliance by the personnel of the Company with good corporate governance, as per the principles of good corporate governance and ethics of the Company.
2. Sustainable Development
 - 2.1 To focus on conducting its business in line of the Sustainable Development Goals with responsibility towards the environmental, society and corporate governance
 - 2.2 To foster all company activities for effective corporate management goals
 - 2.3 To determine the sustainable development policy with the content related to environmental responsibility, social responsibility and corporate governance.
 - 2.4 To review the sustainable development policy on a regular basis at least once a year.
3. The Committee may invite auditors, members of management or related person to attend the meeting in order to provide pertinent information or exercise their opinions or answer a relevant matter as necessary.
4. To review and reassess the adequacy of the Corporate Governance and Sustainable Development Charter at least annually.
5. To present the committee's performance report to the Board of Directors including the essential recommendation at least annually.

**Nomination and
Remuneration
Committee**

1. Nomination
 - 1.1 Review the structure of the Committee by taking into consideration the number of committee members to reflect size, type and complexity of the business as well as their qualifications, skills, experiences and specialization relating to Modernform's main business or industry; recommend improvements.
 - 1.2 Nominate candidates qualified as committee members, members of sub-committees, managing director and senior executives from department director and higher by reviewing their qualifications proven suitable to the Company's unique character in a form of the board skill matrix in order to come up with a right candidate for board members, members of sub-committees, managing director and senior executives as well as their work experiences for the Board of Directors to approve.

- 1.3 Set nomination rules and procedures of board members and senior executives to reflect unique corporate characteristics of both existing and new directors; set criteria that will allow shareholders to propose future directors and criteria for each board director to propose an appropriate candidate.
- 1.4 Setup development plan for board members and senior executives to enhance their knowledge, roles and responsibilities as well as to increase their understandings in industrial outlook, stock exchange rules and regulations or corporate laws relating to Modernform's business. In case of new directors and new senior executives, an orientation session will be held, and useful information will be distributed to enable them to perform duties as board members.
- 1.5 Formulate a succession plan by establishing and revising the development plan of both managing director and senior executives for succession purpose in case managing director or senior executives reach a retirement age or could no longer perform one's duty to ensure continued operation.
2. Remunerations
 - 2.1 Consider rules, ways and means to remunerate directors and senior executives starting from department director and higher to ensure fairness while inducing them to perform as expected.
 - 2.2 Constantly review rules and ways and means of remunerations by comparing them with those offered by other companies in the same industry with different forms of remunerations such as retainer fee, incentive, attendance fee and vehicle expenses taken into consideration.
 - 2.3 Set up criteria to evaluate performances of Chairman of the Executive Board and managing director for the Board's approval.
 - 2.4 Determine annual remunerations of directors, Chairman of the Executive Board, managing director and senior executives starting from department director based on pre-determined compensation criteria by incorporating their performance evaluations as well as by comparing their remunerations with those offered by other companies in the same industry. While remunerations of managing director and senior executives will be submitted to the Board for approval, those of board members will be submitted to the Shareholders' Meeting's approval.
3. Report on performances of the Nomination and Remuneration Committee to the Board of Directors at least once a year.
4. Review performances of the Nomination and Remuneration Committee using a required evaluation form at least once a year as a committee and as an individual before disclosing the evaluation result in the annual report.
5. Perform other tasks as entrusted by the Board of Directors.

Risk Management Committee

1. To be empowered to call various departments to give information in writing or to invite the management and relevant staff to attend the ROC meeting in order to give an oral explanation with regard to risks and their performance as deemed appropriate by the ROC. The management and staff invited to the information session shall collaborate with the ROC in corporate risk management.
2. To be empowered to have departments do anything as necessary so that they can perform duties as specified in the Charter. In addition, the ROC may have a special duty as additionally and exclusively entrusted by the Board.
3. To review and express opinions about a draft policy and a risk management framework prior to its submission to the Board for further comment and approval.
4. To consider and give opinions towards risk appetite and risk tolerance prior to submitting to the Board for its comments and approval.
5. To acknowledge, consider and express opinions towards a risk assessment evaluation, risk management guidelines and measures and risk management operation plans to ensure that the Company has adequate and proper risk management.
6. To oversee and provide support to ensure that corporate risk management is successful; to propose risk prevention and reduction measures to keep them at an acceptable level; to monitor an operation plan in order to regularly reduce a risk level that properly reflects business conditions for proper and adequate risk management.
7. To advise and provide support to the Board, the management and the risk management working group with regard to corporate-level risk management; to oversee that the internal risk management system is constantly improved and enhanced.
8. To oversee the review of a corporate risk management policy and framework on a regular basis by at least once a year to ensure that they still reflect the overall business conditions and the Company's risk management activities.
9. To report major corporate risks, risk status, risk management directions, their progress and results of such risk management action to the Board on a regular basis.
10. To communicate and exchange risk information and coordinate matters regarding risk and internal control to the Audit Committee at least twice a year.

7.3.2 Information of Each Sub-Committee

During 2024, there were no resignations, removals, or replacements of sub-committee members. Modernform has four sub-committees:

7.3.2.1 Audit Committee

The Board of Directors appoints the Audit Committee, which consists of at least three members who are independent directors and qualified individuals. At least one Audit Committee member must have sufficient knowledge, understanding, or experience in accounting or finance to be able to review the reliability of financial reports. They must be qualified as independent directors according to the Securities and Exchange Commission's definition and must not have any business or professional service relationships with the company, its subsidiaries, and associated companies, or any entities that may have conflicts of interest. The term of office is five years, and Audit Committee members who have completed their term may be reappointed. If an Audit Committee position becomes vacant for reasons other than the expiration of the term, the Board of Directors must appoint a qualified person to be an Audit Committee member within three months to ensure that the number of Audit Committee members meets the number specified by the Board of Directors. The individual who becomes an Audit Committee member in replacement will hold office for the remaining term of the Audit Committee member whom they replace. The Audit Committee is required to meet at least four times a year, every quarter.

As of December 31, 2024, Modernform's Audit Committee comprises of three independent directors who are fully qualified as specified in the Capital Market Supervisory Board's criteria, as follows:

Name	Position
1. Mr. Suchart Thammapiatgul	Chairman of Audit Committee
2. Mr. Surachai Sonthirathi	Audit Committee Member
3. Mr. Kittichai Lattisophonkul	Audit Committee Member

Ms. Chuthanon Sasisophonkhan, Company Secretary, is the Secretary of Audit Committee, assisting the Audit Committee's operations regarding meeting arrangements and preparation of meeting minutes.

Remark : Mr. Kittachai Lattisophonkul and Mr. Surachai Sonthirathi are independent directors with knowledge in accounting/finance and experience in accounting auditing.

7.3.2.2 Corporate Governance and Sustainable Development Committee

The Board of Directors has always emphasized the principles of good corporate governance. To alleviate the burden and support the Board of Directors' work in setting rules and best practices in various aspects of Modernform in accordance with the principles of good corporate governance, the Corporate Governance and Sustainable Development Committee was appointed. The Corporate Governance and Sustainable Development Committee consists of at least three members, including at least two company directors, advisors, or executives, with an independent director serving as the Chairman of the Corporate Governance and Sustainable Development Committee. The term of office is three years, and committee members who have completed their term may be reappointed. If a committee member must leave office or is unable to complete their term, the Board of Directors must appoint a replacement within three months from the date the number of committee members falls below the required composition. The appointed replacement will serve for the remaining term of the replaced committee member. The committee is required to meet at least once a year.

As of December 31, 2024, Modernform's Corporate Governance and Sustainable Development Committee consists of two independent directors, one non-executive director, and three executives, as follows:

Name	Position
1. Mr. Surachai Sonthirathi	Chairman of Corporate Governance and Sustainable Development Committee
2. Mr. Patana Usanachitt	Corporate Governance and Sustainable Development Committee Member
3. Mr. Kittichai Lattisophonkul	Corporate Governance and Sustainable Development Committee Member
4. Mrs. Somrak Chotibhongs	Corporate Governance and Sustainable Development Committee Member
5. Ms. Natcharintorn Siri wattana	Corporate Governance and Sustainable Development Committee Member
6. Ms. Jongjit Naboonpattana	Corporate Governance and Sustainable Development Committee Member

Ms. Chuthanon Sasisophonkhan, Company Secretary, is the Secretary of Corporate Governance and Sustainable Development Committee, assisting Corporate Governance and Sustainable Development Committee's operations regarding meeting arrangements and preparation of meeting minutes.

7.3.2.3 Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee to alleviate the burden of the Board of Directors and enhance the efficiency of director nomination and remuneration consideration for directors, sub-committee members, and senior executives from the director level upwards. This ensures transparency in the nomination process and develops the knowledge and capabilities of directors and senior executives to meet the needs of the business, building confidence for shareholders regarding the individuals who will assume positions and have the qualifications and potential to protect the company's interests. The Nomination and Remuneration Committee has a term of office of three years, equal to the term of the Board of Directors. Committee members who have completed their term may be reappointed. If a position on the Nomination and Remuneration Committee becomes vacant for reasons other than the expiration of the term, the Board of Directors must appoint a qualified person to be a committee member within three months. The committee is required to meet at least twice a year, and committee members must attend at least 75% of all meetings.

As of December 31, 2024, Modernform's Nomination and Remuneration Committee consists of three non-executive directors, as follows:

Name	Position
1. Mr. Thaksa Busayapoka	Chairman of Nomination and Remuneration Committee
2. Mr. Yothin Nerngchamnon	Nomination and Remuneration Committee Member
3. Mr. Somsak Varikarn	Nomination and Remuneration Committee Member

Mrs. Somrak Chotibhongs is the Secretary of the Nomination and Remuneration Committee, assisting the committee's operations regarding meeting arrangements and preparation of meeting minutes.

7.3.2.4 Risk Management Committee

The Board of Directors has appointed the Risk Management Committee to establish risk management policies covering the entire organization and to oversee the implementation of a risk management system or process to appropriately mitigate the impact on the company's business. The composition, scope of authority, duties, and responsibilities are defined to enable the Risk Management Committee to perform its duties effectively as assigned by the Board of Directors. The Risk Management Committee consists of at least three members, including independent directors, senior executives, heads of relevant business units, financial and accounting experts, and the head of the internal audit department. The term of office is three years. The committee is required to meet at least twice a year.

As of December 31, 2024, Modernform's Risk Management Committee consists of one independent director, one executive director, and three senior executives, as follows:

Name	Position
1. Mr. Surachai Sonthirathi	Chairman of Risk Management Committee
2. Mr. Kitipat Nerngchamnon	Risk Management Committee Member
3. Ms. Natcharintorn Siriwattana	Risk Management Committee Member
4. Ms. Sawangjit Pongpipatpong	Risk Management Committee Member
5. Ms. Jongjit Naboonpatana	Risk Management Committee Member

Ms. Chuthanon Sasisophonkhan is the Secretary of Risk Management Committee, assisting the committee's operations regarding meeting arrangements and preparation of meeting minutes.

7.4 Information of the Managements

7.4.1 List and Positions of Executives

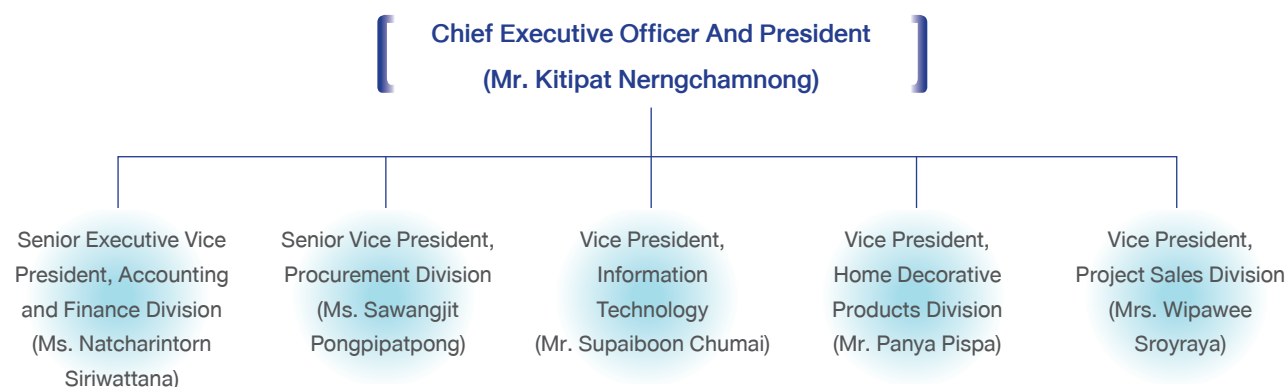
Modernform has a Chief Executive Officer and the first four executives following the Chief Executive Officer, as defined in the announcement of the Securities and Exchange Commission Office, as of December 31, 2024, as listed in the Corporate Governance Chart as follows:

Executive Name		Position	Skills and Expertise
(1) Mr. Kitipat Nerngchamnong		Chief Executive Officer and President (Top Executive)	Large-scale organization administration and management, core business of the company and subsidiaries, good corporate governance and sustainable development, economics, investment, policy setting and strategic planning, risk management and business continuity management, sales, marketing and public relations, human resource development
Gender	: Male		
Age	: 46 years old		
Education	: Master's degree in business administration		
Nationality	: Thai		
Domicile in Thailand	: Yes		
The highest person responsible in the accounting and finance line	: No		
Oversees accounting	: No		
(2) Ms. Natcharintorn Siriwattana (*)		Senior Executive Vice President, Accounting and Finance Division	Managing the company's financial operations, managing cash flow and financial planning, managing the finance and accounting department, controlling the company's financial reports
Gender	: Female		
Age	: 59 years old		
Education	: Master's degree in financial business administration		
Nationality	: Thai		
Domicile in Thailand	: Yes		
The highest person responsible in the accounting and finance line	: Yes		
Oversees accounting	: Yes		
(3) Mr. Supaiboon Chumai		Chief Technology Officer (CTO)	Technical knowledge of software development, leadership skills, strategic technology vision, expertise in technology infrastructure
Gender	: Male		
Age	: 56 years old		
Education	: Master's degree in applied statistics (computer science)		
Nationality	: Thai		
Domicile in Thailand	: No		
The highest person responsible in the accounting and finance line	: No		
Oversees accounting	: No		

Executive Name		Position	Skills and Expertise
(4) Ms. Sawangjit Pongpipatpong		Senior Vice President, Procurement Division	Strategic procurement planning, strategic resource procurement, operations management, budgeting, supplier relationship management
Gender	: Female		
Age	: 58 years old		
Education	: Bachelor's degree in marketing		
Nationality	: Thai		
Domicile in Thailand	: No		
The highest person responsible in the accounting and finance line	: No		
Oversees accounting	: No		
(5) Mr. Panya Pimpa		Vice President, Home Decorative Products Division	Sales team management, data analysis, communication, relationship building, strategic planning
Gender	: Male		
Age	: 57 years old		
Education	: Vocational Certificate in business administration		
Nationality	: Thai		
Domicile in Thailand	: Yes		
The highest person responsible in the accounting and finance line	: No		
Oversees accounting	: No		
(6) Mrs. Wipawee Sroyraya		Vice President, Project Sales Division	Sales team management, data analysis, communication, relationship building, strategic planning
Gender	: M Female ale		
Age	: 49 years old		
Education	: Bachelor's Degree in Humanities (English Major)		
Nationality	: Thai		
Domicile in Thailand	: Yes		
The highest person responsible in the accounting and finance line	: No		
Oversees accounting	: No		

Remark : (*) The highest person responsible in the accounting and finance line and oversees accounting.

Executives Structure Chart (The first four executives following the Chief Executive Officer)



7.4.2 Remuneration Policy for Directors and Executives

Modernform has a policy and criteria for determining the remuneration of Directors and Executives. The Nomination and Remuneration Committee is responsible for considering and determining the remuneration rates for the Board of Directors, sub-committees, and executives including Chief Executive Officer and President.

The remuneration is considered based on both short-term and long-term performance, linked to the performance evaluation of each executive in the form of Key Performance Indicators (KPIs) for appropriate compensation, determination and annual salary adjustments. This reflects the performance of each executive according to their assigned targets, consistent with the company's vision, mission, and strategies each year.

Regarding the remuneration policy for the Chief Executive Officer and President, the Board of Directors has assigned the Nomination and Remuneration Committee to evaluate the performance of the Chief Executive Officer and President and determine their compensation, which has established appropriate, clear, fair, and reasonable criteria. It is considered from the duties and responsibilities and performance, consistent with the company's policies both in the short term and long term. In the short term, Modernform's operating results each year are compared with the business plan that has been laid down. For the long term, it is considered from the ability to define strategies and directions of the organization's business operations to achieve the goals and vision of the organization.

7.4.3 Remuneration of Executives

For the fiscal year ending December 31, 2024, Modernform's six executives received remuneration as follows:

Monetary Remuneration

	(Baht)	2024	2023	2022
Salary, Bonus and Car Allowance		20,151,030	26,416,573	28,137,583
Provident Funds		675,473	746,808	865,616
Totaling		20,826,503	27,163,381	29,003,199

Other Remuneration

-None-

Outstanding Remuneration or Benefits Payable to Executives

-None-

7.5 Personnel

Modernform' Employees

Modernform values its employees, who are the driving force behind the organization's success. Therefore, the company has developed a workforce plan that aligns with its business strategies, focusing on developing talented and high-potential employees. This includes recruiting and selecting external personnel who are both "good and capable," fit the organizational culture, and adhere to ethical principles. The company is committed to non-discrimination based on race, religion, skin color, gender, or physical disability, prioritizing instead the suitability of knowledge, ability, and conduct. All employment practices are conducted in accordance with the law. To guide executives and Human Resources and Administration Department in their operations, Modernform has established human resources policies.

Number of Employees

As of December 31, 2024, Modernform had a total of 1,285 permanent employees, a decrease of 102 employees from 2023. The breakdown is as follows:

	2024	2023	2022
Total Number of Employees	1,285	1,387	1,356
Male	702	778	747
Female	583	609	609

The table shows the number of employees, divided by gender.

	2024	2023	2022
Male - Operation Level	601	674	658
Male - Management Level	91	94	75
Male - Executive Level	10	10	14

	2024	2023	2022
Female - Operation Level	488	515	511
Female - Management Level	84	84	88
Female - Executive Level	11	10	10

The table shows the number of employees, divided into department.

	2024	2023	2022
Production 1	318	367	373
Production 2	237	250	235
Logistics	201	224	221
Home Decorative Products	106	105	95
Project Sales	69	69	67
Marketing & Retails	91	90	96
Business Productivity & Procurement	78	85	78
Product Development Center	20	22	27
Finance and Accounting	68	72	72
Marketing Communications	15	18	17
Corporate Communications	5	4	6
Human Resources	25	30	35
Information Technology	24	24	22
Office of Executive Director	17	16	17
Internal Audit	8	8	8
Business Process Improvement	3	3	0
Total	1,285	1,387	1,369

Significant Changes in the Number of Employees

In 2024, Modernform had a policy of reducing hiring and a plan to consolidate its factories into a single location. This resulted in some employees choosing to resign voluntarily, leading to a higher-than-usual resignation rate during the year.

Information on Employee Compensation

Modernform has established a compensation and benefits policy that covers the responsibilities, experience, and potential of employees at all levels within the organization. The compensation structure is reviewed to ensure it is appropriate for the economic conditions, cost of living, and remains competitive and comparable to the standards of peer businesses in the same industry. Employees receive compensation from the company in the form of salaries, bonuses, provident fund contributions, and various allowances according to their responsibilities, such as transportation allowances, telephone allowances, professional allowances, etc.

Employee Compensation

	2024	2023	2022
Total Compensation	417,261,365	423,205,476	426,869,297
Male Compensation	220,682,963	229,955,158	227,828,244
Female Compensation	196,578,402	193,250,318	199,041,053

The table shows the employee compensation, divided into department.

	2024	2023	2022
Production 1	82,594,946	84,476,792	92,079,184
Production 2	60,638,859	61,554,111	57,937,982
Logistics	47,738,094	49,299,763	44,583,094
Home Decorative Products	33,428,850	32,543,596	31,496,059
Project Sales	29,050,670	27,359,508	26,677,530
Marketing & Retails	32,627,946	32,157,693	32,836,727
Business Productivity & Procurement	37,677,567	36,041,264	36,425,807
Product Development Center	10,424,256	11,204,450	14,344,799
Finance and Accounting	20,066,812	21,215,904	21,850,973
Marketing Communications	8,244,863	9,079,806	7,590,361
Corporate Communications	3,193,320	2,707,938	3,568,105
Human Resources	5,442,570	6,920,219	8,851,200
Information Technology	13,691,190	13,202,996	12,545,903
Office of Executive Director	26,395,982	29,905,216	32,301,573
Internal Audit	4,788,500	4,230,400	3,780,000
Business Process Improvement	1,256,940	1,305,820	-
Total	417,261,365	423,205,476	426,869,297

Provident Fund

The Company has established a provident fund since 1993 as welfare to employees to encourage another form of savings and to incentivize those who have been with us for a long time. Members of the provident fund receive a company contribution to the fund on a monthly basis at different rates based on their years of service. Staff may also choose the rate of contribution and the investment policy on their own. Upon retiring from the fund, staff receives a contribution and the fund's average net profit.

The fund manager is selected by his/her past performance as well as an ability to manage the fund to achieve profits on the basis of the investment policy or guideline set by the Fund Committee.

Provident Fund for Employees

As of December 31, 2024, 535 employees participated in Provident Fund, representing 41.67% of all employees. Details are as follows:

	2024	2023	2022
Number of employees participating in PVD	535	588	642
Percentage of PVD membership	41.67	42.40	46.89
The amount of money the company contributed to provident funds for employees (Baht)	10,084,711	11,487,865	12,940,971

7.6 Other significant Information

7.6.1 Name List of Designated Persons as the Person in Charge of Accounting Supervision, Company Secretary and Head of Internal Audit

Person in Charge of Accounting Supervision

Modernform has assigned Ms. Natcharintorn Siri wattana, Senior Executive Vice President of Accounting and Finance Division, to oversee the preparation of accurate and complete accounting records in accordance with accounting standards and relevant laws. Details regarding the person holding the position of accounting and finance controller for Modernform and its subsidiaries are shown in Annex 1.

Company Secretary

The Board of Directors resolved to appoint Ms. Chuthanon Sasisophonkhan as Company Secretary, effective November 13, 2023. Her responsibilities include organizing meetings of the Board of Directors, sub-committees, and shareholders, as well as preparing meeting minutes, the annual information disclosure form, and preparing and maintaining documents in accordance with the Securities and Exchange Act B.E. 2535 and the regulations of the Capital Market Supervisory Board. She is also responsible for other assigned tasks and supporting related work to ensure efficient and effective operations as required by law. Details regarding the roles, duties, and responsibilities of the Company Secretary are shown in Annex 1.

Internal Audit Manager

The Audit Committee appoints Ms. Jongjit Naboonpattana as manager of the Internal Audit Unit to conduct internal auditing and to supervise compliance with the Company's Articles of Association and other relevant laws. Details of the internal audit manager are in Annex 3.

7.6.2 Head of Investor Relations and Contact Information

The Company sets up the Investor Relation Unit by entrusting Mr. Sithi Nerngchamnong, Corporate Development Director, as a focal point for the disclosure of information and corporate news to shareholders, investors and analysts as well as to nurture relationships with investors and analysts. Investors may contact the Investor Relation Unit at

Investor Relations

699 Modernform Tower, Srinakarindr Road, Phatthanakan, Suan Luang, Bangkok 10250

Telephone: 0-2094-9999 Facsimile: 0-2722-8382

Email: ir@modernform.co.th

7.6.3 Auditors and Audit Fee

In 2024, EY Office Company Limited to be appointed as the Company auditor and determined the annual audit fee for the year 2024 in an amount not exceeding 2,260,000 Baht, increased 0.9% from 2023, by the auditor in accordance with any one of the following is auditor and express an opinion on the financial statements and the consolidated financial statements in 2024

- | | | |
|----|-------------------------------|---|
| 1. | Ms. Sumana Punpongsanon | Certified Public Accountant No. 5872 and/or |
| 2. | Ms. Noraya Srisuk | Certified Public Accountant No. 9188 and/or |
| 3. | Ms. Orawan Techawatanasirikul | Certified Public Accountant No. 4807 and/or |
| 4. | Mrs. Nammon Kertmongkolchai | Certified Public Accountant No. 8368 |

The Audit Committee proceeded to select the company's auditor on the basis of independence, skills and team competency, impartiality, auditing expertise, accountability and performances that reflect international standards plus thorough understanding of the business which would speed up the auditing process while making it more efficient.

Therefore, the Company and subsidiaries do not use any other services from EY Office Company Limited aside from annual auditing and 4 auditors, namely, are not shareholders of the Company or its subsidiaries. They have no relationship or interest with executives, major shareholders or those relating to subsidiaries and connected companies.

Non-Audit Fee

-None-

7.6.4 Authorized Representative

-None-



Report on Corporate Governance

8.1 Performance Summary of the Board of Directors for the previous year

The Board of Directors acknowledges and recognizes its role and responsibilities as leaders and drivers of the organization. To this end, the Board Charter has been established to clearly define the scope of authority, duties, and responsibilities between the Board of Directors and the Management. The Board of Directors will determine the organization's strategies, policies, goals, and core concepts, and oversee the operations of Modernform to comply with the rules, laws, objectives, and regulations of the company, as well as the resolutions of the shareholders' meeting, including defining the scope of authority, duties, and responsibilities of each sub-committee to share the burden of the Board of Directors in overseeing Modernform.

8.1.1 Nomination, Development and Performance Assessment of Board of Directors

The Selection of Directors and Independent Directors

The Nomination and Remuneration Committee will consider, select, and nominate individuals with appropriate qualifications in experience, knowledge, and ability that will benefit Modernform's business operations and should be nominated as directors and independent directors to be submitted to the Board of Directors and the shareholders' meeting for consideration and appointment in accordance with the Company's Articles of Association. The term of office of the directors shall be in accordance with the Public Limited Companies Act B.E. 2535 and the Company's Articles of Association as follows: "At every annual general meeting, one-third of the directors shall retire from office. If the number of directors cannot be divided into three equal parts, the number of directors closest to one-third shall retire. The directors who are to retire in the first and second years after the registration of the company shall be determined by drawing lots. In subsequent years, the directors who have been in office the longest shall retire. Directors who retire may be re-elected.

In the selection of new directors, the Nomination and Remuneration Committee will consider individuals who meet the qualifications specified in the Board Charter and the Board Skill Matrix approved by the Board of Directors, which is aligned with Modernform's business strategy and will be reviewed annually, including consideration of the diversity of qualifications, gender, age, ethnicity, religion, nationality, or country of origin (Board Diversity) to promote equality and eliminate unfair discrimination, and use the Director Pool database from the Thai Institute of Directors (IOD) for consideration.

As of December 31, 2024, the Board of Directors consists of directors with knowledge and expertise in accordance with the Skill Matrix specified to be in line with Modernform's business strategy as follows:

Skills and Expertise	Number of Directors	Percentage (%)
(1) Good Corporate Governance and Sustainable Development	11	100.00
(2) Large-Scale Organization Management	11	100.00
(3) Risk Management and Business Continuity Management	4	36.36
(4) Economics, Investment, Policy Setting, and Strategic Planning	6	54.54
(5) Core Business of the Company and Subsidiaries	7	63.63
(6) Sales, Marketing, and Public Relations	2	18.18
(7) Human Resource Development	4	36.36
(8) Accounting, Finance, and Tax	2	18.18
(9) Laws and Regulations of Listed Companies	2	18.18
(10) Information Technology	2	18.18

Re-elected Directors

At the 2024 Annual General Meeting of Shareholders held on April 19, 2024, a resolution was passed to re-elect the retiring directors for another term. All four directors underwent a thorough and careful individual qualification screening process in accordance with the nomination process of the Nomination and Remuneration Committee and were approved by the Board of Directors. The names of the re-elected directors are as follows:

Director Namer	Position	Term Start Date	Skills and Expertise
Mr. Thaksa Busayapoka	Director	April 19, 2024	Large-scale organization administration and management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, human resource development, good corporate governance and sustainable development
Mr. Charoen Usanachitt	Director	April 19, 2024	Large-scale organization administration and management, core business of the company and subsidiaries, economics, investment, policy setting and strategic planning, good corporate governance and sustainable development
Mr. Bancha Dhammarungruang	Director	April 19, 2024	Information technology, large-scale organization administration and management, good corporate governance and sustainable development, economics, investment, policy setting and strategic planning
Mr. Surachai Sonthirathi	Independent Director	April 19, 2024	Accounting, finance and tax, information technology, large-scale organization administration and management, laws and regulations of listed companies, risk management and business continuity management, good corporate governance and sustainable development

Orientation of New Directors

In 2024, no director orientation was held because those appointed by the Annual General Meeting of Shareholders were the same directors being re-elected for another term. However, Modernform realizes the significance of an orientation session to our new directors, as this is an opportunity for them to learn more about their roles and responsibilities. It's also time for Modernform to communicate our business and operation to help directors get ready to perform their duties. The following documents and information that proven useful for new directors are usually presented at the orientation session:

1. Listed Company Director's Manual, which features share purchase and reporting by directors and stakeholders.
2. Memorandum of Association and Articles of Association, which allow directors to learn about Modernform's business objectives, legal obligations, component of the Board, election and appointment of board members, Board meeting and shareholders' meeting.
3. Scopes of roles and responsibilities of Board of Directors and committees for the benefit of directors.
4. Minutes of the previous Board meetings, meeting agendas and schedules submitted in advance to enable directors to allocate time to attend all meetings as well as to effectively prepare themselves for these meetings.
5. The Corporate Governance Policy to enable new directors to learn more about the Good Corporate Governance principles, oversight measures, compliance practices based on their expertise and experience with a goal to bring the company forward.
6. Supervision of the use of internal information to enable new directors to tread on this subject in a careful and valid manner in accordance with our policy.
7. The risk policy and the risk management system, major risk factors affecting our operations and risk prevention measures.
8. Management Control, Compliance Control, Financial Control, all of which are responsible by our Internal Control Department.
9. Connected Transactions between listed companies and subsidiaries vs. connected persons to avoid any conflict of interest.
10. The Code of Conduct enables new directors to comply within the framework and ensure strict compliance.
11. Whistleblowing practices to inform new directors of rules and practices with regard to the whistleblowing.
12. Legal disputes, so that new directors learn more about the number of disputes currently under civil/criminal proceedings, our status based on each dispute and value involving in each case.
13. Report by supervising agencies/authorities requiring us to improve, rectify or execute any action based on their orders.

Appointment of New Directors to Replace Retiring/Resigned Directors:

-None-

Appointment of New Directors (Not to Replace Retiring/Resigned Directors):

-None-

Independent Director Nomination and Criteria

For the nomination of independent directors, Modernform has clearly defined qualification criteria in its Good Corporate Governance Policy. The selection process considers individuals who possess the qualifications of an independent director in accordance with the guidelines set forth by the Capital Market Supervisory Board, as well as the definitions established by the Securities and Exchange Commission (SEC) of Thailand and the Stock Exchange of Thailand (SET).

Definition of “Independent Director”

An “independent director” refers to an external director who is not an executive, is independent from major shareholders or shareholder groups, executives, and related parties, and possesses the following qualifications:

1. Not hold share worth more than 1 percent of total number of shares with voting rights of the Company, associated companies, or any juristic person who may have conflict of interest. The shareholding must be included in the number of shares held by related parties.
2. Have no participation in the executive committee of the Company. He or she shall not be an executive director, employee, consultant with monthly salary or person with controlling power from the Company, associated companies, related companies, or any juristic person who may have conflict of interest, except he or she has ended his or her status at least 2 years.
3. Have no blood relationship or relationship through legal registration as a father, mother, spouse, sibling, and child, including as a spouse of a child, of any executives, major shareholder, person with controlling power, or person who will nominate as executives or person with controlling power of the Company or subsidiary.
4. Have no business relationship with the Company, subsidiary, associated company, or person who may have conflict of interest which may not be clear and free to give his/her opinion.
5. There shall not be a director who has been appointed as the representative of the Company, major shareholder or any shareholder who relates to the major shareholder of the Company.
6. There will not be any professional service provider for the Company.
7. Shall not possess any characteristics which can obstruct to provide his/her opinion independently that relate to the Company’s operation.

In cases where it is proposed to re-elect an independent director for an additional term, the Board of Directors shall reasonably consider the necessity of such re-election, taking into account the qualifications of the board, the individual’s knowledge, abilities, performance, and contributions during their tenure as an independent director.

Business Relationships or Professional Service Rendered by Independent Directors during the Past Year:

-None-

Nomination of Directors and Executives

If the executives position becomes vacant, or the incumbent is unable to perform their duties, the Board of Directors will assign an individual in a similar or subordinate position to serve as interim until a qualified candidate is identified and selected in accordance with Modernform’s criteria.

In the event of a vacancy in the Board of Directors due to reasons other than the expiration of their term, the Board of Directors will consider appointing a qualified individual who is not subject to any legal prohibitions to fill the vacancy, with a resolution passed by a vote of no less than three-fourths of the remaining directors. In such cases, the appointed director will serve only for the remaining term of their predecessor, unless the remaining term is less than two months, in which case the nomination of a replacement director will be submitted to the annual general meeting of shareholders for consideration and approval.

CEO and Executives' Succession Plan

The Board is aware of the importance of management continuity and sustainable and effective business management. It entrusts the NRC to nominate a person with the right qualifications, vision, expertise, experience and attitudes that align with its corporate culture. The person should also profess performance excellence. The nomination will then be submitted to the Board of Directors' meeting for approval. In addition, the Board is aware of the development of necessary knowledge and skills to enhance succession opportunity of important positions such as CEO, President and senior executives. This ultimately makes investors and company staff confident in the Company's operation.

Number of Directors from Major Shareholders

The Board of Directors shall consist of two directors who are major shareholders: Mr. Yothin Nerngchamnon and Mr. Thaksa Busayapoka.

Rights of Minority Shareholders to Appoint Directors

Modernform grants minority shareholders, individually or collectively holding no less than 5% of the total voting shares, the right to propose qualified individuals who are not disqualified under the Public Limited Companies Act and the Securities and Exchange Act for election as directors in advance. This invitation was announced on Modernform's website between September 29 and December 31, 2024. However, in 2024, no shareholders nominated individuals for election as directors.

For voting on the appointment of directors at the Annual General Meeting of Shareholders, Modernform allows shareholders to cast votes individually. Each shareholder has one vote per share (1 share: 1 vote). The individuals with the highest number of votes, in descending order, will be elected as directors up to the number of directors to be elected at that time. The majority vote of the shareholders presents and eligible to vote is required for approval.

Qualifications for the Nomination of Directors

The Nomination and Remuneration Committee is responsible for determining the qualifications and criteria for the nomination, consideration, and selection of suitable candidates with appropriate skills, knowledge, experience, expertise, vision, understanding of the organizational culture, and who are not disqualified under the regulations set forth by the regulatory agencies governing listed companies.

Qualifications for the Nomination of Directors

Qualifications, Knowledge or Experience	Relevant Skills and Expertise
<ul style="list-style-type: none"> All directors of the Company must possess the qualifications and must not be disqualified as specified by the Public Limited Companies Act, the Securities and Exchange Act, regulations issued by the regulatory agencies governing listed companies, and in the case of independent directors, must also meet the qualifications stipulated by the Capital Market Supervisory Board. All directors of the Company must have relevant business and industry experience to ensure overall benefit to the Company, to perform their duties effectively, and to provide valuable perspectives on the business operations. Each director of the Company may not hold directorships in more than five listed companies without exception. If any director of the Company holds a position as a director or executive in another company, that director must disclose such position to the Company. This is considered a related party transaction that must be reported as required under the Disclosure of Information and Transparency section of the Corporate Governance Policy. 	<ul style="list-style-type: none"> Good Corporate Governance and Sustainable Development Large-Scale Organization Management Risk Management and Business Continuity Management Economics, Investment, Policy Formulation, and Strategic Planning The Company's and its Subsidiaries' Core Businesses Sales, Marketing, and Public Relations Human Resources Development Accounting, Finance, and Taxation Laws and Regulations Governing Listed Companies Information Technology

Development of Directors

Director Development during the Past Year

The Board of Directors has a policy of continuously promoting the development of directors and executives to enhance and develop their knowledge, understanding, and skills in both the Group's business and other courses that are beneficial to their duties. This includes encouraging directors, executives, and those involved in Modernform's corporate governance system, such as the Company Secretary, Investor Relations, Internal Audit, etc., to participate in training seminars that enhance knowledge beneficial to their duties and to participate in activities to meet and exchange experiences and opinions with directors and executives of other listed companies organized by the Thai Institute of Directors Association, the Stock Exchange of Thailand, the Securities and Exchange Commission, and other institutions in relevant courses to bring the knowledge and experience gained to improve the efficiency of operations in both business management and good corporate governance.

In 2024, Modernform's directors participated in activities and courses that enhanced their knowledge and were beneficial to the performance of the Board of Directors, as detailed below:

Director Name	Training Attended in the Past Year	Training History
Mr. Yothin Nerngchamnong	<ul style="list-style-type: none"> ESG DNA Program on Sustainability (ESG101, P01), Stock Exchange of Thailand Empowering Board: Enhancing Governance, Standards and Financial Insights, Thai Institute of Directors (IOD) 	<ul style="list-style-type: none"> Director Certification Program (DCP) 35/2003, IOD
Mr. Kitipat Nerngchamnong	<ul style="list-style-type: none"> ESG DNA Program on Sustainability (ESG101, P01), Stock Exchange of Thailand 	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 139/2017, IOD
Mr. Thaksa Busayapoka	<ul style="list-style-type: none"> ESG DNA Program on Sustainability (ESG101, P01), Stock Exchange of Thailand 	<ul style="list-style-type: none"> Director Certification Program (DCP) 32/2003, IOD
Mr. Charoen Usanachitt		<ul style="list-style-type: none"> Director Certification Program (DCP) 32/2003, IOD Director Certification Program (DCP-Re) 2/2006, IOD
Mr. Somsak Varikarn		<ul style="list-style-type: none"> Director Certification Program (DCP) 45/2004, IOD
Mr. Patana Usanachitt	<ul style="list-style-type: none"> ESG DNA Program on Sustainability (ESG101, P01), Stock Exchange of Thailand 	<ul style="list-style-type: none"> Director Certification Program (DCP) 35/2003, IOD
Mr. Kitti Busayapoka		<ul style="list-style-type: none"> Director Accreditation Program (DAP) 138/2017, IOD
Mr. Bancha Dhammarungruang		<ul style="list-style-type: none"> Director Accreditation Program (DAP) 184/2021, IOD
Mr. Suchart Thammapitagkul		<ul style="list-style-type: none"> Director Accreditation Program (DAP) 27/2004, IOD Director Certification Program (DCP) 60/2005, IOD
Mr. Surachai Sonthirathi	<ul style="list-style-type: none"> ESG DNA Program on Sustainability (ESG101, P01), Stock Exchange of Thailand Empowering Board: Enhancing Governance, Standards and Financial Insights, Thai Institute of Directors (IOD) Audit Committee Seminar 2024, EY Office Limited 	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 10/2004, IOD Audit Committee Program (ACP) 37/2011, IOD
Mr. Kittichai Lattisophonkul	<ul style="list-style-type: none"> ESG DNA Program on Sustainability (ESG101, P01), Stock Exchange of Thailand 	<ul style="list-style-type: none"> Director Accreditation Program (DAP) 97/2012, IOD

Information on the Performance Evaluation of Directors

The Board of Directors and its sub-committees, comprising the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Development Committee, and the Risk Management Committee, conduct self-assessments on a committee and individual basis. The performance of the Board of Directors and its sub-committees is evaluated annually, at least once a year, and reported to the Board of Directors regularly. This review process, adapted from the self-assessment guidelines provided by the Stock Exchange of Thailand, is tailored to the characteristics and structure of the Board. It serves as a framework for monitoring the Board's performance and considering the achievements and challenges of the past year related to the Company's operations. The evaluation results are used to enhance the efficiency and effectiveness of the Board of Directors and its sub-committees, as well as to inform the remuneration considerations for the directors and sub-committee members.

Criteria for Evaluating the Performance of the Board of Directors

Modernform has established criteria based on the performance evaluation forms for the Board of Directors and its sub-committees, as follows:

- Committee-level assessment of the Board of Directors: Consists of 6 categories: Board structure and qualifications; Board roles, duties, and responsibilities; Board meetings; Directors' performance; Relationship with management; and Director development and executive development.
- Committee-level assessment of sub-committees: Consists of 3 categories: Sub-committee structure and qualifications; Sub-committee meetings; and Roles, duties, and responsibilities of each sub-committee.
- Individual assessment of the Board of Directors: Consists of 6 categories: Outstanding knowledge and abilities; Independence; Readiness to perform duties; Diligence and responsibility; Performance on the Board; and Vision for long-term value creation.
- Assessment of the adequacy of the internal control system: Consists of 17 categories: Reporting structure; Fraud risk assessment; Enterprise risk assessment; Data management; and Information technology system development, etc.

The self-assessment forms for the Board of Directors (committee and individual), sub-committees (committee), and the adequacy of the internal control system include a 5-level rating scale:

- 0 = Strongly disagree
- 1 = Slightly disagree
- 2 = Disagree
- 3 = Agree
- 4 = Strongly agree
- 5 = Extremely agree

Performance Evaluation of the Board of Directors in the Past Year

In 2024, the summarized details of the evaluation scores are as follows:

- The committee-level self-assessment of the Board of Directors was rated as “Extremely agree,” with an average score of 95.24%.
- The individual performance assessment of the Board of Directors was rated as “Extremely agree,” with an average score of 96.09%.
- The committee-level performance assessment of the sub-committees was rated as “Extremely agree,” with an average score of 95.42%.
- The assessment of the adequacy of the internal control system was rated as “Extremely agree,” with an average score of 98.54%.

Performance Evaluation of the Chief Executive Officer and President

The Board of Directors has assigned the Nomination and Remuneration Committee to evaluate the performance of the Chief Executive Officer and President. The evaluation utilizes the CEO Performance Appraisal form provided by the Stock Exchange of Thailand as a guideline. The evaluation criteria include target setting, leadership, strategy formulation, strategy implementation, financial planning and performance, relationship with the Board, external relations, personnel management and relations, succession planning, product and service knowledge, and personal attributes, among others.

For 2024, the Nomination and Remuneration Committee incorporated Modernform’s sustainability performance into the evaluation metrics, such as financial results and environmental performance. The performance of the Chief Executive Officer and Managing Director was rated as “Very Good.” The evaluation results will be considered for appropriate compensation adjustments.

8.1.2 Meeting Attendance and Remuneration of the Directors

Meeting Attendance of the Board of Directors

The Board of Directors schedules at least six meetings per year in advance to consider Modernform’s operating results after the financial statements have been reviewed or audited by the auditors. It also provides an opportunity for subsidiaries to report their operating results, plans, and targets at least once a year, and arranges additional special meetings as necessary. The Company Secretary is responsible for notifying the Board of Directors and all sub-committees of the meeting schedules for the entire year in advance, usually towards the end of the preceding year, so that directors can allocate their time to attend all meetings. Modernform has a policy of encouraging directors to attend meetings regularly, not less than 75% of the total number of meetings held throughout the year.

The Chairman of the Board and the Chairman of the Audit Committee jointly determine the meeting agenda and provide all directors with the opportunity to propose topics for consideration as agenda items. Meeting notices and agendas, along with sufficient important information, are provided to the directors for their consideration. The Company Secretary is responsible for sending meeting invitations and related documents for each agenda item to each director at least seven days prior to the meeting, or in urgent cases, no less than five business days prior to the meeting, to allow the directors sufficient time to study the information.

A quorum for a Board of Directors meeting requires the presence of no less than one-half of the total number of directors. At the meetings, the Chairman provides all directors with the opportunity to freely and openly discuss

and express their opinions, with ample time allocated for discussion of important issues. If any director has a vested interest or a conflict of interest with a matter under consideration, that director will not participate in the meeting or will abstain from voting on that agenda item.

The Board of Directors has set a minimum quorum requirement for resolutions to be passed, requiring the presence of no less than two-thirds of the total number of directors. The Company Secretary is responsible for accurately and completely recording the minutes of the meeting, clearly documenting the opinions of the directors in writing, preparing the meeting report within 14 days of the meeting date, and storing it properly and completely at the head office for inspection by directors and relevant parties.

Details of Board of Directors Meeting Attendance

In 2024, Modernform scheduled a total of six Board of Directors meetings, all of which were held onsite. The average attendance rate of the Board of Directors was 89.09%. One Board of Directors meeting was cancelled during the year as Modernform decided not to consider paying interim dividends.

Director Name	Position	Board of Directors Meetings		Annual General Meeting of Shareholders	
		Attended (Meetings)	Eligible to Attend (Meetings)	Attended (Meetings)	Eligible to Attend (Meetings)
Mr. Yothin Nerngchamnong	Chairman	5	5	1	1
Mr. Kitipat Nerngchamnong	Director	4	5	1	1
Mr. Thaksa Busayapoka	Director	5	5	1	1
Mr. Charoen Usanachitt	Director	4	5	1	1
Mr. Somsak Varikarn	Director	5	5	1	1
Mr. Patana Usanachitt	Director	4	5	1	1
Mr. Kitti Busayapoka	Director	5	5	1	1
Mr. Bancha Dhammarungruang	Director	3	5	1	1
Mr. Suchart Thammapitagkul	Independent Director	4	5	1	1
Mr. Surachai Sonthirathi	Independent Director	5	5	1	1
Mr. Kittichai Lattisophonkul	Independent Director	5	5	1	1
Percentage of Attendance		89.09		100	

Reasons for Directors' unattended Board of Directors' Meetings

All directors recognize the importance of dedicating their time to attending the Board of Directors' meetings in accordance with the principles of good corporate governance. In the event of unforeseen circumstances that prevent a director from attending a Board of Directors' meeting, the absent director will carefully review the meeting agenda. If they have any differing opinions, they will seek clarification until they have a clear understanding of the intent and objectives for the best interests of Modernform.

Remuneration of the Board of Directors and Sub-Committees

The Nomination and Remuneration Committee is responsible for considering and determining the appropriate remuneration for the Board of Directors and its sub-committees. This is done by reviewing the compensation of directors at other listed companies in the same industry and with similar business size, based on director compensation survey data from the Stock Exchange of Thailand, as well as benchmarking against the average compensation of listed companies. The committee considers the appropriateness of the remuneration in relation to the duties, responsibilities, performance linked to operating results, and other relevant business factors. The Nomination and Remuneration Committee will initially determine the compensation for the Board of Directors and submit it to the Board of Directors for further submission to the shareholders' meeting for consideration and approval.

Criteria of Directors' Remuneration Payment

Modernform determines the form of compensation for the Board of Directors and each sub-committee as appropriate to the duties assigned to them. At the Annual General Meeting of Shareholders held on April 19, 2024, the shareholders approved the continuation of the compensation for the Board of Directors and its sub-committees for the 2024 fiscal year at the same rates as in the 2023 fiscal year, as follows:

1. Board of Directors

Chairman of the Board: 94,000 THB per quarter

Directors: 72,000 THB per quarter

2. Sub-Committees

2.1 Audit Committee

Chairman of the Audit Committee: 25,000 THB per month

Audit Committee Members: 22,000 THB per month

2.2 Nomination and Remuneration Committee

Members: 30,000 THB per quarter

Note: This applies only to directors who are not executives or employees of Modernform.

2.3 Risk Management Committee

Chairman of the Risk Management Committee: 10,000 THB per meeting

Risk Management Committee Members: 7,000 THB per meeting

Note: This applies only to directors who are not executives or employees of Modernform.

Remuneration of the Board of Directors for the year ended December 31, 2024.

Directors/Position in the Board of Directors and Sub-Committees	Modernform				Monetary Remuneration of Subsidiaries (Baht)
	Monetary Remuneration (Baht)	Other Monetary Remuneration (Baht)	Total (Baht)	Non-Monetary Remuneration (Baht)	
Mr. Yothin Nerngchamnong Board of Directors	376,000	-	376,000	-	-
Mr. Kitipat Nerngchamnong Board of Directors	288,000	-	288,000	-	-
Mr. Thaksa Busayapoka Board of Directors	288,000	-	288,000	-	-
Mr. Charoen Usanachitt Board of Directors	288,000	-	288,000	-	-
Mr. Somsak Varikarn Board of Directors	288,000	-	288,000	-	-
Mr. Patana Usanachitt Board of Directors	288,000	-	288,000	-	-
Mr. Kittu Busayapoka Board of Directors	288,000	-	288,000	-	-
Mr. Bancha Dhammarungruang Board of Directors	288,000	-	288,000	-	-
Mr. Suchart Thammapitagkul Board of Directors	288,000	-	288,000	-	-
Audit Committee	300,000	-	300,000	-	-
Mr. Surachai Sonthirathi Board of Directors	288,000	-	288,000	-	-
Audit Committee	264,000	-	264,000	-	-
Risk Management Committee	30,000	-	30,000	-	-
Mr. Kittichai Lattisophonkul Board of Directors	288,000	-	288,000	-	-
Audit Committee	264,000	-	264,000	-	-

The table summarizes remuneration to each committee during the Past Year

Committee Name	Annual Remuneration (Baht)	Other Remuneration (Baht)	Total (Baht)
Board of Directors	3,256,000	-	3,256,000
Audit Committee	828,000	-	828,000
Nomination and Remuneration Committee	-	-	-
Corporate Governance and Sustainable Development Committee	-	-	-
Risk Management Committee	30,000	-	30,000
Total	4,114,000	-	4,114,000

Outstanding Remuneration or Benefits Payable to Directors

-None-

8.1.3 Supervision and Governance of Subsidiaries and Associates

Governance Mechanism for Subsidiaries and Associated Companies

The Board sets a policy to supervise subsidiaries and other businesses in which the Company has materially invested to properly reflect their business nature. Directors or senior executives are dispatched to represent the Company as a director or an executive director based on a shareholding ratio. The Board also sets scopes of roles and responsibilities of the Company's representatives so that they can perform their duty to the best, comply with policies of the subsidiaries for company interest while reflecting the parent company's policy. These representatives will oversee the subsidiary's internal control to ensure that it is adequate, proper and legally compliant. They also monitor the results of subsidiary operation in order to prepare the Company's financial statements in accordance with standards and within a timely fashion.

Disclosure of Agreements between the Company and Shareholders in the Management of Subsidiaries and Associated Companies

-None-

8.1.4 Monitoring Compliance with the Corporate Governance Policy and Practices

8.1.4.1 Prevention of Conflict of Interest

Modernform has established this Conflict of Interest Policy and Guidelines to demonstrate its commitment to conducting business with integrity, transparency, and accountability. The Company emphasizes the importance of considering potential conflicts of interest, related-party transactions, or intercompany transactions.

Definition of "Conflict of Interest" refers to a situation where an individual has a personal interest that conflicts with the interests of the organization or unit to which they belong directly or indirectly. This personal interest may influence their decision-making or performance of duties and may impact on the operations of the organization or department. Modernform has established guidelines for directors, executives, and employees as follows:

1. Avoid intercompany transactions that may benefit oneself or related parties, which may give rise to conflicts of interest with the Company or its subsidiaries

2. Refrain from engaging in competing businesses that may compromise the interests of the Company or its subsidiaries, unless it can be demonstrated that such businesses do not harm the Company or that measures are in place to ensure the best interests of the Company and its shareholders.
3. Disclose potential conflicts of interest if an employee or a close family member becomes a director, shareholder, executive, or has any involvement that may raise suspicions of conflicts of interest with the Company. The employee must notify their supervisor or the person responsible, who will consider and take appropriate action in accordance with the Company's good governance policy and without harming the Company.
4. Abstain from participating in decision-making or approving transactions that may involve conflicts of interest and ensure that prices are determined fairly and reasonably as if dealing with an unrelated party.
5. Disclose information on potential conflicts of interest or related-party transactions by the rules and regulations set by the Securities and Exchange Commission and the Stock Exchange of Thailand, and report such information in the annual report, 56-1 One Report or other reports as required, with consideration for the best interests of shareholders.

Conflict of Interest Management during the Past Year

In 2024, there was no wrongdoing by the directors, executives and employees of Modernform and its subsidiaries in terms of conflicts of interests or operations in violation of relevant policies, regulations and laws.

Number of Cases or Issues Related to Conflicts of Interest

	2024	2023	2022
Number of Cases or Issues Related to Conflicts of Interest	0	0	0

Details of Cases or Issues Related to Conflicts of Interest

-None-

8.1.4.2 Prevention of Misuse of Insider Information

• Confidentiality, Data Protection, and Internal Information Use

Modernform operates with transparency and places significant importance on preventing the misuse of the Company's internal information, as well as safeguarding the confidentiality of both the Company and its clients. The Company has established a policy prohibiting directors, executives, and employees from disclosing confidential and/or internal information that has not yet been made public or from seeking personal or third-party benefits, whether directly or indirectly. This includes refraining from trading the Company's securities based on such internal information, in compliance with the regulations set forth by the Securities and Exchange Commission of Thailand. The Company has implemented a confidentiality policy, data protection measures, and internal information usage guidelines as follows:

1. Confidentiality Obligations: Directors, executives, employees, and relevant personnel who handle non-public information and documents that cannot be disclosed to others, or internal information that has not yet been made public through the Stock Exchange of Thailand, which may affect the price of securities (including financial statements, performance reports of the Company/subsidiaries /joint ventures and trade secrets), are obligated to maintain the confidentiality and security of such information and to rigorously protect confidential data from inadvertent disclosure.

2. **Prohibition of Disclosure:** The Company prohibits directors, executives, and employees who are privy to internal information from disclosing confidential and/or business information for personal gain or for the benefit of any third party, especially competitors, whether directly or indirectly, and regardless of whether any benefit is received. This includes using such information to compete with the Company or its subsidiaries unless disclosure is mandated by law.
3. **Post-Employment Confidentiality:** The Company prohibits current and former directors, executives, and employees from disclosing internal information or trade secrets for personal gain or for the benefit of any third party, particularly competitors, regardless of whether such a disclosure would harm the Company or its clients. This includes safeguarding customer confidentiality obtained during the performance of their duties.
4. **Classification of Confidential Information:** The Company classifies trade secret information into levels of confidentiality based on importance, ranging from public information to highly confidential information. Internal information may only be shared within the confines of the assigned duties and responsibilities.
5. **Regular and Systematic Monitoring:** The collection, use, or disclosure of personal data is regularly audited by the company in accordance with the Personal Data Protection Act B.E. 2562.
6. **Access Control:** The Company implements measures to prevent the misuse of internal information by restricting access to non-public information to only those who are directly involved and necessary. Additionally, a security system for internal data must be established, with data owners ensuring compliance by relevant parties.
7. **Disclosure Protocols:** Any disclosure of information about the Company and its clients to external parties or the public must be conducted by authorized personnel. General staff without disclosure authority should direct inquiries to those with the appropriate authority or designated representatives to ensure accurate and consistent information is provided.
8. **Fair Use of Internal Information:** The use of internal information must be conducted equitably and fairly towards all stakeholders associated with the Company to prevent any legal violations. Those privy to undisclosed internal information should refrain from trading the Company's securities, adhering strictly to the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

- **Securities Trading and Reporting of Interests for Directors, Executives, and Related Persons**

Modernform operates with transparency and emphasizes the prevention of unfair practices related to securities trading that may arise from the use and/or disclosure of information affecting the price of securities that has not yet been publicly disclosed. In accordance with the Securities and Exchange Act B.E. 2535 (1992) and its amendments, as well as the regulations set forth by the Securities and Exchange Commission, the following guidelines for securities trading by directors, the Chief Executive Officer, the Managing Director, and the top four executives following the Managing Director, including the Chief Financial Officer or equivalent, have been established. This also includes individuals in positions or roles responsible for internal information or who can access undisclosed internal information that is significant to changes in the price or value of securities. Additionally, directors and executives are required to report on their interests or those of related people, which pertain to the management of the Company or its subsidiaries, as outlined below:

1. Directors and executives of the Company are required to prepare reports disclosing their own securities holdings, as well as those held by their spouses, cohabiting partners, and minor children. This includes holdings in legal entities where the directors and executives, their spouses, cohabiting partners, or minor children hold over 30% of the total voting rights and represent

the largest shareholding of such entities. These reports must be submitted to the SEC in accordance with Section 59 and penalties as outlined in Section 275 of the Securities Act.

- 2. Directors, executives, their spouses, cohabiting partners, and minor children are prohibited from trading securities or entering forward contracts related to the Company’s securities, or those of its subsidiaries or associated companies that are publicly listed, during the one-month period preceding the disclosure of quarterly and annual financial statements, as well as within 24 hours following the release of such financial statements. Additionally, they must refrain from trading for 24 hours after any public disclosure of internal information that could affect the Company’s securities price (the “Blackout Period”).
- 3. The Company designates the Company Secretary as the individual responsible for receiving notifications regarding changes in securities holdings at least one day prior to any trading activity. The Company Secretary will compile a summary report for the Board of Directors and disclose information regarding changes in securities holdings or forward contracts of directors, executives, and related people in the Annual Report/Form 56-1 One Report.

Guidelines for Reporting Interests for Directors and Executives

- 1. Newly appointed directors and executives are required to prepare and submit a report detailing their conflicts of interest and personal history to the Company Secretary within seven days of the date of their appointment.
- 2. In the event of new conflicts of interest arising or changes to information during the fiscal year, the relevant parties must utilize the designated form for reporting changes in conflicts of interest and personal history. This report must be submitted to the Company Secretary within three days from the date of the transaction or the change in information.
- 3. The Company Secretary shall forward a copy of the conflict-of-interest report, as stipulated in Section 89/14, to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven business days from the date the Company receives the report. Additionally, the Company Secretary shall retain the conflict-of-interest reports submitted by directors and executives.
- 4. The Company shall disclose information regarding the conflicts of interest of directors and executives in its Annual Report (Form 56-1 One Report).

Insider Trading Prevention during the Past Year

In 2024, There was no transaction done by directors, executives and relevant employees during blackout period. Also, Modernform did not receive any complaints about directors, executives or non-compliance in relation to this policy.

Number of Cases or Issues related to Insider Trading

	2024	2023	2022
Number of Cases or Issues related to Insider Trading	0	0	0

Details of Cases or Issues related to Insider Trading

-None-



Shareholding Report on Directors and Executives of Modernform Group Public Company Limited, as of December 31, 2024, compared to the previous year

Security Holder Name		Position	Number of Common Shares as of December 31, 2024	Number of Common Shares as of December 31, 2023	Change in Number of Shares	Percentage of Change (Increase/Decrease)
1	Mr. Yothin Nerngchamnong	Chairman	27,539,420	27,459,420	+0.29	4.48
	Spouse and Minor Child		6,042,000	6,042,000	-	
2	Mr. Kitipat Nerngchamnong	Executive Director	4,675,200	4,675,200	-	0.62
	Spouse and Minor Child		2,000	2,000	-	
3	Mr. Charoen Usanachitt	Director	142,000	4,542,000	-96.87	0.04
	Spouse and Minor Child		188,800	7,592,660	-97.51	
4	Mr. Somsak Varikarn	Director	-	-	-	-
	Spouse and Minor Child		-	-	-	
5	Mr. Kitti Nerngchamnong	Director	369,360	369,360	-	0.05
	Spouse and Minor Child		-	-	-	
6	Mr. Patana Usanachitt	Director	111,750	811,750	-86.23	0.01
	Spouse and Minor Child		-	-	-	
7	Mr. Bancha Dhammarunguang	Director	6,700,000	6,700,000	-	0.89
	Spouse and Minor Child		930	930	-	
8	Mr. Thaksa Busayapoka	Director	24,446,000	24,446,000	-	5.06
	Spouse and Minor Child		13,476,000	13,476,000	-	
9	Mr. Suchart thammavitugkul	Independent Director	-	-	-	-
	Spouse and Minor Child		-	-	-	
10	Mr. Kittichai Lattisophonkul	Independent Director	15,000	15,000	-	0.00
	Spouse and Minor Child		-	-	-	
11	Mr. Surachai Sonthirathi	Independent Director	-	-	-	-
	Spouse and Minor Child		-	-	-	
12	Ms. Natcharintorn Siri Wattana	Senior Executive Vice President	-	-	-	-
	Spouse and Minor Child		-	-	-	
13	Ms. Sawangjit Pongpipatpong	Senior Vice President	-	-	-	-
	Spouse and Minor Child		-	-	-	
14	Mr. Panya Pimpa	Vice President	-	-	-	0.00
	Spouse and Minor Child		1,000	1,000	-	
15	Mr. Supaiboon Chumai	Vice President	-	-	-	-
	Spouse and Minor Child		-	-	-	
16	Mrs. Wipawee Sroyraya	Vice President	-	-	-	-
	Spouse and Minor Child		-	-	-	

8.1.4.3 Anti-Corruption

Modernform has established an anti-corruption policy to communicate with Directors, Executives, Employees, customers, partners, and stakeholders. This policy serves as a strict guideline for all Directors, Executives, and Employees to follow and promotes awareness of the clear and transparent roles and responsibilities necessary for ethical business practices, contributing to the sustainable development of the organization and society.

Definition of “Corruption” refers to any act involving the acceptance, solicitation, or offering of gifts or benefits to public officials, private organizations, or other individuals doing business with the Company, with the intent to influence actions or decisions improperly to gain unfair advantages or benefits for oneself or related parties, resulting in harm to the interests of others. Modernform has established guidelines for directors, executives, and employees as follows:

1. Strictly adhere to the anti-corruption policy and refrain from involvement in any form of corruption, whether direct or indirect.
2. Avoid any actions that may be perceived as corrupt, including offering or accepting bribes from stakeholders related to the Company in matters under responsibility.
3. Do not ignore or overlook any signs of corruption related to the Company; it is the duty of personnel to report such incidents to their supervisors or responsible parties and cooperate in fact-finding investigations. The Company will ensure fairness and protection for employees or others who report corruption-related allegations, in accordance with the Whistleblower Policy.
4. This policy extends to human resource management processes, including recruitment, promotion, training, performance evaluation, and employee compensation.
5. In any operations that may pose a risk of corruption, all personnel at every level must comply with related policies and measures diligently, including:
 - Political Contributions: Modernform maintains a neutral political stance and does not participate in activities that may imply support for any political party or group. Company assets will not be used to support any political party or candidate.
 - Charitable Donations: Donations made by the Company must be to reputable organizations with a clear social benefit, conducted transparently, and subject to monitoring to ensure they are not misused as a guise for bribery.
 - Sponsorship Funds: Funds provided to or received from customers, partners, or business associates for the purposes of business, branding, or enhancing the Company’s reputation, aimed at fostering commercial credibility and strengthening business relationships as appropriate to the occasion.
 - Facilitation Payments: Modernform has a strict policy against making facilitation payments in any form, whether direct or indirect. The Company will not engage in or accept any actions in exchange for facilitating business operations.
 - Gifts and Hospitality: The giving or receiving of gifts, tokens of appreciation, hospitality, and related expenses must comply with the best practices outlined in the Good Corporate Governance Policy and the Code of Conduct. Gifts or hospitality provided to or received from any company, organization, or individual for the purpose of business networking, relationship building, or hospitality must adhere to customary practices during festivals, significant occasions, or traditional events, provided they are appropriate in value and context as defined by the Company’s guidelines.

- **Employment of Public Officials:** Modernform has a policy that, should it be necessary to employ public officials as directors, executives, employees, or consultants, a selection process, approval for hiring, compensation determination, and control measures must be in place to ensure that such employment does not serve as a means to gain any undue advantage for the Company, which could undermine the image of credibility and integrity in its operations and pose a risk of corruption.
- **Procurement Practices:** Modernform conducts business with partners based on fairness, adhering to ethical trading practices within the framework of laws and regulations. Partners must not bring disrepute to the Company or violate any laws. The Company considers equity and mutual benefits, exchanging knowledge to develop business collaboratively and treating all partners equally. Guidelines for procurement must be transparent, equitable, and fair to serve the best interests of the Company.

Efforts in Anti-Corruption Initiatives Over the Past Year

Modernform has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) as of June 30, 2024. We consistently review our business practices to ensure alignment with anti-corruption policies. This includes conducting risk assessments to identify potential corruption risks and effectively communicating our policies and practices regarding anti-corruption to all employees.

In the year 2024, Modernform has not identified any instances of non-compliance with anti-corruption policies and practices among our directors, executives, or employees.

The number of cases related to corruption for the past three years

	2024	2023	2022
The number of cases related to corruption	0	0	0

Details of Corruption-Related Cases or Issues

-None-

8.1.4.4 Whistleblower Protection and Reporting Channels

To ensure that all stakeholders take part in the CG process, the Board of Directors issues a whistleblowing policy and guidelines and publishes them on its website. The goal is to provide a channel to receive comments, recommendations and complaints from internal staff, the third party and stakeholders in order to enhance the management’s efficiency.

Modernform is committed to fostering a transparent and ethical workplace environment. We actively support whistleblowers by providing secure channels for reporting misconduct, ensuring that all reports are treated with the utmost confidentiality and respect. We encourage whistleblowers to disclose their identities and/or provide clear and sufficient evidence regarding the alleged misconduct of the individuals being reported. Additionally, we request that whistleblowers share their contact information to facilitate communication throughout the reporting process. Reports can be submitted through the designated whistleblowing channels outlined below:

Chairman of Audit Committee

Modernform Group Public Company Limited

699 Srinakarindr Road, Phatthanakarn, Suan Luang, Bangkok 10250

E-mail: co.secretary@modernform.co.th

Modernform has established clear and documented procedures outlining the steps and processes for fact-checking in accordance with our whistleblowing policy and business ethics guidelines. This ensures that all employees are aware of the procedures for investigating complaints related to fraud, corruption, and misconduct.

Whistleblowing Activities During the Past Year

In 2024, Modernform did not receive any complaints regarding misconduct or violations of anti-corruption policies and practices that had a significant adverse impact.

Number of Cases or Issues Related to Whistleblowing

	2024	2023	2022
Number of Whistleblowing Cases	0	0	0

Details of Cases or Issues Related to Corruption

-None-

Monitoring Compliance with Other Governance Policies and Practices

The Board of Directors, responsible for overseeing the organization, ensures that business operations adhere to principles of good corporate governance. In 2024, Modernform did not identify any significant instances of non-compliance with laws, regulations, announcements, or orders from either internal or external sources by directors, executives, or employees.



8.2 Performance Report of the Audit Committee for the previous year

8.2.1 Number of Meeting Attendance

Modernform's Audit Committee (AC), which has been appointed by the Board of Directors, consists of three independent directors, namely, Mr. Suchart Thammapiatagkul, chairman, Mr. Kittichai Lattisophonkul and Mr. Surachai Sonthirathi, the AC's two members. They have expertise in law, accounting and finance.

In 2024, the AC met on four occasions. Auditors and Senior Executive Vice President, Finance and Accounting, attended the meetings in related agendas to review information on financial statements, acknowledge auditing reports and examine financial information. The AC also acknowledged the auditors' opinions on Modernform's financial statements and other opinions with material effects. Attendance of all AC members was 91.67% as follows.

Director Name	Position	Audit Committee Meetings	
		Attended	Eligible to Attend
1. Mr. Suchart Thammapiatagkul	Chairman of Audit Committee	3	4
2. Mr. Surachai Sonthirathi	Audit Committee Member	4	4
3. Mr. Kittichai Lattisophonkul	Audit Committee Member	4	4

The Audit Committee has performed its duties independently in accordance with the Audit Committee Charter and as assigned by the Board of Directors. The Committee's role is to assist in reviewing and ensuring that Modernform and its subsidiaries adhere to good corporate governance principles, in compliance with the regulations and best practices set forth by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Committee reports on the outcomes of its meetings to the Board of Directors on each occasion.

8.2.2 Explanation of Performance Results of Audit Committee

Reviewing financial statements

Audit Committee ("AC") reviewed both quarterly and annual financial statements as well as consolidated statements of Modernform Group and its subsidiaries together with auditors, Senior Executive Vice President, Accounting and Finance and internal audit executives. The AC, upon reviewing important issues, offered advice to ensure that preparation of the financial statements was in sync with the Generally Accepted Accounting Principles (GAAP) and international accounting standards, and that they remained accurate, reliable and adequate while material information was disclosed in a timely matter to Modernform, subsidiaries and associated companies.

The AC was of view, which was congruent with the auditors' opinion that Modernform's financial statements were accurate in its essence and that they were transparent and reliable. The information was adequately and properly reviewed. An appropriate accounting policy was implemented upon review to prepare the financial statements, which duly reflected GAAP. The financial statements as of end of December 31, 2024, have been audited, reviewed and given an unconditional opinion by independent certified public accountants (CPA).

Reviewing the internal audit system

The AC reviewed the adequacy and effectiveness of Modernform's internal control system under the COSO-ERM framework that covers all internal audit aspects within an organization ranging from risk assessment to operation control, IT and communications and monitoring system. In addition, mechanisms to cultivate adequate auditing and balance of power were in place to protect and safeguard shareholders' equity and the company's

assets. A control self-assessment has also been communicated to all departments in a bid to build up a system that would minimize corruption risk while achieving business goals.

In addition, the AC annually assessed the adequacy of the internal audit and risk management systems based on the COSO-ERM framework. In 2024, the AC was of the view that Modernform did have an adequate and effective internal control system. No material weakness or defect that may affect its business was found. Details are under the Internal Control topic in the Annual Report.

Supervising the internal audit

The AC has supervised the Internal Audit Department, including its appointments, transfer and termination of employment. It also determined scopes of work, roles and responsibilities and independence involved in auditing responsibilities where an annual internal audit plan was to be reviewed annually under the risk management framework covering sensitive and high-risk systems. In addition, the AC reviewed the Internal Audit Department's performance on a quarterly basis, offered advice and followed up with remedies in material issues identified in an internal audit report. It also worked to strengthen the Department's independence to enable free, fair and effective expressions of opinion so that all other departments would remain confident in their advice. The AC also reviewed a number of required workforce and approved annual training budgets for internal audit staff to enhance their capacity and audit quality to reflect the International Standard for the Professional Practice of Internal Audit. Finally, the AC advised internal audit staff to strictly comply with Internal Audit Charter.

Supervising legal and Regulatory Compliance

The AC reviewed the operation to see if it complied with the Securities and Exchange Act, the SET's requirements and other related laws. The AC also acknowledged regulatory changes that affected the company.

Appointing auditors and setting their remunerations for 2024

The AC assessed the 2024 auditor's performance based on their knowledge, experiences and outcomes. It also evaluated auditor's independence and auditing performance based on auditing standards. Auditors were found to submit plans in advance, meet targets set for their tasks and offer extremely useful recommendations to the company.

As a result, the AC decided to nominate EY Office Company Limited as the 2024 auditor. This was submitted to the Board to seek approval from the Annual General Meeting of Shareholders (AGM). In addition, the 2024 auditing fee totaling 2.26 million baht, 0.9% increasing from the year 2023.

EY Office Company Limited was also an auditor of other subsidiary and associated companies. The 2024 AGM subsequently resolved to appoint EY Office Company Limited as the auditor as proposed by the Board. The auditor, in accordance with any one of the following is an auditor and expresses an opinion on the financial statements and the consolidated financial statements in 2024, consisting of:

- | | | |
|----|-------------------------------|---|
| 1. | Ms. Sumana Punpongsanon | Certified Public Accountant No. 5872 and/or |
| 2. | Ms. Noraya Srisuk | Certified Public Accountant No. 9188 and/or |
| 3. | Ms. Orawan Techawatanasirikul | Certified Public Accountant No. 4807 and/or |
| 4. | Mrs. Nammon Kertmongkolchai | Certified Public Accountant No. 8368 |

The Audit Committee proceeded to select the company's auditor on the basis of independence, skills and team competency, impartiality, auditing expertise, accountability and performances that reflect international standards plus through understanding of the business which would speed up the auditing process while making it more efficient.

Therefore, the Company and subsidiaries do not use any other services from EY Office Company Limited aside from annual auditing and 4 auditors, namely, are not shareholders of the Company or its subsidiaries. They have no relationship or interest with executives, major shareholders or those relating to subsidiaries and connected companies.

Reviewing connected transactions and those with possible conflict of interest

The AC reviewed opinions relating to connected transactions and those with possible conflict of interest with Modernform Group and subsidiaries to reflect relevant rules, regulations and laws and to ensure that transactions were fair and at arm's length. The AC also reviewed items qualified as connected transactions or with possible conflict of interest during the year and saw that the information was duly disclosed.

Enhancing communication efficiency between the Audit Committee, Auditors and the Internal Audit Department

The Audit Committee invites auditors to meet with executives of the Internal Audit Department and the Finance and Accounting Department each quarter without the management's presence. This meeting is designed to review financial and accounting tasks to ensure that they meet new accounting standards relevant to the company. For issues raised by auditors, the Internal Audit Department will monitor their remedy on a project-by-project basis and report its monitoring result on a quarterly basis to the Board Meeting. External and internal auditors are encouraged to be independent where they can frankly express their opinions, report what is found based on existing facts and monitor and remedy issues, problems and challenges audited and highlighted to improve efficiency.

Reporting the AC's meeting results

The Board required the AC to convene four times a year on the same day of the Board's meeting to review quarterly financial statements, connected transactions and transactions with conflict of interest, and to report on the Internal Audit Department's performance. Discussions at the AC meeting were to be submitted to the Board for acknowledgement. The AC offered useful advice to the management, which they appropriately applied as suggested.

Performing the AC's roles and responsibilities as stated in the AC's Charter

In 2024, the AC duly performed its tasks based on roles and responsibilities stated in the AC's Charter and approved by the Board. In this regard, it had exercised knowledge and competency with prudence and adequate independence. The AC reported results of its meetings while independently expressing opinions to the Board for ultimate and equal benefit to the company and all stakeholders.

The AC is of the view that Modernform Group has duly reported its financial information that reflects GAAP. Information on connected transactions and those with conflict of interest has been adequately disclosed. The company does have effective and proper internal control and internal audit, and finally, it has complied with the SET's requirements and relevant laws.



Mr. Suchart Thammapiatagkul
Chairman of Audit Committee

8.3 Performance Summary of Other Committees

8.3.1 Report of the Corporate Governance and Sustainable Development Committee

Attendance of Corporate Governance and Sustainable Development Committee

The Board of Directors has established the Corporate Governance and Sustainability Committee (CG&SD”), which comprises at least two directors, along with advisors or executives. The Chairperson of the Committee must be an independent director. The Committee is required to convene at least once a year, with a term of office lasting three years. Directors whose terms have expired may be reappointed.

In the fiscal year 2024, the Corporate Governance and Sustainability Committee held two meetings, with an attendance rate of 83.33% among its members.

Director Name	Position	CG & SD Meetings	
		Attended	Eligible to Attend
1. Mr. Surachai Sonthirathi	Chairman of CG & SD	2	2
2. Mr. Kittichai Lattisophonkul	CG & SD Member	2	2
3. Mr. Pattana Usanachitt	CG & SD Member	2	2
4. Mrs. Somrak Chotibhongs	CG & SD Member	1	2
5. Ms. Natcharintorn Siri wattana	CG & SD Member	1	2
6. Ms. Jongjit Naboonpattana	CG & SD Member	2	2

Performance of the Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee has diligently fulfilled its responsibilities within the scope of authority assigned to it. The Committee is committed to supporting the organization in achieving its goals of creating value, ensuring stability, and fostering sustainable business growth for the benefit of the organization, shareholders, and all stakeholders.

In the fiscal year 2024, the Committee convened to address its roles and responsibilities in the following areas:

Corporate Governance

1. The Committee reviewed and established best practices for corporate governance, including anti-corruption policies, business ethics, and whistleblower policies, as well as social and environmental responsibilities. These initiatives are aligned with Modernform’s business operations and were presented to the Board of Directors for approval and implementation as guidelines for the conduct of directors and management.
2. The Committee assessed and updated the policies and practices in accordance with good corporate governance principles, anti-corruption measures, and business ethics to ensure that Modernform’s governance policies remain current and compliant with international standards, as well as applicable laws, regulations, and recommendations from regulatory bodies.
3. The Committee provided oversight and guidance to directors, employees, and management in fulfilling their duties and responsibilities under the principles of good corporate governance, ensuring effective governance and management practices.

Sustainability Development

1. The Committee established sustainability management policies that align with the organization's economic, social, and environmental operations.
2. The Committee promoted and supported various company activities aimed at achieving sustainability goals.
3. The Committee reviewed and approved the Sustainability Report prior to its publication.
4. The Committee conducted a review of sustainability policies and practices to ensure ongoing relevance and effectiveness.



(Mr. Surachai Sonthirathi)

Chairman of the Corporate Governance
and Sustainable Development Committee

8.3.2 Report of the Nomination and Remuneration Committee

Attendance of the Nomination and Remuneration Committee

The Board of Directors considers and appoints the Nomination and Remuneration Committee (“NRC”) consisting of independent directors and non-executive directors and assigns to hold meetings at least twice a year, with a term of office of 3 years.

In the fiscal year 2024, the Nomination and Remuneration Committee held two meetings, with an attendance rate of 100.00% among its members.

Director Name	Position	NRC Meetings	
		Attended	Eligible to Attend
1. Mr. Thaksa Busayapoka	Chairman of NRC	2	2
2. Mr. Yothin Nerngchamnong	NRC Member	2	2
3. Mr. Somsak Varikarn	NRC Member	2	2

Performance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has diligently executed its responsibilities as assigned by the Board of Directors, in accordance with the duties and responsibilities outlined in the Committee’s charter. The Committee has focused on reviewing the criteria and processes for the nomination and appointment of suitable candidates for the positions of directors and senior executives, as well as proposing remuneration policies and other benefits for the Board and its subcommittees for consideration by the Board of Directors or the shareholders’ meeting on significant matters.

In the fiscal year 2024, the Nomination and Remuneration Committee reported its meeting outcomes, along with recommendations, to the Board of Directors for ongoing consideration. The key points are summarized as follows:

1. The Committee evaluated and identified qualified individuals to replace three directors whose terms were set to expire. The company provided an opportunity for shareholders to propose qualified candidates for election as directors, in accordance with the company’s established criteria, from September 29, 2023, to December 31, 2023. However, no shareholder nominations were received. Consequently, the Committee assessed the suitability and qualifications of the incumbent directors, considering their attendance, contributions, and overall benefit to Modernform. It was determined that the directors whose terms were expiring met all qualifications as stipulated in the Public Limited Companies Act B.E. 2535, and possessed the expertise, knowledge, and experience beneficial to the company’s operations. Their strong performance as directors and consistent meeting attendance further supported the recommendation to reappoint these three directors for an additional term.
2. The Committee proposed the remuneration for the Board of Directors and its subcommittees for the fiscal year 2024, which was presented for approval at the Board of Directors meeting, to be subsequently submitted for ratification at the Annual General Meeting of Shareholders.
3. The Committee reviewed the remuneration for senior executives of Modernform, from the Director level and above, ensuring alignment with performance outcomes, economic conditions, and adherence to good corporate governance practices.

The Nomination and Remuneration Committee has carried out its duties with diligence, caution, and transparency, prioritizing the best interests of the company, shareholders, and all stakeholders.



(Mr. Thaksa Busayapoka)

Chairman of the Nomination and Remuneration Committee

8.3.3 Report of the Risk Management Committee

Attendance of the Risk Management Committee

The Board of Directors is responsible for appointing the Risk Management Committee (“RMC”), which consists of independent directors, senior executives, heads of relevant business units, financial and accounting experts, and the head of the internal audit function. The Committee must comprise a minimum of three members and is required to meet at least twice a year. Members serve a term of three years, with the possibility of reappointment upon the expiration of their term.

In the fiscal year 2024, the Risk Management Committee convened twice, with an attendance rate of 90.00% among its members.

Director Name	Position	RMC Meetings	
		Attended	Eligible to Attend
1. Mr. Surachai Sonthirathi	Chairman of RMC	2	2
2. Mr. Kitipat Nerngchamnon	RMC Member	1	2
3. Ms. Natcharintorn Siriwattana	RMC Member	2	2
4. Ms. Sawangjit Phongpipatpong	RMC Member	2	2
5. Ms. Jongjit Naboonpattana	RMC Member	2	2

Performance of the Risk Management Committee

The Risk Management Committee has carried out its duties in accordance with the company’s risk management framework, aligning with internationally recognized enterprise risk management principles to ensure a systematic and integrated approach to risk management. In the fiscal year 2024, the Committee convened to address various organizational risk issues, as outlined below:

1. The Committee invited various departments within Modernform to provide written explanations and information and encouraged relevant executives and personnel to participate in meetings to discuss risks and responsibilities.
2. The Committee reviewed and provided feedback on the draft policy and organizational risk management framework before presenting it to the Board of Directors for consideration and approval. The Committee also ensured that the policy and framework are reviewed at least annually to confirm their relevance and appropriateness in relation to the overall business operations and risk management activities of the company.
3. The Committee assessed and provided recommendations regarding the acceptable risk levels (Risk Appetite) and the deviations from these acceptable risk levels (Risk Tolerance) before submitting them to the Board of Directors for consideration and approval.
4. The Committee acknowledged, reviewed, and provided feedback on the results of risk assessments, management strategies, and action plans to ensure that the company has adequate and appropriate risk management practices in place.
5. The Committee supported the successful implementation of enterprise risk management by recommending preventive measures and strategies to reduce risks to acceptable levels, continuously monitoring risk mitigation plans to ensure they are suitable for the prevailing business conditions.

6. The Committee provided guidance and support to the Board of Directors, management, and the risk management team on enterprise risk management, promoting ongoing improvements and developments in the internal risk management system.
7. The Committee reported significant organizational risks, including the status of these risks, management strategies, progress, and outcomes of risk management efforts to the Board of Directors on a regular basis.
8. The Committee communicated and coordinated information regarding risks and internal controls with the Audit Committee at least twice a year.



(Mr. Surachai Sonthirathi)

Chairman of the Risk Management Committee

Internal Control and Connected Transactions

9.1 Internal Control

9.1.1 Adequacy and Appropriateness of the Internal Control System

In 2024, the Board of Directors assessed the internal control system and monitored the operations of the Company and its subsidiaries through management and reporting from the management, as well as reports from the Audit Committee in various areas. It was found that the company and its subsidiaries have an appropriate and sufficient internal control system to effectively manage operations in accordance with goals, objectives, laws, and related regulations. The auditors also concluded to the Audit Committee that the Company's internal control has no significant deficiencies that could affect the reliability of the system. The company adheres to the internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which sets out five key components of internal control: (1) Internal control environment (2) Risk assessment (3) Control activities (4) Information and communication systems and (5) Monitoring activities. The Company emphasizes integrated risk management with strategy and performance and applies it to normal operations throughout the organization. This ensures that the five key components of the COSO-ERM framework are aligned with the organization's mission and vision, and that the company has an effective internal control system.

1. Control Environment

1.1 Through supervision structure, the Board of Directors, the Audit Committee, the Corporate Governance Committee, the Risk Management Committee and the Executive Committee were designated to supervise, control and manage corporate risks to the company's best interest.

1.2 The Board of Directors has assigned the Audit Committee with the responsibility of overseeing the management in establishing an effective and efficient internal control system. The Audit Committee is supported by an independent internal audit function that reports directly to the Audit Committee. The internal audit function is responsible for reviewing and assessing the adequacy of internal controls over various operating systems throughout the organization. The Audit Committee has also assigned the internal audit function to follow up on the recommendations of the auditors, to ensure that the management of the company and its subsidiaries take corrective actions and continuously improve the system to achieve good internal control.

1.3 The Board of Directors shall determine the organizational structure, scope of authority, duties, and responsibilities of the Board, executives, and employees at all levels of the organization in accordance with the responsibilities of each reporting line. This is to ensure that they are aligned with and responsive to the company's policies and strategies, including effective risk management.

1.4 The Company and its subsidiaries have sufficient personnel to operate the system effectively. The Company also has an internal control system for monitoring and supervising the operations of its subsidiaries. This system can prevent the Company's and its subsidiaries' assets from being used improperly or without authority by directors or executives, including transactions with related parties and persons with potential conflicts of interest.

1.5 The company has established a segregation of duties based on the principles of good internal control. It has designed an organizational structure and work processes that are separated according to appropriate responsibilities to ensure efficiency. This separation is between the performers in each role who are responsible for being able to verify and reconcile transactions in related processes sufficiently, in accordance with the principles of good internal control. For example, the separation of duties between the receipt of money, the recording of transactions, and the verification of data reconciliation or the preparation of separate control registers is done to ensure that transactions can be verified and confirmed thoroughly.

1.6 The Board of Directors also supervised the drafting of corporate policies, the Code of Conduct and corporate practices as witnessed in various manuals written for supervision purpose as part of the implementation of the internal control best practices, which were regularly updated to reflect prevalent situations. Committing to the value of integrity, the Board has drafted the Code of Conduct, which specified ethical conduct that executives and staff were to adhere with, as well as encouraged active implementation to promote integrity organization-wide. In addition, the company has established an anti-corruption policy and measures at the organizational level and has appointed an anti-corruption working group to be responsible for driving and promoting the policy to lead to concrete and effective practices.

1.7 The Board of Directors actively promoted the importance of internal control, operation standards and corporate risk management within the corporate environment. The goal was to ensure that all internal departments were aware of these practices and actively implemented them, having the Internal Audit Department regularly review and update the practices.

1.8 Modernform Group underlined the importance of systematic human resource management where clear policies and practices had been put in place, starting from the selection process to capacity building and staff retention where career opportunity and effective training and capacity building for the best interest of the organization were clearly stated. The company actively supported skill enhancement activities as well as fair and systematic performance evaluation and remuneration processes so that the HR management could cultivate loyalty and form an operation system that effectively responded to corporate goals and strategies.

2. Risk Assessment

2.1 A Risk Management Committee has been established to consist of senior executives in various departments to keep corporate risks within an acceptable level. The Risk Management Committee was to convene and report on the meeting results to the Audit Committee and the Board on a quarterly basis. The Committee's task was to regularly review risk factors resulting from internal and external circumstances that could affect the company, considering rapid and complicated changes in environmental, social, economic and technological aspects as well as global disruption that could affect the firm. Effective risk management directions were as follows.

2.2 The company has encouraged each department to understand, identify and assess risks in both operational and corporate levels. It has also identified risk management practices based on risk priorities as well as acceptable risk levels so that risks can be managed in congruence with four strategic, operational, reporting and compliance objectives. With regard to financial reporting, the firm strictly complied with the generally accepted accounting principles where the report must be comprehensive, accurate, adequate and appropriately reflect activities and emerging risk factors.

2.3 The Risk Management Committee systematically reviewed internal and external risk management processes in a connected manner, starting from the organization level to department, business unit and subsidiary levels. The goal was to ensure that the company has regularly adapted itself to risks that may affect corporate strategies.

2.4 Representatives from various risk management working groups, acting on behalf of the risk-owning units, collaborate to assess and manage risks. These risks can stem from both internal and external factors that may impact operations and hinder the achievement of objectives. The working groups will select appropriate methods to deal with each risk, such as risk reduction, risk transfer, risk avoidance, and risk acceptance. The goal is to maintain risks at an acceptable level.

3. Control Activities

3.1 The Company has assessed the sufficiency of its internal control system and continuously improved its practices in accordance with various processes to ensure effective and efficient internal control. This includes preventive control to prevent errors from occurring, detective control and corrective control, as well as directive control to ensure compliance with the Company's objectives and to effectively manage risks. The Company has defined the roles and responsibilities of the operating units, risk management units, and internal audit units at all three levels, following the "Three Lines of Defense" principle, to support the organization's internal control.

3.2 Payment approval authority was made in writing to each department to exercise approval based on its delegation of authority and scopes of its responsibility. This has become a tool for each department to interact with other units for check and control purpose to ensure that all decisions were properly approved based on the delegation of authority by the involved executives in accordance with the principle of internal control.

3.3 Measures to protect the company's interest were established. In this regard, policies and procedures governing major shareholders, directors, executives or other related individuals were prescribed in writing under the principles of good corporate governance. The idea was to ensure that an approval of transaction would take into account the best interest of the company and that it would be conducted at arm's length basis. In case it was a connected transaction, it must be approved first by the Audit Committee, who would then seek the Board's approval without the presence of a person having an interest at such meeting or when a resolution was adopted. In addition, this must be in compliance with rules and regulations prescribed by the Stock Exchange of Thailand. The company would review and follow up with the practice to ensure compliance with conditions previously agreed as long as the binding effect prevailed.

3.4 Division of labor was made based on the principles of internal control where operation structure and procedures were duly separated in accordance with roles and responsibilities to enhance efficiency. Each staff/operator in each duty may perform his/her function separately and at the same time be subject to the audit and traceability in related processes. For example, the task of receiving payments was separated from the task of recording such transaction while reconciliation was separated from preparing the registration for the purpose of auditing and re-checking.

3.5 Rules, regulations and operation manuals of each department in the main operation were prepared in writing and regularly updated. They contained clear procedures and work details to function as guidelines for operation and for further coordination between staff and departments. This not only enhanced efficiency but also reduced possible risk thanks to adequate internal control.

3.6 The company encouraged each unit to set up its own internal control mechanism to supervise its work and for coordination with others on the basis of comprehensive control and adequate risk management. In this regard, the Internal Control Department would independently audit and assess this mechanism and give advice regarding supervision, internal control and risk management to resolve any material issue affecting the company's main operation. The audit would be based on the plan already approved by the Audit Committee. The Internal Control Department also gave regular advice to various units aside from what's stated in the plan for risk management purpose.

3.7 The company places great importance on anti-corruption. The Board of Directors provides stakeholders and employees with an opportunity to participate by providing opinions, initiating whistleblowing of any illegal or unethical conduct of executives or other employee fellows or disclosing the opaqueness of financial statements or the internal control system, simply by writing to co-secretary@modernform.co.th anonymously. The Board would immediately pursue the case and disclose its investigation process if the matter was material to stakeholders. Meanwhile, the Internal Audit Department, which directly reported to the Audit Committee, continued to regularly audit the company's operations before directly reporting to the Audit Committee so that internal auditors could perform their tasks independently and produce their reports in a straight-forward manner. Any corruption or suspicion of corruption, legal violation or any other unusual conduct that can materially affect the company's financial status and reputation must be directly reported to the Audit Committee without delay for remedy within an appropriate timeframe. The management meanwhile was to report any progress regarding such a remedy to the Audit Committee and the Board at least once each quarter.

3.8 The company has established an anti-corruption policy and measures to control and audit transactions that are at risk of corruption. Related departments have developed clear guidelines to prevent all forms of corruption. There is also anti-corruption practices communicated to employees and used as a guide to prevent corruption, in accordance with the Employee Work Regulations in Section 5: Discipline and Disciplinary Sanctions, Section 4: "Conduct" and Section 5: "Honesty and Integrity". These cover respect for the law, not demanding money or other benefits from stakeholders, and not using one's position to seek undue benefits. There are also clear penalties, overseen by the Human Resources department.

4. Information and Communication

4.1 Modernform Group has given priority to IT and communication by regularly updating its operation system and database to keep up with the company's operational nature, taking into account technological disruption, network security and effective data management for the purpose of timely decision-making and organization management.

4.2 We have required adequate reporting of important information. This has been clearly stated in regulations governing the Board of Directors' meeting and the Shareholders' meeting Re: Information disclosure. Communication channels have been set up for adequate, accurate and thorough internal and external communication through effective IT and operation systems. Other communication channels such as the Investor Relations Department and the Call Center were also available.

4.3 The company has supervised the structure of its IT system and data security as well as keep updating and maintaining the IT system for security purpose. A policy governing general control and data access control was established to tighten supervision where only authorized personnel would be granted access to such data. The Disaster Recovery Plan was drafted to control and mitigate damage that may affect data and IT system security to ensure its effectiveness.

4.4 Records of computer traffic was kept in compliance with Section 26 of the Act governing computer crime (No. 2), B.E. 2560 (2017). The company's important data was safely kept in the IT system where a log file indicating system access was stored within the system together with an internet access log to countercheck the information. Prevention was made to minimize the import/export of data to ensure legal compliance. In addition, a prevention system was put in place to adequately deter illegitimate access to the company's system, data and networks.

5. Monitoring Activities

5.1 The Board regularly monitored the management's performance. In this regard, the performance of all levels of executives was regularly compared with work plans and goals so that the company's objectives and strategies could be achieved.

5.2 The Internal Audit Department has been tasked to audit the internal control system and is to directly report to the Audit Committee. The Department worked independently and regularly and reported its auditing results with information of essential defects or unmet management risks to the Audit Committee at their meetings. The Department was able to report immediate situations, suspicious or unusual actions that could jeopardize the integrity and reliability of corporate governance, internal control or anything that may materially affect the company's operation result and financial status.

5.3 The Internal Audit Department also monitored its auditing results that required remedy following an internal control assessment and when the auditing outcome was short of the goal or found to be against rules, regulations and legal requirements. The idea was to ensure that problems were solved within an appropriate timeframe and such an outcome was reported to supervisors of each department for further remedy or order that would yield the best result and for the company's best interest. The auditing and follow-up functions were stated in the auditing plan already submitted to the Audit Committee. This included any follow-up that would lead to an ongoing evaluation as well as a separate evaluation within a specific timeframe aimed at an immediate remedy to enhance efficiency. The Department was to directly report the results of these follow-up to the Audit Committee on a regular basis.

9.1.2 Internal Control System Deficiencies

	2024	2023	2022
Total Number of Internal Control Deficiencies (Cases)	0	0	0

Details of Internal Control Deficiencies

-None-

9.1.3 Opinion of the Audit Committee and Observations from the Auditor

The Audit Committee and the auditors of Modernform have no differing opinions regarding the internal controls compared to the views expressed by the Board of Directors.

9.1.4 Opinion of the Audit Committee on the Position of Head of Internal Audit

The Audit Committee has appointed Ms. Jongjit Naboonpattana as the Internal Audit Manager. She holds a Bachelor of Business Administration (B.B.A.) in Accounting from Ramkhamhaeng University, a Master of Business Administration (M.B.A.) in Managerial Accounting from the College of Commerce and Accountancy, Burapha University, and a Certificate in Accounting from the Faculty of Commerce and Accountancy, Thammasat University. She also participated in the Certified Professional Internal Audit of Thailand (CPIAT) program and the 22nd Internal Audit Training Program of the Institute of Internal Auditors of Thailand. Ms. Jongjit has over 20 years of experience in internal auditing and has taken various training courses related to internal auditing practices from the Institute of Internal Auditors of Thailand, as well as over 30 courses on management and human resources. She has a good understanding of the company's activities and operations. Therefore, the Committee believes that she is qualified to perform the duties of the Internal Audit Manager. (Attached Document 3)

9.1.5 Appointment, Removal, and Transfer of the Head of Internal Audit

The consideration and approval for the appointment, revocation, transfer or termination of the head of the internal audit unit of the Company must be approved by the Audit Committee.

9.2 Connected Transactions

In 2024 Modernform Group Public Company Limited is not controlled or influenced by other businesses or related persons in any way. The Company and its subsidiaries had connected transactions, and significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those companies, and the Company has disclosed sufficient information on related transactions which was in the normal course of business and connected transactions complied with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission to investors for use in investment decisions, as follow

9.2.1 Regular Business Transactions

The Company recorded normal business transactions including purchase and selling transactions among the Company, its subsidiaries and affiliated companies that complied with conditions and requirements mutually agreed upon. They were summarized as the following.

Condition 1: In the case of a trade contract between each other based on the discount as specified in the contract.

Condition 2: In the case where there is no contract and it is a standard price product, a discount of 35-45% will be given according to the type of product.

Related Person/Entity	Relation	Type of Transactions	Amount (Million Baht)		Necessity and Reasonableness
			December 31, 2024	December 31, 2023	
MHC	MODERN holds 95% of the paid-up capital of MHC with common directors namely Mr. Thaksa Busayapoka, Mr. Yothin Nengchamnong and Mr. Kitipat Nengchamnong	Sales of Goods	0.3	1.1	MODERN and MHC recorded inter-related transactions due to their businesses relating to furniture. The prices were reasonable with MODERN's clear pricing policy as mentioned above.
		Purchase of Goods	3.8	2.2	
		Trade Accounts Payable	0.2	-	
IMC	MODERN holds 49.50% of the paid-up capital of IMC with common directors namely Mr. Kitipat Nengchamnong and Mr. Patana Usanachitt.	Sales of Goods	18.6	12.7	MODERN and IMC recorded inter-related transactions due to their businesses relevant to furniture. The prices were reasonable with MODERN's clear pricing policy as mentioned above.
		Purchase of Goods	7.1	2.9	
		Trade Accounts Receivable	8.4	2.7	
		Trade Accounts Payable	1.9	-	
WKS	MODERN holds 40% of the paid-up capital of WKS with common director namely Mr. Kitipat Nengchamnong	Sales of Goods	-	0.4	MODERN and WKS recorded inter-related transactions due to their business relevant to furniture. The prices were reasonable with MODERN's clear pricing policy as mentioned above.
		Purchase of Goods	1.9	7.2	
		Trade Accounts Receivable	-	0.4	
		Trade Accounts Payable	0.1	1.2	

Related Person/Entity	Relation	Type of Transactions	Amount (Million Baht)		Necessity and Reasonableness
			December 31, 2024	December 31, 2023	
BUD	MODERN holds 49% of the paid-up capital of BUD with common director namely Mr. Kititpat Nerngchamnong	Sales of Goods	9.7	3.2	MODERN and BUD recorded inter-related transactions due to their business relevant to furniture. The prices were reasonable with MODERN's clear pricing policy as mentioned above.
		Trade Accounts Receivable	9.5	0.3	
		Purchase of Goods	12.8	40.7	
		Trade Account Payable	-	0.7	
LES	MODERN holds 38.8% of the paid-up capital of LES with common director namely Mr. Kititpat Nerngchamnong	Sales of Goods	-	0.3	MODERN sold furniture to LES. The transaction price was found appropriate and it was close to a market price.
MTF	MODERN holds 48.9% of the paid-up capital of MTF with common director namely Mr. Kititpat Nerngchamnong	Sales of Goods	0.1	0.7	MODERN and MTF recorded inter-related transactions due to their business relevant to furniture. The prices were reasonable with MODERN's clear pricing policy as mentioned above.

9.2.2 Rental/Service Agreements or Leasing/Provision of Real Estate

Related Person/Entity	Relation	Type of Transactions	Amount (Million Baht)		Necessity and Reasonableness
			December 31, 2024	December 31, 2023	
MTC	MODERN holds 100% of the paid-up capital of MTC with common directors, namely Mr. Yothin Nengchamnong, Mr. Thaksa Busayapoka and Mr. Somsak Varikarn.	Rent and Service Expenses	60.0	60.0	MODERN rented MTC's building space at appropriate rental fee and service fee, close to general customers.
		Deposit for rental and service fee	14.6	14.6	
		Service Fee	0.3	0.3	Internal Audit Services
		Other Accounts Receivable	0.1	-	Internal Audit Services
		Other Accounts Payable	0.8	1.0	Phone Bill, Electricity Bill and Air Condition System
MHC	MODERN holds 95% of the paid-up capital of MHC with common directors namely Mr. Thaksa Busayapoka, Mr. Yothin Nengchamnong and Mr. Kitipat Nengchamnong	Service Fee	1.9	1.7	Financial, Human Resources and IT consultancy services
		Other Accounts Receivable	0.1	0.2	Financial, Human Resources and IT consultancy services
IMC	MODERN holds 49.50% of the paid-up capital of IMC with common directors, namely Mr. Kitipat Nengchamnong and Mr. Patana Usanachitt.	Service Fee	0.8	0.3	Internal Audit Services
		Service Charge	-	0.7	Sales compensation
		Other Accounts Payable	-	0.6	Sales compensation
WKS	MODERN holds 40% of the paid-up capital of WKS with a common director namely Mr. Kitipat Nengchamnong	Service Fee	0.2	0.1	Internal Audit Services
		Service Charge	0.4	0.5	Cost of using program
		Other Accounts Receivable	0.1	-	Internal Audit Services

Related Person/Entity	Relation	Type of Transactions	Amount (Million Baht)		Necessity and Reasonableness
			December 31, 2024	December 31, 2023	
BUD	MODERN holds 49% of the paid-up capital of BUD with common directors namely Mr. Kitipat Nerngchamnong	Service Fee Rental Fee and Related services Other Accounts Receivable	0.1 2.0 3.0	0.1 2.0 -	Internal Audit Services Rent of Land and Building Internal Audit Services and Rent of Land and Building
MTF	MODERN holds 48.9% of the paid-up capital of MTF with a common director namely Mr. Kitipat Nerngchamnong	Service Fee Other Accounts Receivable	0.2 0.1	- -	Internal Audit Services Internal Audit Services
Remark :					
MODERN	Modernform Group Public Company Limited		Manufacture and distribute furniture		
MTC	Modernform Tower Company Limited		Office rental		
MHC	Modernform Health and Care Public Company Limited		Manufacture, import and distribute furniture and products of health		
IMC	Itoki Modernform Company Limited		Import and export office furniture		
WKS	Workscape Company Limited		Manufacture and distribute furniture		
BUD	BuiltDee Company Limited		Manufacture and distribute Fit-in furniture		
LES	Lesmo Company Limited		Buy, sell, design, build, renovate and decorate immovable properties		
MTF	Charoensup Kamlung 3 Company Limited		Import and distribute luxury brand furniture		

9.2.3 Policies and Future Trends for Related Party Transactions, Including Compliance with Commitments Made in the Prospectus

Measures and procedures for approving related party transactions or interconnected transactions

The Company's Board of Directors established the measures to prevent any conflict of interests. It outlined clear transaction procedures for its major shareholders, directors, executives or any persons relevant to the above-mentioned persons for reviewing any transactions that may have any conflict of interests arise to consider all transactions that may involve conflicts of interest, including related or connected transactions to ensure that they are following business ethics and meet the criteria of the stock Exchange of Thailand and the Office of the Securities and Exchange Commission. Information disclosure on potential conflicts must be considered by the Audit Board to ensure accurate and adequate disclosure. In addition, for any transactions in which directors, employees or related persons could derive personal benefit from entering into transactions with the company, the Board and employees are not permitted to participate in the approval of such transactions, and the price must be properly defined in a manner consistent with that offered on arm's length basis.

The anticipated trends for future related party transactions

Connected transactions or future connected transactions between Modernform Group and subsidiaries are defined as those executed under a normal course of business where there is not any transfer of interest between the company itself and other relevant firms or parties. Our practice in relation to connected transaction echoes what we do with customers in general, which is the transaction must be fair and with no different condition from business normally conducted. Besides, connected transactions have to be approved by the Board of Directors. The Board and the Audit Committee are tasked to review the soundness of these transactions and ensure legal compliance. At the same time, all departments relating to a connected transaction that could be aware of its information are required to inform a supervisory unit of what is revealed to them prior to executing such transaction.

Comments of the Audit Committee

The Audit Committee reviewed the above-mentioned inter-related and related transactions that took place with account posting in 2024. It stated that the transactions complied with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission with disclosure of accurate and complete information. The normal business transactions were those with fair and appropriate pricing and conditions according to the market prices. This was similar to pricing for any unrelated persons or other business operations without any benefits among the Company, its subsidiaries, its associate companies, its joint ventures, its related companies and its shareholders. The transactions were approved by the Management or the Board of Directors prior to occurrence of the transactions.



Part 3

Financial Statements

Statement of Directors' Responsibility to Financial Statements

The Board of Directors of Modernform Group Public Company Limited is aware of its responsibility as director of a listed company in the Stock Exchange of Thailand to prepare separate financial statements and consolidated financial statements of its own and subsidiaries on the basis of the generally-accepted accounting principles upon appropriate accounting policy and practices, thorough discretion, reasonable estimates and adequate disclosure in notes to the financial statements for the benefit of shareholders and investors. The financial statements as of end of 2024 have been audited, certified and given an unconditional opinion by an independent certified public accountant.

The Board has appointed the Audit Committee consisting of 3 independent directors to supervise and review the quality of the company's financial statements, internal control and auditing and disclosure of information in connected transactions. The Audit Committee's opinion is expressed in the Audit Committee's report to ensure that the information in the financial reports is prepared under the principles of good corporate governance

The Board of Directors is opinion that Modernform's internal control system is adequate and appropriate and reasonably underline the credibility and reliability of consolidated financial statements of the company itself and subsidiaries for the year that ended December 31, 2024 upon compliance with the generally-accepted accounting principles, relevant laws and regulations. Has passed the examination and gave unconditional opinion from the independent certified auditor of the company.



(Mr. Yothin Nerngchamnong)
Chairman of the Board of Director



(Mr. Suchart Thammapiatagkul)
Chairman of Audit Committee

Independent Auditor's Report

To the Shareholders of Modernform Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Modernform Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Modernform Group Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Modernform Group Public Company Limited and its subsidiaries and of Modernform Group Public Company Limited as at 31 December 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue Recognition from Sales

Revenue from sale of the Company in the income statement are substantial in nature. This revenue serves as primary performance indicators for users of the financial statements. In addition, the Company has different customer and varying commercial conditions. Therefore, I consider revenue recognition for the revenue from sales of the Company as a key audit matter, with emphasis on occurrence and accuracy of these recognised revenues.

The following significant audit procedures were performed with respect to above matter.

- Inquiring with those responsible, gaining an understanding, evaluating controls designed by the Company, and randomly selecting samples to test compliance with the Company's controls related to the internal controls which respond to the above risks associated with occurrence and valuation of revenue from sales. In addition, we also expand the scope of the testing of such internal controls that respond to such risk.
- Evaluating the accounting policy of revenue recognition for revenue from sale of the Company by inquiring with those responsible and executives and gaining an understanding of the Company's policy on revenue recognition from sales.
- On a sampling basis, selecting transactions related to the revenue from sales recognised during the year and considered whether the recognition of such revenue was in accordance with the terms and conditions of the concession agreement, as well as the Company's commercial conditions and revenue recognition policy.
- On a sampling basis, selecting sales cut-off transactions occurring near the period end.
- Performing analytical procedures on disaggregated data and correlation of accounting records to detect possible irregularities that may have occurred throughout the accounting period, particularly for accounting entries made through journal vouchers.
- Reviewing credit notes issued by the Company after the period end.

Allowance for Diminution in Value of Inventories

Estimating the net realisable value of inventories is a significant accounting estimate requiring the management to exercise a degree of judgement in determining procedures and assumptions of the provision for diminution in value of inventories. In addition, gathering the information required to calculate the provision involves several steps and the Company has numerous of inventories. Therefore, I have focused on the provision set aside for diminution in the value of inventories as a key audit matter.

The following significant audit procedures were performed with respect to above matter.

- Inquiring with those responsible, gaining an understanding, evaluating controls designed by the Company, and randomly selecting samples to test compliance with the Company's controls related to the provision for diminution in value of inventories.
- Evaluating the accounting policy of the provision for diminution in value of inventories by inquiring with those responsible executives and gaining understanding of the Company's policy on the provision for diminution in value.
- Evaluating the significant assumptions applied in determining assumptions of the provision for diminution in value of inventories.
- On a sampling basis, testing the data used to calculate the provision for diminution in value of inventories, as well as testing the calculation.

Impairment Testing of Investment in Joint Venture

As discussed in Note 15 to the financial statements, the Company had goodwill related to a joint venture investment, for which impairment testing must be conducted by the Company at the end of each year. Furthermore, the impairment assessment on goodwill is a significant accounting estimate requiring management to exercise judgment in estimating the cashflows expected to be generated in the future and setting an appropriate discount rate and long-term growth rate. Therefore, I have focused on the examination of the impairment testing of investment in the joint venture as a key audit matter.

The following significant audit procedures were performed with respect to above matter.

- Assessing the significant assumptions applied in preparing estimated of the cash flows expected to be generated in the future by comparing those assumptions with information from both internal and external sources and comparing the past cash flow projections to actual operating results and assessing the long-term growth rate and discount rate selected by management, as well as determining potential impacts of changes in significant assumptions on the recoverable amount.
- Testing the calculation of the realisable values of the assets using the selected financial model.
- Assessing the disclosure in notes to financial statements.

Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Sumana Punpongsanon
 Certified Public Accountant (Thailand) No. 5872
 EY Office Limited
 Bangkok: 27 February 2025

Modernform Group Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2024

(Unit: Baht)

		Consolidate		Separate	
		financial statements		financial statements	
Note		2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents	7	606,661,418	563,074,170	473,810,764	449,273,023
Contract assets	8	79,405,853	50,129,241	28,579,347	21,989,803
Trade and other receivables	6, 9	349,999,305	391,873,750	254,105,754	316,047,810
Inventories	10	911,871,462	1,031,640,588	668,988,170	801,028,168
Other current financial assets	11	13,589,849	22,452,794	13,589,849	22,452,794
Other current assets	6	83,923,608	84,331,565	76,971,489	78,313,351
Total current assets		2,045,451,495	2,143,502,108	1,516,045,373	1,689,104,949
Non-current assets					
Loan to related party and interest receivable	6	20,068,115	32,803,350	20,068,115	32,803,350
Non-current contract assets	8	15,180,447	14,609,590	15,180,447	14,539,349
Other non-current financial assets	6, 12	210,388,270	236,241,513	224,983,799	250,210,667
Investments in associates	13	45,444,792	35,407,368	36,989,700	36,989,700
Investments in subsidiaries	14	-	-	395,299,004	395,299,004
Investments in joint ventures	15	171,580,558	148,186,204	99,000,000	99,000,000
Investment properties	16	199,425,675	218,357,300	6,602,143	6,932,634
Property, plant and equipment	17	328,446,953	364,751,321	280,403,521	305,383,497
Right-of-use assets	18	57,610,721	33,361,895	354,089,805	51,452,949
Intangible assets	19	7,807,810	10,225,992	7,786,161	10,200,935
Deferred tax assets	29	40,927,827	32,596,893	31,175,013	23,499,084
Other non-current assets	6	11,251,946	5,170,108	13,365,695	5,116,738
Total non-current assets		1,108,133,114	1,131,711,534	1,484,943,403	1,231,427,907
Total assets		3,153,584,609	3,275,213,642	3,000,988,776	2,920,532,856

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

Modernform Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024

(Unit: Baht)

		Consolidate financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	20	230,040,598	179,384,378	-	-
Trade and other payables	6, 21	261,733,697	231,445,845	217,000,359	190,699,013
Current portion of long-term loans from financial institution	22	5,262,000	9,600,000	5,262,000	9,600,000
Unbilled payables		16,238,686	18,996,884	-	-
Contract liabilities	8	212,863,368	279,766,751	211,412,604	278,152,457
Current portion of lease liabilities	18	19,358,254	18,589,902	59,794,903	41,295,476
Income tax payable		14,193,588	6,394,015	6,498,998	-
Other current liabilities	6	14,781,389	20,819,526	9,064,826	13,559,223
Total current liabilities		774,471,580	764,997,301	509,033,690	533,306,169
Non-current liabilities					
Long-term loans from financial institution, net of current portion	22	-	5,262,000	-	5,262,000
Lease liabilities, net of current portion	18	39,896,208	17,449,962	295,853,205	17,076,088
Provision for long-term employee benefits	23	159,046,515	161,096,217	148,882,212	153,260,706
Other non-current liabilities		20,007,421	19,101,812	-	-
Total non-current liabilities		218,950,144	202,909,991	444,735,417	175,598,794
Total liabilities		993,421,724	967,907,292	953,769,107	708,904,963

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

Modernform Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024

(Unit: Baht)

		Consolidate financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Shareholders' equity					
Share capital					
Registered					
809,646,280 ordinary shares of Baht 1 each		809,646,280	809,646,280	809,646,280	809,646,280
Issued and paid-up					
750,000,000 ordinary shares of Baht 1 each		750,000,000	750,000,000	750,000,000	750,000,000
Share premium		733,566,600	733,566,600	733,566,600	733,566,600
Treasury stocks premium		145,956,164	145,956,164	145,956,164	145,956,164
Other surplus	24	5,789,631	5,789,631	14,438,833	14,438,833
Retained earnings					
Appropriated					
Statutory reserve - the Company	25	90,000,000	90,000,000	90,000,000	90,000,000
Statutory reserve - the subsidiaries	25	25,292,233	25,292,233	-	-
Reserve for treasury stocks	30	189,974,151	-	189,974,151	-
Unappropriated		495,970,389	619,187,016	408,981,533	548,220,593
Treasury stocks - ordinary shares	30	(189,974,151)	-	(189,974,151)	-
Other components of shareholders' equity		(95,723,461)	(70,554,297)	(95,723,461)	(70,554,297)
Equity attributable to the owners of the Company		2,150,851,556	2,299,237,347	2,047,219,669	2,211,627,893
Non-controlling interests of the subsidiaries	14.2	9,311,329	8,069,003	-	-
Total shareholders' equity		2,160,162,885	2,307,306,350	2,047,219,669	2,211,627,893
Total liabilities and shareholders' equity		3,153,584,609	3,275,213,642	3,000,988,776	2,920,532,856

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

Modernform Group Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2024

(Unit: Baht)

		Consolidate financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Revenues					
Sales	6, 26	2,247,620,625	2,326,542,285	2,057,725,871	2,092,702,694
Rental income		38,588,387	37,571,908	2,894,500	3,055,000
Service income	6, 26	84,797,857	85,992,497	3,242,000	2,650,000
Architectural design services and construction income	26	110,819,309	75,068,401	-	-
Dividend income	6, 12, 14	7,396,454	8,723,589	86,596,202	63,723,414
Other income	6	27,841,752	36,531,682	22,909,635	32,616,712
Total revenues		2,517,064,384	2,570,430,362	2,173,368,208	2,194,747,820
Expenses					
Cost of sales	6	1,501,224,939	1,596,050,431	1,345,802,367	1,414,312,100
Cost of rental and services		63,614,355	68,157,005	872,670	782,380
Cost of design services and construction		92,443,847	63,134,357	-	-
Selling and distribution expenses	6	506,469,232	502,664,684	510,649,923	529,317,891
Administrative expenses	6	211,635,154	233,904,536	185,015,981	181,317,605
Other expenses		19,572,452	14,647,539	18,522,596	13,097,045
Total expenses		2,394,959,979	2,478,558,552	2,060,863,537	2,138,827,021
Operating profit		122,104,405	91,871,810	112,504,671	55,920,799
Share of profit (loss) from investments in associates	13.2	10,037,424	(1,322,652)	-	-
Share of profit (loss) from investments in joint ventures	15.5	23,394,354	(3,939,549)	-	-
Finance income		12,837,108	6,409,094	12,128,509	6,462,935
Finance cost	27	(12,349,306)	(13,271,803)	(5,378,725)	(7,836,540)
Profit before income tax expenses		156,023,985	79,746,900	119,254,455	54,547,194
Income tax expenses	29	(19,838,974)	(19,608,445)	(1,058,208)	(1,275,255)
Profit for the year		136,185,011	60,138,455	118,196,247	53,271,939
Profit attributable to:					
Equity holders of the Company		134,942,433	60,034,531	118,196,247	53,271,939
Non-controlling interests of the subsidiaries		1,242,578	103,924		
		136,185,011	60,138,455		
Earnings per share					
31					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht per share)		0.19	0.08	0.16	0.07

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

Modernform Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2024

(Unit: Baht)

Note	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Profit for the year	136,185,011	60,138,455	118,196,247	53,271,939
Other comprehensive income:				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Loss on investments designated at fair value through other comprehensive income				
- net of income tax	(25,169,164)	(22,522,368)	(25,169,164)	(22,522,368)
Actuarial gain from post-employment benefits plan				
- net of income tax	23 (723,753)	29,199,771	-	29,199,771
Other comprehensive income for the year	(25,892,917)	6,677,403	(25,169,164)	6,677,403
Total comprehensive income for the year	110,292,094	66,815,858	93,027,083	59,949,342
Total comprehensive income attributable to:				
Equity holders of the Company	109,049,516	66,711,934	93,027,083	59,949,342
Non-controlling interests of the subsidiaries	1,242,578	103,924		
	110,292,094	66,815,858		

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

Modernform Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2024

(Unit: Baht)

Consolidated financial statements												
	Equity attributable to owners of the Company											
	Other components of shareholders' equity											
	Other comprehensive income											
	Deficit on changes in value of investments designated at FVOCI											
	Total other components of shareholders' equity											
Issued and paid-up share capital	Share premium	Other surplus	Retained earnings		Treasury stocks - ordinary share	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiaries	Total shareholders' equity				
			Appropriated	Unappropriated								
			Statutory reserve	Reserve for treasury stocks								
Balance as at 1 January 2023	750,000,000	879,522,764	5,789,631	114,909,272	-	575,309,779	-	(48,031,929)	(48,031,929)	2,277,499,517	7,965,254	2,285,464,771
	-	-	-	-	-	60,034,531	-	-	-	60,034,531	103,924	60,138,455
	-	-	-	-	-	29,199,771	-	(22,522,368)	(22,522,368)	6,677,403	-	6,677,403
	-	-	-	-	-	89,234,302	-	(22,522,368)	(22,522,368)	66,711,934	103,924	66,815,858
	-	-	-	382,961	-	(382,961)	-	-	-	-	-	-
25	-	-	-	-	-	(44,974,104)	-	-	-	(44,974,104)	-	(44,974,104)
34	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	-	(175)	(175)
Balance as at 31 December 2023	750,000,000	879,522,764	5,789,631	115,292,233	-	619,187,016	-	(70,554,297)	(70,554,297)	2,299,237,347	8,069,003	2,307,306,350
Balance as at 1 January 2024	750,000,000	879,522,764	5,789,631	115,292,233	-	619,187,016	-	(70,554,297)	(70,554,297)	2,299,237,347	8,069,003	2,307,306,350
Profit for the year	-	-	-	-	-	134,942,433	-	-	-	134,942,433	1,242,578	136,185,011
Other comprehensive income for the year	-	-	-	-	-	(723,753)	-	(25,169,164)	(25,169,164)	(25,892,917)	-	(25,892,917)
Total comprehensive income for the year	-	-	-	-	-	134,218,680	-	(25,169,164)	(25,169,164)	109,049,516	1,242,578	110,292,094
30	-	-	-	-	-	189,974,151	(189,974,151)	(189,974,151)	(189,974,151)	-	-	(189,974,151)
34	-	-	-	-	-	(67,461,156)	-	-	-	(67,461,156)	-	(67,461,156)
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	-	(252)	(252)
Balance as at 31 December 2024	750,000,000	879,522,764	5,789,631	115,292,233	189,974,151	495,970,389	(189,974,151)	(95,723,461)	(95,723,461)	2,150,851,556	9,311,329	2,160,162,885

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

Modernform Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2024

(Unit: Baht)

	Separate financial statements											Note
	Issued and paid-up share capital	Share premium	Other surplus	Retained earnings			Treasury stocks - ordinary share	Other components of shareholders' equity				
				Appropriated	Statutory reserve	Reserve for treasury stocks		Unappropriated	Treasury changes in value of investments designated at FVOCI	Total other components of shareholders' equity		
Balance as at 1 January 2023	750,000,000	879,522,764	14,438,833	-	90,000,000	-	510,722,987	-	(48,031,929)	(48,031,929)	2,196,652,655	
Profit for the year	-	-	-	-	-	-	53,271,939	-	-	-	53,271,939	
Other comprehensive income for the year	-	-	-	-	-	-	29,199,771	-	(22,522,368)	(22,522,368)	6,677,403	
Total comprehensive income for the year	-	-	-	-	-	-	82,471,710	-	(22,522,368)	(22,522,368)	59,949,342	
Dividend paid	-	-	-	-	-	-	(44,974,104)	-	-	-	(44,974,104)	
Balance as at 31 December 2023	750,000,000	879,522,764	14,438,833	-	90,000,000	-	548,220,593	-	(70,554,297)	(70,554,297)	2,211,627,893	
Balance as at 1 January 2024	750,000,000	879,522,764	14,438,833	-	90,000,000	-	548,220,593	-	(70,554,297)	(70,554,297)	2,211,627,893	
Profit for the year	-	-	-	-	-	-	118,196,247	-	-	-	118,196,247	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(25,169,164)	(25,169,164)	(25,169,164)	
Total comprehensive income for the year	-	-	-	-	-	-	118,196,247	-	(25,169,164)	(25,169,164)	93,027,083	
Treasury stocks	-	-	-	-	-	189,974,151	(189,974,151)	(189,974,151)	-	-	(189,974,151)	
Dividend paid	-	-	-	-	-	-	(67,461,156)	-	-	-	(67,461,156)	
Balance as at 31 December 2024	750,000,000	879,522,764	14,438,833	-	90,000,000	189,974,151	408,981,533	(189,974,151)	(95,723,461)	(95,723,461)	2,047,219,669	

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

Modernform Group Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2024

(Unit: Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before income tax	156,023,985	79,746,900	119,254,455	54,547,194
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	95,835,824	96,755,458	83,572,790	83,630,058
Written-off building improvement and equipment	25,580	9,003	25,536	9,000
Allowance for expected credit losses	5,121,154	3,051,059	5,121,154	3,051,059
Reduction of inventory to net realisable value (reversal)	(45,212)	12,938,345	(3,927,599)	8,034,633
Impairment loss on non-financial assets (reversal)	(222,323)	3,049,927	(222,323)	3,049,927
Impairment loss on investment in associate (reversal)	-	-	-	(3,030,000)
Share of loss (profit) from investments in associates	(10,037,424)	1,322,652	-	-
Share of loss (profit) from investments in joint ventures	(23,394,354)	3,939,549	-	-
Gain on sales of equipment and investment properties	(1,347,677)	(705,104)	(1,347,227)	(573,901)
Gain on sales of investment in joint venture	-	(2,244,176)	-	(2,500,000)
Loss (gain) on fair value adjustments of financial assets	9,470,818	(788,813)	9,470,818	(788,813)
Loss on sales of investments in financial assets	-	6,225,021	-	6,225,021
Gain on cancellation of lease agreements	1,328	-	-	-
Long-term employee benefit expenses	36,875,700	20,484,687	35,451,599	19,481,964
Dividend income	(7,396,454)	(8,723,589)	(86,596,202)	(63,723,414)
Finance income	(12,837,108)	(6,409,094)	(12,128,509)	(6,462,935)
Finance cost	12,349,306	13,271,803	5,378,725	7,836,540
Profit from operating activities before changes in operating assets and liabilities	260,423,143	221,923,628	154,053,217	108,786,333
(Increase) decrease in operating assets				
Trade and other receivables	36,753,291	(21,379,150)	56,820,902	(33,144,866)
Contract assets	(29,625,146)	22,733,431	(7,008,319)	9,571,904
Inventories	119,814,338	131,676,705	135,967,597	117,771,090
Other current assets	(3,587,493)	(6,327,788)	(1,558,622)	(6,370,438)
Other non-current financial assets	570,480	28,826,352	689,987	29,857,487
Other non-current assets	(6,081,838)	(1,682,559)	(8,248,957)	(1,684,158)
Increase (decrease) in operating liabilities				
Trade and other payables	28,800,399	(40,879,511)	28,588,588	(28,512,170)
Other current liabilities	(74,436,533)	17,885,045	(72,268,503)	17,217,455
Cash paid for long-term employee benefits	(39,830,093)	(7,918,636)	(39,830,093)	(6,957,236)
Other non-current liabilities	905,609	(439,669)	-	-
Cash flows from operating activities	293,706,157	344,417,848	247,205,797	206,535,401
Interest paid	(7,802,705)	(7,955,483)	(1,755,516)	(2,286,959)
Cash received from withholding tax refund	2,941,942	-	2,941,942	-
Corporate income tax paid	(19,135,888)	(22,633,645)	(2,276,598)	(2,197,042)
Net cash flows from operating activities	269,709,506	313,828,720	246,115,625	202,051,400

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

Modernform Group Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2024

(Unit: Baht)

	Consolidate		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from investing activities				
Cash paid for loan to related party	(8,000,000)	(11,500,000)	(8,000,000)	(11,500,000)
Cash received from loan to related party	22,850,870	-	22,850,870	-
Cash receipt from share capital reduction of investment measured at fair value through other comprehensive income	-	10,032,625	-	10,032,625
Proceeds from sales of investment in joint venture	-	11,500,000	-	11,500,000
Dividend received from investment measured at fair value through profit or loss	3,356,454	844,090	3,356,454	844,090
Dividend received from investment measured at fair value through other comprehensive income	4,040,000	7,879,499	4,040,000	7,879,499
Dividend received from investment in subsidiary	-	-	79,199,748	54,999,825
Cash paid for share subscription in joint ventures	-	(2,360,000)	-	-
Cash paid for purchase of property, plant and equipment and investment property	(22,124,424)	(29,359,510)	(21,357,263)	(28,063,668)
Cash paid for purchase of intangible assets	(248,288)	(368,900)	(248,288)	(368,900)
Proceeds from sales of equipment and investment properties	1,411,304	944,664	1,410,837	812,235
Cash received from interest income	10,227,199	4,687,343	8,772,719	4,047,807
Net cash flows from (used in) investing activities	11,513,115	(7,700,189)	90,025,077	50,183,513
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	50,656,220	(36,310,389)	-	-
Repayment of long-term loans	(9,600,000)	(9,600,000)	(9,600,000)	(9,600,000)
Cash paid for lease liabilities	(21,256,034)	(20,653,177)	(44,567,654)	(43,198,733)
Treasury stocks	(189,974,151)	-	(189,974,151)	-
Dividend paid	(67,461,408)	(44,974,279)	(67,461,156)	(44,974,104)
Net cash flows used in financing activities	(237,635,373)	(111,537,845)	(311,602,961)	(97,772,837)
Net increase in cash and cash equivalents	43,587,248	194,590,686	24,537,741	154,462,076
Cash and cash equivalents at beginning of year	563,074,170	368,483,484	449,273,023	294,810,947
Cash and cash equivalents at end of year (Note 7)	606,661,418	563,074,170	473,810,764	449,273,023

Supplement cash flows information

Non-cash items consist of:

Increase (decrease) in payables from purchase of assets	(2,299,219)	1,701,091	(2,287,242)	1,886,317
Increase in right-of-use assets and lease liabilities from new agreements	-	9,240,324	434,155	9,014,850
Increase in right-of-use assets and lease liabilities from the effect of changes from agreements	42,447,518	-	338,821,088	-
Unrealised loss on investment measured at fair value through other comprehensive income - net of income tax	25,169,164	22,522,368	25,169,164	22,522,368
Actuarial gain (loss) from post-employment benefits plan - net of income tax	(723,753)	29,199,771	-	29,199,771
Transfer right-of-use asset to property, plant and equipment	289,089	-	-	-

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

Modernform Group Public Company Limited and its subsidiaries

Notes to financial statements

For the year ended 31 December 2024

1. General information

1.1 General information of the Company

Modernform Group Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of residential and office furniture and its registered address is at No. 699, Srinakarindr Road, Phatthanakan, Suan Luang, Bangkok. As at 31 December 2024, the Company has a total of 11 branches (2024: 11 branches) located in Bangkok and other provinces.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Modernform Group Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2024 (%)	2023 (%)
<u>Held by the Company</u>				
Modernform Tower Company Limited	Rental office space	Thailand	100	100
Modernform Health & Care Public Company Limited	Distribution of health & care products and construction	Thailand	95	95

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that effect the amount of its returns.
- c) Subsidiaries are fully consolidated being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, present investments in subsidiaries, joint venture and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025.

These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

When a contract provided a customer with a right to return the goods within a specified period, the Group recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Rendering of rental

Rental income is recognised on a straight-line basis over the lease term.

Rendering of services

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

Rendering of architectural design services and construction

Service income from architectural design and construction contracts are recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by engineers or project managers, including relevant budget.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Contract asset” in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Contract liability” in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Dividends

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

Finance cost

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

4.2 Cost of construction services and expenses

In determining cost of construction services of the Group, the total anticipated construction costs are attributed to each construction projects (comparing to actual cost) and then recognised as cost of services in profit or loss on the basis of percentage of completion.

The recognised cost of construction which have not yet been due have been shown under the caption of “Unbilled payable” in the statements of financial position.

The actual cost of construction incurred but not yet recognised as cost of services in profit or loss has been regarded as “Construction in progress” in the statements of financial position.

Construction in progress includes the cost of raw material, direct labour and other expenses incurred for each project. Such construction in progress is valued at the lower of cost or net realisable value.

Expenses are recognised on an accrual basis.

4.3 Cash and cash equivalents

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

4.4 Balances of contracts with customers

Contract assets

The Group recognises contract asset when cumulative revenue earned exceed the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional, i.e. services are completed and delivered to the customer.

Contract liabilities

The Group recognises contract liability when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when their performance obligations under the contracts are fulfilled.

4.5 Inventories

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

Trade finished goods are valued at the lower of average cost and net realisable value.

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

4.6 Cost to obtain a contract

The Group recognises a commission paid to obtain a customer contract as an asset and amortises it to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct costs.

4.7 Investments in subsidiaries, joint ventures and associates

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

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements at cost less provision for impairment of investments (if any).

4.8 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10, 15, 20 and 30 years. Depreciation of the investment properties is included in determining income.

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

4.9 Property, plant and equipment/Depreciation

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

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

	Useful lives
Land improvement	5 - 20 years
Buildings	20 years
Building improvement	5 - 20 years
Leasehold improvement	5 years
Machinery	5 - 12 years
Furniture and equipment	5 - 10 years
Vehicles	5 - 10 years
Other equipment	3 - 20 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

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

4.10 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Buildings and building improvement	6 years
------------------------------------	---------

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate.

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

Short-term leases and leases of low-value assets

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

The Group as a lessor

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

4.11 Intangible assets

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

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

A summary of the intangible asset with finite useful lives is as follow:

	Useful lives
Computer software	5 - 10 years

4.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.13 Related party transactions

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

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

4.14 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.15 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties or other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

4.17 Provisions

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

4.18 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.19 Treasury shares

The Company's own equity instruments that have been reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration received, if reissued, is recognised in share premium.

4.20 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

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

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

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

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

Financial assets at FVTPL

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

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

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

Classification and measurement of financial liabilities

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

Regular way sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the date on which the Company commits to purchase or sell the asset.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

Impairment of financial assets

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

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

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

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

4.21 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

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

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

4.22 Fair value measurement

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

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

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

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

5. Significant accounting judgments and estimates

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

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables and contract assets

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

Allowance for diminution in value of inventories

In determining an allowance for diminution in value of inventories, the management needs to exercise judgment in making estimates based upon the condition of goods and the duration such goods have remained in stock.

Allowance for loss of construction project

The management needs to exercise judgment in determining the expected costs of the construction projects, including other factors that affect the estimate of allowance for loss of construction projects and the Group recognises an allowance for loss of construction projects in full upon the project incurs losses.

Fair value of financial instruments

In determining the fair value of financial instruments disclosed in the note to financial statement that are not actively traded and for which quoted market prices are not readily available, the management exercises

judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value disclosed in the notes to financial statements and disclosures of fair value hierarchy.

Property, plant and equipment and investment property/Depreciation

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

In addition, the management is required to review property, plant and equipment and investment property for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Allowance for impairment of investment

In determining allowance for impairment of investment, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is its value in use. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

6. Related party transactions

Details of relationships of the Group to related person or related parties are as follows.

<u>Name of entities</u>	<u>Nature of relationships</u>
Modernform Health & Care Public Company Limited	Subsidiary
Modernform Tower Company Limited	Subsidiary
Itoki Modernform Company Limited	Associate
Workspace Company Limited	Associate
BuiltDee Company Limited	Associate
Lesmo Company Limited	Associate
Charoensup Kamlung 3 Company Limited	Joint venture
UICC Company Limited	Joint venture (Holding by subsidiary)
Back in Motion Company Limited	Joint venture (Holding by subsidiary and associate)
Lesmo Plus Company Limited	Joint venture (Holding by associate)
Interhides Public Company Limited	Shareholder and director is related to the Company's management
Directors	Director of company and subsidiaries

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

(Unit: Million Baht)

Consolidated financial statements		Separate financial statements		Transfer pricing policy
2024	2023	2024	2023	

Transactions with subsidiaries

(Eliminated from the consolidated financial statements)

Sales of goods	-	-	0.3	1.1	Close to market price
Purchases of goods	-	-	3.8	2.2	Close to market price
Services income	-	-	2.3	2.0	Contract price
Dividend received	-	-	79.2	55.0	As declared

Transactions with associates

Sales of goods	28.2	16.5	28.2	16.5	Close to market price
Purchases of goods	21.9	50.9	21.9	50.9	Close to market price
Services income	1.2	0.6	1.2	0.6	Contract price
Rental income and related service fees	3.8	3.6	2.0	2.0	Contract price
Service paid	0.4	1.2	0.4	1.1	Contract price

Transactions with joint ventures

Sales of goods	1.4	0.7	0.5	0.7	Close to market price
Services income	2.3	2.1	0.3	0.2	Contract price

Transactions with related company

Purchases of goods	3.1	2.9	3.1	2.9	Close to market price
Dividend received	1.7	-	1.7	-	As declared

The Company has entered into lease agreements and service agreements in respect of the lease of office building space and showroom. The rental rate and service rate are Baht 410 per square meter per month and Baht 500 per square meter per month, respectively. During the year 2024, the rental and service fee as specified in the agreements totaling Baht 71 million (2023: Baht 60 million).

As at 31 December 2024 and 2023, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Trade receivables (Note 9)				
Subsidiaries	-	-	25	27
Associates	17,865	3,325	17,835	3,325
Joint ventures	46	4	46	4
Related company	-	3	-	3
Total	17,911	3,332	17,906	3,359
Other receivables (Note 9)				
Subsidiaries	-	-	153	186
Associates	465	52	465	30
Joint ventures	266	174	95	3
Total	731	226	713	219
Other current assets				
Associates	3,395	4,549	3,395	4,549
Other non-current assets				
Subsidiaries	-	-	2,159	-
Other non-current financial assets - deposits (Note 12)				
Subsidiary	-	-	14,956	14,647
Trade and other payables (Note 21)				
Subsidiaries	-	-	1,018	1,062
Associates	1,973	2,511	1,973	2,511
Related company	12	1,647	12	-
Director	75	75	-	1,647
Total	2,060	4,233	3,003	5,220
Current portion of lease liabilities				
Subsidiary	-	-	42,792	23,715
Other current liabilities				
Associate	485	465	-	-
Lease liabilities, net of current portion				
Subsidiary	-	-	253,802	-

Loan to related party and interest receivable

(Unit: Thousand Baht)

Associate

Lesmo Company Limited

Consolidated financial statements and Separate financial statements			
Balance as at 1 January 2024	Increase	Decrease	Balance as at 31 December 2024
32,803	10,116	(22,851)	20,068

The loan is unsecured, carrying interest at MLR of a local commercial bank per annum (2023: MLR of a local commercial bank plus a fixed rate per annum). As at 31 December 2024, the Company expect the loan is to be repaid more than 1 year.

Directors and management's remuneration

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Short-term employee benefits	45	44	41	40
Post-employment benefits	3	3	3	3
Total	48	47	44	43

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 35.4.2 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash	740	752	690	702
Bank deposits	605,921	562,322	473,121	448,571
Total	606,661	563,074	473,811	449,273

As at 31 December 2024, bank deposits carried interests between 0.15% and 1.85% per annum (2023: between 0.15% and 1.70% per annum).

8. Contract assets/Contract liabilities

Contract balances

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Contract assets				
Unbilled receivables	50,826	28,124	-	-
Retention receivables	49,020	40,986	49,020	40,900
Less: Allowance for expected credit losses	(6,128)	(6,350)	(6,128)	(6,350)
Total retention receivables - net	42,892	34,636	42,892	34,550
Other	868	1,979	868	1,979
Total contract assets - net	94,586	64,739	43,760	36,529
Contract assets				
Current	79,406	50,129	28,579	21,990
Non-current	15,180	14,610	15,181	14,539
Total contract assets	94,586	64,739	43,760	36,529
Contract liabilities				
Customer deposits	(212,171)	(277,277)	(210,721)	(275,662)
Other	(692)	(2,490)	(692)	(2,490)
Total contract liabilities	(212,863)	(279,767)	(211,413)	(278,152)

The balance of unbilled receivables as at 31 December 2024 and 2023, aged on the basis of period until they are expected to be billed to customers in the future, can be summarised as follows:

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Period to expected billing				
In up to 3 months	49,747	27,964	-	-
In over 3 and up to 12 months	1,079	160	-	-
Total unbilled receivables	50,826	28,124	-	-

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Trade receivables - related parties				
Age on the basis of due dates				
Not yet due and past due				
Up to 3 months	18,268	3,400	18,263	3,427
Total	18,268	3,400	18,263	3,427
Less: Allowance for expected credit losses	(357)	(68)	(357)	(68)
Total trade receivables - related parties	17,911	3,332	17,906	3,359
Trade receivables - unrelated parties				
Age on the basis of due dates				
Not yet due and past due				
Up to 3 months	320,254	339,564	235,420	272,058
Past due				
3 - 6 months	17,967	16,169	10,783	15,726
6 - 12 months	1,962	37,745	1,766	35,704
Over 12 months	54,190	50,875	54,169	50,805
Total	394,373	444,353	302,138	374,293
Less: Allowance for expected credit losses	(67,420)	(62,588)	(67,420)	(62,588)
Total trade receivables - unrelated parties, net	326,953	381,765	234,718	311,705
Other receivables				
Other receivables - related parties	731	226	713	219
Other receivables - unrelated parties	4,404	6,551	769	765
Total	5,135	6,777	1,482	984
Total trade and other receivables - net	349,999	391,874	254,106	316,048

The normal credit term is 30 to 90 days.

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

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Beginning balance	62,656	59,605	62,656	59,605
Provision for expected credit losses	13,654	15,967	13,654	15,967
Written off	(8,533)	(12,916)	(8,533)	(12,916)
Ending balance	67,777	62,656	67,777	62,656

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventory - net	
	2024	2023	2024	2023	2024	2023
Finished goods	879,947	957,486	(176,059)	(161,669)	703,888	795,817
Work in process	31,694	43,125	(4,486)	(4,711)	27,208	38,414
Raw materials	114,558	154,221	(34,856)	(48,656)	79,702	105,565
Goods for showroom	59,635	62,267	(5,991)	(6,401)	53,644	55,866
Goods in transit	45,364	30,435	-	-	45,364	30,435
Other supplies	2,065	5,544	-	-	2,065	5,544
Total	1,133,263	1,253,078	(221,392)	(221,437)	911,871	1,031,641

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventory - net	
	2024	2023	2024	2023	2024	2023
Finished goods	626,105	711,087	(140,094)	(129,587)	486,011	581,500
Work in process	30,728	42,545	(4,486)	(4,711)	26,242	37,834
Raw materials	114,558	154,221	(34,856)	(48,656)	79,702	105,565
Goods for showroom	56,172	58,903	(5,991)	(6,401)	50,181	52,502
Goods in transit	24,787	18,083	-	-	24,787	18,083
Other supplies	2,065	5,544	-	-	2,065	5,544
Total	854,415	990,383	(185,427)	(189,355)	668,988	801,028

During the current year, the Group reversed the reduction of cost of inventories by Baht 0.1 million (2023: reduced of cost of inventories Baht 13 million) (the Company only: Baht 4 million, 2023: reduced of cost of inventories by Baht 8 million), to reflect the net realisable value. This was included in cost of sales.

11. Other current financial assets

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Fair value				
Financial assets measured at FVTPL				
Listed equity investment	13,590	22,453	13,590	22,453
Total financial assets at measured FVTPL	13,590	22,453	13,590	22,453
Total other current financial assets	13,590	22,453	13,590	22,453

12. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Financial assets measured at FVTPL				
Non-listed equity investment	85,656	85,656	85,656	85,656
Investments in overseas non-listed fund	33,277	33,885	33,277	33,885
Total financial assets measured at FVTPL	118,933	119,541	118,933	119,541
Financial assets designated at FVOCI				
Listed equity investments	82,954	108,123	82,954	108,123
Total financial assets measured at FVOCI	82,954	108,123	82,954	108,123
Financial assets at amortised cost				
Deposit	8,501	8,578	23,097	22,547
Total financial assets at amortised cost	8,501	8,578	23,097	22,547
Total other non-current financial assets	210,388	236,242	224,984	250,211

Financial instruments designated at fair value through other comprehensive income which the Group intend to hold for long-term and for strategic purpose are as follows:

(Unit: Thousand Baht)

Investment sector	Consolidated financial statements				Separate financial statements			
	Fair value		Dividend		Fair value		Dividend	
	2024	2023	2024	2023	2024	2023	2024	2023
Listed equity instruments								
Information & communication technology	43,310	46,860	2,840	2,840	43,310	46,860	2,840	2,840
Industrials	32,200	53,200	1,200	2,000	32,200	53,200	1,200	2,000
Consumer products	7,444	8,063	-	3,039	7,444	8,063	-	3,039
Total financial instruments designated at fair value through other comprehensive income	82,954	108,123	4,040	7,879	82,954	108,123	4,040	7,879

13. Investments in associates

13.1 Details of associates:

Company	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on the equity method	
			2024	2023	2024	2023	2024	2023
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Itoki Modernform Company Limited	Interior design and distribution of furniture	Thailand	49.5	49.5	14,850	14,850	7,971	3,679
Workspace Company Limited	Manufacture and distribution of furniture	Thailand	40.0	40.0	28,000	28,000	25,310	28,541
BuiltDee Company Limited	Manufacture and distribution of furniture	Thailand	49.0	49.0	1,960	1,960	5,060	718
Lesmo Company Limited	Property development	Thailand	38.8	38.8	4,000	4,000	7,104	2,469
Total					48,810	48,810	45,445	35,407

Company	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on the cost method - net	
			2024	2023	2024	2023	2024	2023	2024	2023
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Itoki Modernform Company Limited	Interior design and distribution of furniture	Thailand	49.5	49.5	14,850	14,850	(11,820)	(11,820)	3,030	3,030
Workspace Company Limited	Manufacture and distribution of furniture	Thailand	40.0	40.0	28,000	28,000	-	-	28,000	28,000
BuiltDee Company Limited	Manufacture and distribution of furniture	Thailand	49.0	49.0	1,960	1,960	-	-	1,960	1,960
Lesmo Company Limited	Property development	Thailand	38.8	38.8	4,000	4,000	-	-	4,000	4,000
Total					48,810	48,810	(11,820)	(11,820)	36,990	36,990

13.2 Share of profit (loss) from investments in associates

During the years, the Company has recognised its share of profit (loss) from investments in associates in the financial statements as follows:

(Unit: Thousand Baht)

Company	Consolidated financial statements	
	Share of profit (loss) from investments	
	in associates	
	For the years ended 31 December	
	2024	2023
Itoki Modernform Company Limited	4,292	3,679
Workscape Company Limited	(3,231)	(359)
BuiltDee Company Limited	4,342	(2,879)
Lesmo Company Limited	4,634	(1,764)
Total	10,037	(1,323)

During the years, 2024 and 2023 the Company has no share of comprehensive income from associate companies and did not received dividend from associate companies.

13.3 Summarised financial information of associates

Summarised information about financial position

(Unit: Million Baht)

	Itoki Modernform Company Limited		Workscape Company Limited		BuiltDee Company Limited		Lesmo Company Limited	
	2024	2023	2024	2023	2024	2023	2024	2023
Current assets	56	53	64	78	93	70	33	51
Non-current assets	1	4	59	52	4	8	14	2
Current liabilities	(36)	(44)	(45)	(52)	(88)	(81)	(28)	(47)
Non-current liabilities	(3)	(4)	(15)	(6)	-	-	-	-
Net assets	18	9	63	72	9	(3)	19	6
Shareholding percentage (%)	49.5	49.5	40.0	40.0	49.0	49.0	38.83	38.83
Share of net assets - net	9	5	25	29	4	(1)	7	2
Elimination entries	(1)	(1)	-	-	1	2	-	-
Carrying amounts of associated based on the equity method	8	4	25	29	5	1	7	2

Summarised information about comprehensive income

(Unit: Million Baht)

	Itoki Modernform Company Limited		Workspace Company Limited		BuiltDee Company Limited		Lesmo Company Limited	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	109	124	141	161	220	100	64	-
Profit (loss)	9	12	(9)	1	12	(9)	12	(5)
Total comprehensive income	9	12	(9)	1	12	(9)	12	(5)

13.4 Significant changes in investments in associates during the period

Lesmo Company Limited

On 19 September 2024, Lesmo Company Limited (the associate) established Lesmo Plus Co., Ltd. in accordance with the resolution of the associate's Board of Directors meeting No.4/2024 on 21 August 2024. Lesmo Plus Co., Ltd. has a registered capital of Baht 24 million, consisting of 240,000 ordinary shares at the par value of Baht 100 per share and is engaged in operating property development. Lesmo Company Limited held 50.0% of the registered shares capital. On 13 September 2024 Lesmo Company Limited fully paid for the shares of Baht 100 per share, in proportion to its investment stake amounting to Baht 12 million.

14. Investments in subsidiaries

14.1 Details of investments in subsidiaries as presented in the separate financial statements

Company	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Million Baht)	(Million Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Modernform Tower Company Limited	220	220	100	100	219,899	219,899	79,200	55,000
Modernform Health & Care Public Company Limited	150	150	95	95	175,400	175,400	-	-
Total					395,299	395,299	79,200	55,000

14.2 Details of investments in subsidiary that has material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the years		Other comprehensive income allocated to non-controlling interests during the years	
	2024	2023	2024	2023	2024	2023	2024	2023
	(%)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Modernform Health & Care Public Company Limited	5	5	9	8	1	0.1	-	-

14.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling

Summarised information about financial position

(Unit: Million Baht)

	Modernform Health & Care Public Company Limited	
	2024	2023
Current assets	400	349
Non-current assets	88	59
Current liabilities	(296)	(244)
Non-current liabilities	(6)	(4)

Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December Modernform Health & Care Public Company Limited	
	2024	2023
Revenue	324	331
Profit	25	2
Total comprehensive income	25	2

Summarised information about cash flow

(Unit: Million Baht)

	For the years ended 31 December Modernform Health & Care Public Company Limited	
	2024	2023
Cash flow from operating activities	(54)	41
Cash flow used in investing activities	-	(4)
Cash flow used in financing activities	49	(38)
Net decrease in cash and cash equivalents	(5)	(1)

15. Investments in joint ventures

15.1 Details of investments in joint ventures:

Investments in joint ventures represents investment in entities which is jointly controlled by the Group and individual. Details as follows:

Company	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on the equity method	
			2024	2023	2024	2023	2024	2023
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Charoensup Kamlung 3 Company Limited	Distribution of furniture	Thailand	48.9	48.9	99,000	99,000	98,346	103,469
UICC Company Limited	Health care business	Thailand	40.0 ^{a)}	40.0 ^{a)}	80,000	80,000	73,234	43,395
Back in Motion Company Limited	Physical therapy service center	Thailand	b)	b)	2,360	2,360	-	1,322
Total					181,360	181,360	171,580	148,186

^{a)} This represents the proportion of investments held through Modernform Health & Care Public Company Limited.

^{b)} Invested by a subsidiary and an associate (Note 15.3).

Company	Separate financial statement			
	Shareholding percentage		Carrying amounts based on the cost method	
	2024	2023	2024	2023
	(%)	(%)	(Thousand Baht)	(Thousand Baht)
Charoensup Kamlung 3 Company Limited	48.9	48.9	99,000	99,000
Total			99,000	99,000

15.2 Charoensup Kamlung 3 Company Limited

In 2024, the Company reviews and estimates the recoverable amount of investment in joint venture by estimating the cash inflows that are expected to be generated from that investment in joint venture in the future based on financial forecasts prepared by management of enterprise. Key assumptions include long-term growth rate and discount rate.

The management of the Company determined these key assumptions based on historical operating results and expected market growth. The discount rate used is a rate that reflects risks specific to the company.

The management of the Company believes that changes in the key assumptions used to determine the value in use of the investment in joint venture would not result significantly in impairment of investment in joint venture. However, if the discount rate were increased by 1 percent per annum, the recoverable amount would less than the carrying approximately to Baht 3 million.

15.3 Back in Motion Company Limited

Modernform Health & Care Public Company Limited (“the subsidiary”) and Workscape Company Limited (“the associate”) jointly established Back in Motion Company Limited, which is engaged in operating a physical therapy service center. This company has a registered share capital of Baht 5.0 million. The subsidiary and the associate each held 29.5 percent of the registered shares capital, totaling Baht 3.0 million. The investment in Back in Motion Company Limited was classified as an investment in joint venture since it met the criteria concerning the nature of a joint venture defined in the articles of association of the company.

- 15.4 A subsidiary has pledged investments in joint venture as at 31 December 2024 amounting to approximately Baht 73 million (2023: Baht 43 million) as collateral against credit facilities of a joint venture received from a financial institution.

15.5 Share of profit (loss) from investments in joint ventures

During the years, the Company has recognised its share of profit (loss) from investments in joint ventures in the financial statements are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	Share of profit (loss) from investments in joint ventures	
	For the years ended 31 December	
	2024	2023
Joint ventures		
UICC Company Limited	29,839	(3,708)
Charoensup Kamlung 3 Company Limited	(5,123)	806
Back in Motion Company Limited*	(1,322)	(1,038)
Total	23,394	(3,940)

* Share of loss from Back in Motion Company Limited is calculated based on the financial statement, which has not been audited by its auditor.

During 2024 and 2023, the Company has no share of comprehensive income from investments in joint ventures and did not received dividend from joint ventures.

15.6 Summarised financial information of investments in joint ventures

Summarised information about financial position

(Unit: Million Baht)

	UICC Company Limited		Charoensup Kamlung 3 Company Limited	
	2024	2023	2024	2023
Current assets	36	13	98	116
Non-current assets	291	306	35	21
Current liabilities	(56)	(54)	(77)	(70)
Non-current liabilities	(88)	(154)	(5)	(5)
Net assets	183	111	51	62
Shareholding percentage (%)	40.0	40.0	48.9	48.9
Share of net assets	73	44	25	30
Goodwill	-	-	73	73
Carrying amounts of joint venture based on equity method	73	44	98	103

Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	UICC Company Limited		Charoensup Kamlung 3 Company Limited	
	2024	2023	2024	2023
Revenue	226	107	138	136
Profit (loss)	72	(9)	(10)	2
Total comprehensive income	72	(9)	(10)	2

16. Investment properties

The net book value of investment properties as at 31 December 2024 and 2023 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements		
	Land and land improvement	Office building and building improvement for rent	Condominium	Total	Land	Condominium	Total
31 December 2024:							
Cost	164,780	528,156	6,597	699,533	1,084	6,597	7,681
Less: Accumulated depreciation	(3,212)	(495,816)	(670)	(499,698)	-	(670)	(670)
Less: Allowance for impairment	(409)	-	-	(409)	(409)	-	(409)
Net book value	161,159	32,340	5,927	199,426	675	5,927	6,602
31 December 2023:							
Cost	164,780	528,156	6,597	699,533	1,084	6,597	7,681
Less: Accumulated depreciation	(3,202)	(477,226)	(339)	(480,767)	-	(339)	(339)
Less: Allowance for impairment	(409)	-	-	(409)	(409)	-	(409)
Net book value	161,169	50,930	6,258	218,357	675	6,258	6,933

A reconciliation of the net book value of investment properties for the years 2024 and 2023 is presented below.

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Net book value at beginning of year	218,357	237,308	6,933	7,262
Depreciation for the year	(18,931)	(18,951)	(331)	(329)
Net book value at end of year	199,426	218,357	6,602	6,933

The Group has mortgaged buildings and offices for rent and offices used by the Company, which presented as investment properties and property, plant and equipment (Note 17) with their net book value as of 31 December 2024 totalling Baht 63 million and Baht 47 million, respectively (2023: Baht 80 million and Baht 58 million, respectively) to the bank as collateral for bank overdraft of a subsidiary.

The subsidiary has entered into operating lease and service agreements for investment property, office building. The terms of the agreements are generally between 1 and 3 years. Future minimum expected to be received under non-cancellable operating lease and service agreements as of 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2024	2023
Within 1 year	30,068	64,869
Over 1 year and up to 3 years	13,340	26,035
Total	43,408	90,904

The fair value of the investment properties as at 31 December 2024 and 2023 stated below:

(Unit: Million Baht)

	Consolidated financial statements	
	2024	2023
Land and office building and building improvement for rent	865	865
Condominium	6	7

(Unit: Million Baht)

	Separate financial statements	
	2024	2023
Land	0.7	0.7
Condominium	6	7

The fair value of land and office building and building improvement for rent as at 31 December 2024 and 2023 have been determined based on valuation performed by an accredited independent valuer using the income approach. Key assumptions used in the valuation include rental rate, occupancy rate, including market growth rate, expenses related to rental costs and discount rate.

The fair value of land has been determined by basing on the appraisal value of Treasury Department.

The fair value of condominium has been determined by the management based on the market price.

17. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements								
	Land and improvement	Buildings	Building and leasehold improvement	Machinery	Furniture and equipment	Vehicles	Construction in progress	Others	Total
Cost:									
1 January 2023	182,887	629,139	366,639	344,617	189,860	78,930	3,254	102,026	1,897,352
Additions	-	-	2,253	1,901	8,573	750	3,613	13,971	31,061
Transfer-in (transfer-out)	-	-	-	11,882	(9)	-	-	(11,873)	-
Transfers	-	-	-	-	-	724	-	-	724
Disposals	-	-	-	(17,671)	(846)	(558)	-	(832)	(19,907)
Written-off	-	-	-	-	(217)	-	-	(75)	(292)
31 December 2023	182,887	629,319	368,892	340,729	197,361	79,846	6,867	103,217	1,908,938
Additions	418	-	8,936	3,045	5,417	-	478	1,531	19,825
Transfer-in (transfer-out)	-	-	7,057	502	-	-	(7,057)	(502)	-
Transfers	-	-	-	-	-	726	-	-	726
Disposals	-	-	(1,399)	(15,458)	(18,373)	(6,424)	-	(1,662)	(43,316)
Written-off	-	-	-	-	(148)	-	-	-	(148)
31 December 2024	183,305	629,139	383,486	328,818	184,257	74,148	288	102,584	1,886,025
Accumulated depreciation:									
1 January 2023	46,749	526,347	287,550	300,274	175,991	75,529	-	94,479	1,506,919
Depreciation for the year	3,367	17,195	12,664	13,364	6,034	1,004	-	2,866	56,494
Depreciation for transfer	-	-	-	-	-	724	-	-	724
Depreciation on disposals	-	-	-	(17,564)	(717)	(557)	-	(829)	(19,667)
Depreciation on written-off	-	-	-	-	(208)	-	-	(75)	(283)
31 December 2023	50,116	543,542	300,214	296,074	181,100	76,700	-	96,441	1,544,187
Depreciation for the year	3,299	17,228	11,575	14,550	6,142	1,315	-	2,220	56,329
Depreciation for transfer	-	-	-	-	-	437	-	-	437
Depreciation on disposals	-	-	(1,399)	(15,458)	(18,316)	(6,424)	-	(1,656)	(43,253)
Depreciation on written-off	-	-	-	-	(122)	-	-	-	(122)
31 December 2024	53,415	560,770	310,390	295,166	168,804	72,028	-	97,005	1,557,578
Net book value:									
31 December 2023	132,771	85,597	68,678	44,655	16,261	3,146	6,867	6,776	364,751
31 December 2024	129,890	68,369	73,096	33,652	15,453	2,120	288	5,579	328,447

Depreciation for the year

2023 (Baht 31 million included in manufacturing cost, and the balance in selling and administrative expenses)	56,494
2024 (Baht 30 million included in manufacturing cost, and the balance in selling and administrative expenses)	56,329

(Unit: Thousand Baht)

Separate financial statements									
	Land and improvement	Buildings	Building and leasehold improvement	Machinery	Furniture and equipment	Vehicles	Construction in progress	Others	Total
Cost:									
1 January 2023	147,020	305,771	337,900	344,617	178,060	77,413	3,254	99,927	1,493,962
Additions	-	-	2,253	1,901	8,060	180	3,613	13,943	29,950
Transfer-in (transfer-out)	-	-	-	11,882	-	-	-	(11,882)	-
Disposals	-	-	-	(17,671)	(798)	-	-	(832)	(19,301)
Written-off	-	-	-	-	(197)	-	-	(70)	(267)
31 December 2023	147,020	305,771	340,153	340,729	185,125	77,593	6,867	101,086	1,504,344
Additions	418	-	8,936	3,045	4,668	-	478	1,525	19,070
Transfer-in (transfer-out)	-	-	7,057	502	-	-	(7,057)	(502)	-
Disposals	-	-	(1,399)	(15,458)	(18,203)	(6,424)	-	(1,662)	(43,146)
Written-off	-	-	-	-	(73)	-	-	-	(73)
31 December 2024	147,438	305,771	354,747	328,818	171,517	71,169	288	100,447	1,480,195
Accumulated depreciation:									
1 January 2023	44,527	229,450	267,587	300,274	165,651	74,013	-	92,841	1,174,343
Depreciation for the year	3,360	6,930	11,384	13,364	5,338	911	-	2,651	43,938
Depreciation on disposals	-	-	-	(17,564)	(670)	-	-	(828)	(19,062)
Depreciation on written-off	-	-	-	-	(188)	-	-	(70)	(258)
31 December 2023	47,887	236,380	278,971	296,074	170,131	74,924	-	94,594	1,119,891
Depreciation for the year	3,292	6,934	10,764	14,550	5,488	912	-	2,020	43,960
Depreciation on disposals	-	-	(1,399)	(15,458)	(18,146)	(6,424)	-	(1,656)	(43,083)
Depreciation on written-off	-	-	-	-	(47)	-	-	-	(47)
31 December 2024	51,179	243,314	288,336	295,166	157,426	69,412	-	94,958	1,199,791
Net book value:									
31 December 2023	99,133	69,391	61,182	44,655	14,994	2,669	6,867	6,492	305,383
31 December 2024	96,259	62,457	66,411	33,652	14,091	1,757	288	5,489	280,404

Depreciation for the year

2023 (Baht 31 million included in manufacturing cost, and the balance in selling and administrative expenses)	43,938
2024 (Baht 30 million included in manufacturing cost, and the balance in selling and administrative expenses)	43,960

As at 31 December 2024, the Group had certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 989 million (2023: Baht 987 million) (The Company only: Baht 931 million, 2023: Baht 937 million).

The Company has mortgaged land and buildings with net book value as at 31 December 2024 and 2023 amount Baht 16 million with the bank to secure the Company's credit facilities.

18. Leases

The Group as a lessee

The Group has lease contracts for various items of buildings and building improvement and vehicles used in its operations. Leases of buildings and building improvement generally have lease terms between 2 - 3 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Buildings and building improvement	Vehicles	Total
1 January 2023	42,034	397	42,431
Additions	9,240	-	9,240
Depreciation for the year	(18,201)	(108)	(18,309)
31 December 2023	33,073	289	33,362
Effect of modification of lease agreements	42,447	-	42,447
Transferred asset type	-	(289)	(289)
Depreciation for the year	(17,909)	-	(17,909)
31 December 2024	57,611	-	57,611

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings and building improvement	Vehicles	Total
1 January 2023	78,802	-	78,802
Additions	9,015	-	9,015
Depreciation for the year	(36,364)	-	(36,364)
31 December 2023	51,453	-	51,453
Additions	434	-	434
Effect of modification of lease agreements	338,821	-	338,821
Depreciation for the year	(36,618)	-	(36,618)
31 December 2024	354,090	-	354,090

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Lease payments	64,473	39,434	416,817	62,374
Less: Deferred interest expenses	(5,219)	(3,394)	(61,169)	(4,002)
Total	59,254	36,040	355,648	58,372
Less: Current portion	(19,358)	(18,590)	(59,795)	(41,296)
Lease liabilities, net of current portion	39,896	17,450	295,853	17,076

Movements of the lease liability account during the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Balance at beginning of year	36,040	45,088	58,372	88,435
Additions	-	9,240	434	9,015
Effect of modification of lease agreements	42,447	-	338,821	-
Accretion of interest	2,023	2,365	2,589	4,121
Repayments	(21,256)	(20,653)	(44,568)	(43,199)
Balance at end of year	59,254	36,040	355,648	58,372

A maturity analysis of lease payments is disclosed in Note 37.2 to the financial statement under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Depreciation expenses of right-of-use assets	17,909	18,309	36,618	36,364
Interest expenses on lease liabilities	2,023	2,365	2,589	4,121
Expenses relating to leases of low-value assets	71	675	54	531

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2024 of Baht 21 million (2023: Baht 21 million) (The Company only: Baht 45 million, 2023: Baht 44 million), including the cash outflow related to short-term lease and leases of low-value assets.

19. Intangible assets

The net book value of intangible assets, computer software as at 31 December 2024 and 2023 is presented below.

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Cost	53,244	52,996	53,166	52,918
Less: Accumulated amortisation	(45,436)	(42,770)	(45,380)	(42,717)
Net book value	7,808	10,226	7,786	10,201

A reconciliation of the net book value of intangible assets for the years 2024 and 2023 is presented below.

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Net book value at beginning of year	10,226	12,859	10,201	12,830
Acquisition of assets - cost	248	369	248	369
Amortisation	(2,666)	(3,002)	(2,663)	(2,998)
Net book value at end of year	7,808	10,226	7,786	10,201

20. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (% per annum)		Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023	2024	2023
Trust receipts	2.72 - 3.12	2.50 - 3.12	60,023	49,384	-	-
Promissory notes	2.70 - 3.03	2.85 - 3.35	170,000	130,000	-	-
Bank overdrafts	MOR + 0.5%	-	18	-	-	-
Total			230,041	179,384	-	-

The loan is unsecured.

21. Trade and other payables

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Trade accounts payables - related parties (Note 6)	1,682	3,522	1,898	3,573
Trade accounts payables - unrelated parties	146,868	127,541	117,646	103,059
Other payables - related parties (Note 6)	378	711	303	636
Other payables - unrelated parties	56,636	74,927	49,072	67,144
Accrued expenses - related party (Note 6)	-	-	802	1,011
Accrued expenses - unrelated parties	56,170	24,745	47,279	15,276
Total trade and other payables	261,734	231,446	217,000	190,699

22. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated and separate financial statements	
	2024	2023	2024	2023
Long-term loans	MLR - 1.4%	MLR - 1.4%	5,262	14,862
Less: Current portion			(5,262)	(9,600)
Long-term loans, net of current portion			-	5,262

Movement of the long-term loan account during the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2024	2023
Beginning balance	14,862	24,462
Repayments	(9,600)	(9,600)
Ending balance	5,262	14,862

The loan is unsecured.

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio, debt service coverage ratio at the rate prescribed in the agreements and dividend payment.

23. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Provision for long-term employee benefits at beginning of year	161,096	185,030	153,261	177,236
Included in profit or loss:				
Current service cost	18,719	17,914	17,517	16,463
Interest cost	3,671	3,254	3,448	3,147
Included in other comprehensive income:				
Actuarial gain (loss) arising from				
Demographic assumptions changes	276	(4,993)	-	(4,993)
Financial assumptions changes	549	(13,765)	-	(13,765)
Experience adjustments	80	(17,742)	-	(17,742)
Benefits paid during the year	(25,344)	(8,602)	(25,344)	(7,085)
Provision for long-term employee benefits at end of year	159,047	161,096	148,882	153,261

The Group expects to pay Baht 13 million of long-term employee benefits during the next year (The Company only: Baht 12 million) (2023: Baht 6 million, The Company only: Baht 6 million).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 7 to 11 years (The Company only: 8 years) (2023: 7 to 12 years, The Company only: 8 years).

Significant actuarial assumptions are summarised below:

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.3 - 2.7	0.9 - 2.3	2.3	2.3
Future salary increase rate	3.0 - 5.0	2.0 - 3.0	3.0	3.0
Turnover rate (depending on age)	0 - 57	0 - 55	0 - 57	0 - 55

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below:

(Unit: Million Baht)

	As at 31 December 2024			
	Consolidate financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(6.5)	6.9	(6.1)	6.5
Salary increase rate	7.7	(7.3)	7.3	(6.9)
Turnover rate	(6.9)	4.0	(6.5)	4.0

(Unit: Million Baht)

	As at 31 December 2023			
	Consolidate financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(6.2)	6.6	(5.8)	6.2
Salary increase rate	6.7	(6.4)	6.2	(5.8)
Turnover rate	(6.6)	4.0	(6.2)	3.9

24. Other surplus

Other surplus is the value of the Company's investment in an associate under the equity method which increased because the associate raised additional share capital through a public offering on The Stock Exchange of Thailand and the difference arising from the reclassification of investment from investment in associate to investment in available-for-sale securities.

25. Statutory reserve

The Company and a subsidiary which is a public company

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

Other subsidiary

According to the Thai Civil and Commercial Code, the company is required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment. At present, the statutory reserve of such subsidiary has fully been set aside.

26. Revenue from contracts with customers

26.1 Disaggregated revenue information

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Type of goods or service:				
Sale of furniture	1,908,898	1,913,447	1,718,952	1,679,488
Sale of furniture fitting and other materials	338,723	413,095	338,774	413,215
Architectural design service and construction	110,819	75,068	-	-
Service income	84,798	85,993	3,242	2,650
Total revenue from contracts with customers	2,443,238	2,487,603	2,060,968	2,095,353
Timing of revenue recognition:				
Revenue recognised at a point in time	2,293,809	2,338,673	2,060,968	2,095,353
Revenue recognised over time	149,429	148,930	-	-
Total revenue from contracts with customers	2,443,238	2,487,603	2,060,968	2,095,353

26.2 Revenue recognised in relation to contract balances

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Revenue recognised during the year that was included in contract liabilities at the beginning of the year	265,874	219,944	265,336	219,406

26.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2024, the Group's revenue totaling Baht 1,432 million (2023: Baht 1,848 million) (The Company only: Baht 1,190 million (2023: Baht 1,719 million)) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) of contracts with customers. The Group expects to satisfy these performance obligations within the year 2027 (2023: within the year 2026).

27. Finance cost

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Interest expenses on borrowings	583	6,718	583	1,050
Interest expenses on lease liabilities	2,023	2,365	2,589	4,121
Other finance expenses	9,743	4,189	2,207	2,666
Total	12,349	13,272	5,379	7,837

28. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Salaries and wages and other employee benefits	635,105	597,600	587,177	551,126
Purchase of finished goods	767,684	821,604	616,922	672,654
Depreciation	93,170	93,754	80,910	80,631
Amortisation	2,666	3,002	2,663	2,998
Rental expenses from operating lease agreements	71	675	54	531
Raw materials and consumables used	343,257	332,310	343,257	332,288
Changes in finished goods and work in process	(91,602)	(104,453)	(99,530)	(91,286)
Transportation and installation	32,121	61,819	29,508	58,777

29. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Current income tax:				
Current income tax charge	27,989	19,356	8,734	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(8,150)	252	(7,676)	1,275
Income tax expenses reported in the income statements	19,839	19,608	1,058	1,275

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Deferred tax on actuarial gains (loss)	(181)	7,300	-	7,300
	(181)	7,300	-	7,300

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

(Unit: Thousand Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Accounting profit before tax	156,024	79,747	119,254	54,547
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	31,205	15,949	23,851	10,909
Temporary differences unrecognised to deferred tax assets	3,040	5,559	1,975	4,541
Unrecognised tax loss in previous year that is used to reduce current tax expenses during the year	(6,989)	(4,143)	(6,989)	(4,143)
Previously temporary differences that is recorded as deferred tax	(7,106)	-	(7,106)	-
Effects of:				
Non-deductible expenses	9,777	1,477	8,905	1,278
Dividend income	(1,479)	(1,137)	(17,319)	(12,137)
Additional expenses deductions allowed	(543)	(166)	(537)	(164)
Share of profit (loss) from investments in associates and joint ventures	(6,686)	949	-	-
Others	(1,380)	1,120	(1,722)	991
Total	(7,417)	2,243	(17,779)	(10,032)
Income tax expenses reported in the income statements	19,839	19,608	1,058	1,275

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidate		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Deferred tax assets				
Allowance for expected credit losses	5,392	5,392	5,392	5,392
Allowance for diminution in value of inventories	25,263	24,487	18,070	18,070
Depreciation	-	383	-	-
Provision for long-term employee benefits	16,151	8,580	14,118	7,013
Warranty provisions	527	731	-	-
Total	47,333	39,573	37,580	30,475
Deferred tax liabilities				
Unrealised gain on contracts with customers	2,571	3,131	2,571	3,131
Unrealised gain from revaluation of investments	3,610	3,610	3,610	3,610
Accretion of interest	224	235	224	235
Total	6,405	6,976	6,405	6,976
Deferred tax assets - net	40,928	32,597	31,175	23,499

As at 31 December 2024, the Company has deductible temporary differences totalling Baht 144 million (2023: deductible temporary differences and unused tax losses totalling Baht 344 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

As at 31 December 2023, the unused tax losses amounting to Baht 35 million (2024: Nil) will expire by 2027, on which deferred tax assets have not been recognised.

30. Treasury stocks

On 13 May 2024, the Company's Board of Directors Meeting No. 2/2024 resolved to approve the share repurchase program for financial management purposes within the amount not exceeding Baht 220 million, the number of shares to be repurchased does not exceed 75 million shares with a par value of 1 Baht per share or an amount not exceeding 10% of the total paid-up shares. The repurchase period is from 20 May 2024 to 19 November 2024. During the year 2024, the Company repurchased treasury stocks 75 million shares, totaling Baht 190 million.

As at 31 December 2024, the Company repurchased treasury stocks 75 million shares, totaling Baht 190 million. The Company had fully set aside retained earnings as reserve for treasury stocks.

31. Earnings per share

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

The following table sets forth the computation of basic earnings per share for the years ended 31 December 2024 and 2023:

Consolidated financial statements					
Profit for the periods		Weighted average number of ordinary shares		Earnings per share	
2024	2023	2024	2023	2024	2023
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)

Basic earnings per share

Profit attributable to equity holders of the Company	134,942	60,035	725,531	750,000	0.19	0.08
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Separate financial statements					
Profit for the periods		Weighted average number of ordinary shares		Earnings per share	
2024	2023	2024	2023	2024	2023
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)

Basic earnings per share

Profit attributable to equity holders of the Company	118,196	53,272	725,531	750,000	0.16	0.07
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32. Segment information

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

For management purposes, the Group is organised into business units based on its products and services and have 4 reportable segments which are (1) furniture business, (2) furniture fitting and other materials business, (3) rental and service business and (4) architectural design and construction business.

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

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

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

The following tables present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2024 and 2023.

(Unit: Million Baht)

	For the year ended 31 December 2024						
	Furniture business	Furniture fitting and other materials business	Rental and service business	Architectural design and construction business	Total reportable segments	Elimination of inter-segment	Consolidation
Revenue from sale rental and service external customers	1,913	339	201	111	2,564	(82)	2,482
Intersegment revenues	(4)	-	(78)	-	(82)	82	-
Dividend income	87	-	-	-	87	(80)	7
Other income	23	4	2	-	29	(1)	28
Finance income	7	5	2	-	14	(1)	13
Finance cost	(12)	-	-	-	(12)	-	(12)
Depreciation and amortisation	(84)	(2)	(31)	-	(117)	21	(96)
Expected credit losses	(5)	-	-	-	(5)	-	(5)
Reversal of allowance for diminution in value of inventories	4	(4)	-	-	-	-	-
Profit from disposal of land, buildings and equipments	1	-	-	-	1	-	1
Share of profit from investments in associates	10	-	-	-	10	-	10
Share of profit from investment in joint ventures	23	-	-	-	23	-	23
Profit before income tax expenses	108	4	109	19	240	(84)	156
Income tax expenses	(2)	-	(18)	-	(20)	-	(20)
Segment profit	106	4	91	19	220	(84)	136
Segment total assets							
Investments in associates based on the equity method	45	-	-	-	45	-	45
Investment in joint venture based on the equity method	172	-	-	-	172	-	172
Change in non-current assets other than financial instruments and deferred tax assets	302	10	(30)	-	282	(275)	7

(Unit: Million Baht)

For the year ended 31 December 2023							
	Furniture fitting and other materials business	Rental and service business	Architectural design and construction business	Total reportable segments	Elimination of inter- segment	Consolidation	
Revenue from sale rental and service external customers	1,917	413	200	75	2,605	(80)	2,525
Intersegment revenues	(3)	-	(77)	-	(80)	80	-
Dividend income	64	-	-	-	64	(55)	9
Other income	33	4	3	-	40	(3)	37
Finance income	5	1	1	-	7	(1)	6
Finance cost	(14)	-	-	-	(14)	1	(13)
Depreciation and amortisation	(85)	(2)	(30)	-	(117)	20	(97)
Expected credit losses	(3)	-	-	-	(3)	-	(3)
Reversal of allowance for diminution in value of inventories	(7)	(6)	-	-	(13)	-	(13)
Profit from disposal of land, buildings and equipments	1	-	-	-	1	-	1
Share of loss from investments in associates	(1)	-	-	-	(1)	-	(1)
Share of loss from investment in joint ventures	(4)	-	-	-	(4)	-	(4)
Profit before income tax expenses	12	9	104	12	137	(57)	80
Income tax expenses	(3)	-	(17)	-	(20)	-	(20)
Segment profit	9	9	87	12	117	(57)	60

Segment total assets

Investments in associates based on the equity method	35	-	-	-	35	-	35
Investment in joint venture based on the equity method	148	-	-	-	148	-	148
Change in non-current assets other than financial instruments and deferred tax assets	(55)	2	(31)	-	(84)	17	(67)

Geographic information

The Group operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the years 2024 and 2023, the Group has no major customer with revenue of 10% or more of an entity's revenues.

33. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributed to the fund monthly at the rate of 3% to 15% and 5%, respectively, of basic salary. The fund, which is managed by Bualuang Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2024, the Group contributed Baht 12.1 million (2023: Baht 12.5 million) to the fund (The Company only: Baht 11.1 million, 2023: Baht 11.5 million).

34. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Thousand Baht)	(Baht)
Final dividends for 2023	Annual General Meeting of the shareholders on 19 April 2024	67,461	0.09
Total dividends for 2024		67,461	
Final dividends for 2022	Annual General Meeting of the shareholders on 20 April 2023	44,974	0.06
Total dividends for 2023		44,974	

35. Commitment and contingent liabilities

35.1 Capital commitments

As at 31 December 2024, the Company had capital commitments of approximately Baht 5.6 million (31 December 2023: Baht 1.4 million), relating to Company's electrical system in the factory.

As at 31 December 2024, Baht 5.1 million of the commitments of the Company are obligations on purchase of construction materials with a related company.

35.2 Purchasing of goods for sale

As at 31 December 2024, the Group had commitments relating to purchasing of goods for sale approximately Baht 44 million (2023: 33 million) (The Company only: Baht 44 million, 2023: Baht 33 million).

35.3 Operating lease and other service commitments

The Group has future minimum payments under leases of low-value assets and short-term leases as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Within 1 year	21	17	12	46
Over 1 and up to 5 years	17	7	15	5
Total	38	24	27	51

35.4 Guarantees

35.4.1 The Group had outstanding bank guarantees issued by banks in respect of certain performance bonds as required in the normal course of business, consist of the followings:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Contractual performance guarantees	329	304	242	251
Guarantees for electricity use and others	10	10	4	4
Total	339	314	246	255

35.4.2 As at 31 December 2024, the Company had issued a letter of comfort to banks for credit facilities granted to 2 associates and 1 joint venture totaling Baht 177 million (2023: Baht 145 million). As at 31 December 2024, the associates and the joint venture had made the drawdown of Baht 88 million (2023: Baht 48 million).

35.5 Letter of credit

As at 31 December 2024, the Group had unused letters of credit amounting to Baht 990 million (2023: Baht 1,039 million) (The Company only: Baht 876 million, 2023: Baht 865 million).

36. Fair value hierarchy

As at 31 December 2024 and 2023, the Group had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statement As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Listed equity investment	14	-	-	14
Non-listed equity investment	-	-	86	86
Investments in overseas non-listed securities	-	-	33	33
<u>Financial assets designated at FVOCI</u>				
Investments in listed securities	83	-	-	83
Assets for which fair value are disclosed				
Investment properties	-	6	865	871

(Unit: Million Baht)

Consolidated financial statement
As at 31 December 2023

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Listed equity investment	22	-	-	22
Non-listed equity investment	-	-	86	86
Investments in overseas non-listed securities	-	-	34	34
<u>Financial assets designated at FVOCI</u>				
Investments in listed securities	108	-	-	108
Assets for which fair value are disclosed				
Investment properties	-	7	865	872

(Unit: Million Baht)

Separate financial statement
As at 31 December 2024

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Listed equity investment	14	-	-	14
Non-listed equity investment	-	-	86	86
Investments in overseas non-listed securities	-	-	33	33
<u>Financial assets designated at FVOCI</u>				
Investments in listed securities	83	-	-	83
Assets for which fair value are disclosed				
Investment properties	-	7	-	7

(Unit: Million Baht)

Separate financial statement As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Listed equity investment	22	-	-	22
Non-listed equity investment	-	-	86	86
Investments in overseas non-listed securities	-	-	34	34
<u>Financial assets designated at FVOCI</u>				
Investments in listed securities	108	-	-	108
Assets for which fair value are disclosed				
Investment properties	-	8	-	8

37. Financial instruments

37.1 Derivatives

(Unit: Million Baht)

	Consolidate financial statements		Separate financial statements	
	2024	2023	2024	2023
Derivative liabilities				
Derivative liabilities not designated as hedging instruments				
Foreign exchange forward contracts	0.1	0.4	0.1	-

The subsidiary uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within 1 year.

37.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, investments, trade and other receivables, short-term loans, trade and other payables, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has various customer base and a large number of customers.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by letters of credit and other forms of credit insurance are considered an integral part of trade receivables and taken into account in the calculation of impairment. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than 5 years and not subject to enforcement activity.

Cash at bank

The credit risk on cash at banks and derivatives of the Group is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

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

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within 1 year.

As at 31 December 2024 and 2023, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets as at 31 December		Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	2024	2023	2024	2023	2024	2023
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	442	465	1,520	1,533	33.9879	34.2233
Euro	-	-	1,314	865	35.4284	38.0333
Danish Krone	-	-	-	50	4.7516	5.1053
Hong Kong Dollar	-	-	-	69	4.3790	4.3819
Singapore Dollar	-	-	-	2	25.0470	25.9732

Interest rate risk

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

As at 31 December 2024 and 2023, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statement						
As at 31 December 2024						
Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective Interest rate	
Within 1 year	1 – 5 years				(% per annum)	
Financial assets						
Cash and cash equivalents	-	-	604	3	607	0.15 - 1.85
Contract assets - retention receivables	-	-	-	43	43	-
Trade and other receivables	-	-	-	350	350	-
Loans to related party	-	-	20	-	20	Note 6
Other financial assets	-	-	-	224	224	-
	-	-	624	620	1,244	
Financial liabilities						
Bank overdraft and short-term loans from financial institutions	230	-	-	-	230	Note 20
Trade and other payables	-	-	-	262	262	-
Long-term loans from financial institutions	-	-	5	-	5	Note 22
Lease liabilities	19	40	-	-	59	5.60 - 7.05
	249	40	5	262	556	

(Unit: Million Baht)

Consolidated financial statement						
As at 31 December 2023						
Fixed interest rates			Floating interest	Non-interest	Total	Effective
Within 1 year	1 - 5 years		rate	bearing		Interest rate

(% per annum)

Financial assets

Cash and cash equivalents	-	-	562	1	563	0.15 - 1.70
Contract assets - retention receivables	-	-	-	35	35	-
Trade and other receivables	-	-	-	392	392	-
Loans to related party	-	-	33	-	33	Note 6
Other financial assets	-	-	-	259	259	-
	-	-	595	687	1,282	

Financial liabilities

Short-term loans from financial institutions	179	-	-	-	179	Note 20
Trade and other payables	-	-	-	231	231	-
Long-term loans from financial institutions	-	-	15	-	15	Note 22
Lease liabilities	19	17	-	-	36	5.25 - 6.60
	198	17	15	231	461	

(Unit: Million Baht)

Separate financial statement						
As at 31 December 2024						
Fixed interest rates			Floating interest	Non-interest	Total	Effective
Within 1 year	1 - 5 years	> 5 years	rate	bearing		Interest rate

(% per annum)

Financial assets

Cash and cash equivalents	-	-	-	472	2	474	0.15 - 1.85
Contract assets - retention receivables	-	-	-	-	43	43	-
Trade and other receivables	-	-	-	-	254	254	-
Loans to related party	-	-	-	20	-	20	Note 6
Other financial assets	-	-	-	-	239	239	-
	-	-	-	492	538	1,030	

Financial liabilities

Trade and other payables	-	-	-	-	217	217	-
Long-term loans from financial institutions	-	-	-	5	-	5	Note 22
Lease liabilities	60	239	57	-	-	356	5.60 - 7.05
	60	239	57	5	217	578	

(Unit: Million Baht)

Separate financial statement							
As at 31 December 2023							
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective Interest rate	(% per annum)
Within 1 year	1 – 5 years	> 5 years					
Financial assets							
Cash and cash equivalents	-	-	-	448	1	449	0.15 - 1.70
Contract assets - retention receivables	-	-	-	-	35	35	-
Trade and other receivables	-	-	-	-	316	316	-
Loans to related party	-	-	-	33	-	33	Note 6
Other financial assets	-	-	-	-	273	273	-
	-	-	-	482	625	1,107	
Financial liabilities							
Trade and other payables	-	-	-	-	191	191	-
Long-term loans from financial institutions	-	-	-	15	-	15	Note 22
Lease liabilities	41	17	-	-	-	58	5.25 - 6.60
	41	17	-	15	191	264	

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. Approximately 93% of the Group's debt will mature in less than one year at 31 December 2024 (2023: 83%) (The Company only: 49%, 2023: 68%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2024 and 2023 based on contractual undiscounted cash flows:

(Unit: Million Baht)

Consolidated financial statement					
As at 31 December 2024					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Bank overdrafts and short-term loans					
from financial institutions	-	231	-	-	231
Trade and other payables	-	262	-	-	262
Lease liabilities	-	22	42	-	64
Long-term loans	-	5	-	-	5
Total non-derivatives	-	520	42	-	562
Derivatives					
Derivative liabilities: net settled	-	48	-	-	48
Total derivatives	-	48	-	-	48

(Unit: Million Baht)

Consolidated financial statement					
As at 31 December 2023					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	185	-	-	185
Trade and other payables	-	231	-	-	231
Lease liabilities	-	20	19	-	39
Long-term loans	-	10	6	-	16
Total non-derivatives	-	446	25	-	471
Derivatives					
Derivative liabilities: net settled	-	61	-	-	61
Total derivatives	-	61	-	-	61

(Unit: Million Baht)

Separate financial statement					
As at 31 December 2024					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	217	-	-	217
Lease liabilities	-	81	278	58	417
Long-term loans	-	5	-	-	5
Total non-derivatives	-	303	278	58	639
Derivatives					
Derivative liabilities: net settled	-	29	-	-	29
Total derivatives	-	29	-	-	29

(Unit: Million Baht)

Separate financial statement					
As at 31 December 2023					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	191	-	-	191
Lease liabilities	-	43	19	-	62
Long-term loans	-	10	6	-	16
Total non-derivatives	-	244	25	-	269
Derivatives					
Derivative liabilities: net settled	-	36	-	-	36
Total derivatives	-	36	-	-	36

37.3 Fair values of financial instruments

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

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

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

37.4 Reconciliation of recurring fair value measurements, of financial assets, categorised within Level 3 of the fair value hierarchy

(Unit: Million Baht)

	Consolidated financial statements and separate financial statements
Balance as of 1 January 2023	119
Net gain recognised into profit or loss	1
Balance as of 31 December 2023	120
Net gain recognised into profit or loss	(1)
Balance as of 31 December 2024	119

38. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder rate. As at 31 December 2024, the Group's debt-to-equity ratio was 0.46:1 (2023: 0.42:1) and the Company's was 0.47:1 (2023: 0.32:1).

39. Event after the reporting period

- 39.1 On 27 February 2025, the meeting of the Company's Board of Directors No. 1/2025 passed a resolution to propose to the Annual General Meeting of the Company's shareholders to adopt a resolution to pay a dividend from operating results of the year 2024 of Baht 0.18 per share, totalling of Baht 121.5 million. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.
- 39.2 On 27 February 2025, the meeting of the Company's Board of Directors No. 1/2025 passed a resolution to approve a loan to Charoensup Kamlung 3 Company Limited (a joint venture) in proportion to the Company's shareholding, amounting to Baht 7.3 million. In this regard, the joint venture will issue a promissory note with a fixed interest rate per annum and the due date will be scheduled in February 2026.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2025.



Part 4

Authentication of the
annual report data

Authentication of the annual report data

Modernform Group Public Company Limited has carefully reviewed the data presented in 56-1 One Report for the year 2024 and hereby confirms its accuracy, completeness, truthfulness and further guarantees that the aforementioned data does not harm or implicate any innocent parties, nor does it omit any significant information that should be disclosed. Beyond this, the Company guarantees that the data is not used for any unauthorized or unlawful purposes

- (1) The financial statements and condensed financial information presented in the annual report accurately and comprehensively show significant information about a company's financial status, operating results, and cash flows, including those of its subsidiaries.
- (2) The Company has disclosed important information about itself and its subsidiaries, ensuring transparency.
- (3) The Company has implemented a good internal control system to ensure compliance with the system. The company has disclosed the evaluation report of the internal control system to the audit committee and the audit committee of the company on February 27, 2025. This report covers deficiencies and significant changes in the internal control system and may have unintended consequences for the company's financial reporting.

In this regard, the documents are a single set of documents certified by the company. To ensure that the documents are accurate, the company has assigned the signature of Mr. Yothin Nerngchamnong to each page of the annual report.



Mr. Yothin Nerngchamnong
Chairman



Mr. Pattana Usanachitt
Director



Enclosure

Enclosure 1: Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting and Company Secretary

Mr. Yothin Nerngchamnong (Age 74 years)		
Chairman, Member of Nomination and Remuneration Committee and Authorized Signatory Director		
Year of Appointment as a Director	March 1992	
Education/Training	<ul style="list-style-type: none">• Honorary Doctor of Business Administration, Sripatum University• Master of Political Science, Ramkhamhaeng University• Bachelor of Political Science, Ramkhamhaeng University• Director Certification Program (DCP) 35/2003, Thai Institute of Directors Association• Capital Market Leadership Program (Class 7)• Top Executive Program in Commerce and Trade (TEPCoT) (Class 4)• The Executive Program in Energy Literacy for a Sustainable Future, TEA (Class 2)• Intermediate Certificate Courses - Good Governance for Medical Executives (Class 3), King Prajadhipok’s Institute	
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 27,539,420 Shares (3.67%)	Held by Spouse or Minor Children 6,042,000 Shares (0.81%)
Family Relationship among Directors and Executives	Father of Mr. Kitipat Nerngchamnong	
5 Years past experiences and/or Remarkable Positions		
• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	None	
• Position in Other Company/ Organization/Institution	<ul style="list-style-type: none">• 2017-Present• 2017-Present• 1989-Present	<ul style="list-style-type: none">• Director of UICC Company Limited• Chief Executive Officer of Modernform Health and Care Public Company Limited• Director of Modernform Tower Company Limited

Mr. Kitipat Nerngchamnong (Age 46 years)

Executive Director, Chief Executive Officer and President, Member of Risk Management Committee and Authorized Signatory Director

Year of Appointment as a Director April 2016

Education/Training

- Master of Business Administration, University of Leeds, United Kingdom
- Bachelor of Business Administration, Assumption University
- Intermediate Certificate Courses - Good Governance for Medical Executives (Class 2), King Prajadhipok's Institute
- Capital Market Leadership Program (Class 14)
- EDP Program (Class 9) of The Stock Exchange of Thailand
- Intermediate Certificate Course of Young Leadership in Democratic Governance (Class 1), King Prajadhipok's Institute
- Director Accreditation Program (DAP) 139/2017, Thai Institute of Directors Association
- Top Executive Program in Commerce and Trade (TEPCoT) (Class 7)

Shareholdings (Ordinary Shares)
as of December 31, 2024**Held Personally**

4,675,200 Shares (0.62%)

Held by Spouse or Minor Children

2,000 Shares (0.00%)

Family Relationship among Directors and Executives

Son of Mr. Yothin Nerngchamnong

5 Years past experiences and/or Remarkable Positions

- | | | |
|---|--|--|
| • Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand | None | |
| • Position in Other Company/ Organization/Institution | <ul style="list-style-type: none"> • 2024-Present • 2022-Present • 2021-Present • 2020-Present • 2020-Present • 2020-Present • 2019-Present • 2018-Present • 2017-Present • 2015-Present | <ul style="list-style-type: none"> • Director of Lesmo Plus Company Limited • Director of Charoensup Kamlung 3 Company Limited • Director of Lesmo Company Limited • Director of Itoki Modernform Company Limited • Director of Arkitektura Company Limited • Director of Built Dee Company Limited • Director of Workscape Company Limited • Member of Audit Committee of BeLink Media Company Limited • Director of UICC Company Limited • Director of Modernform Health and Care Public Company Limited |

Mr. Thaksa Busayapoka (Age 74 years)**Director, Chairman of Nomination and Remuneration Committee and Authorized Signatory Director**

Year of Appointment as a Director 2 May 2023

Education/Training

- Master of New Technology Ventures, College of Management, Mahidol University
- Bachelor of Commerce and Accountancy, Chulalongkorn University
- Director Certification Program (DCP) 32/2003, Thai Institute of Directors Association

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 24,446,000 Shares (3.26%)	Held by Spouse or Minor Children 13,476,000 Shares (1.80%)
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Family Relationship among Directors and Executives Brother of Mr. Kitti Busayapoka

5 Years past experiences and/or Remarkable Positions

• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	• 2023-Present	• Director of Interhides Public Company Limited
• Position in Other Company/ Organization/Institution	• 2021-Present • 2017-Present • 2005-Present • 1989-Present	• Director of Lesmo Company Limited • Director of UICC Company Limited • Director of Modernform Health and Care Public Company Limited • Director of Modernform Tower Company Limited

Mr. Charoen Usanachitt (Age 73 years)**Director**

Year of Appointment as a Director March 1992

Education/Training

- Bachelor of Business Administration, University of Connecticut, U.S.A.
- The Role of Chairman Program (RCP) 1/2000, Thai Institute of Directors Association
- Director Certification Program (DCP) 32/2003, Thai Institute of Directors Association
- Director Certification Program (Re-DCP) 2/2006, Thai Institute of Directors Association

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 142,000 Shares (0.02%)	Held by Spouse or Minor Children 188,000 Shares (0.02%)
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Family Relationship among Directors and Executives Brother of Mr. Pattana Usanachitt

5 Years past experiences and/or Remarkable Positions

• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	None
• Position in Other Company/ Organization/Institution	None

Mr. Somsak Varikarn (Age 74 years)**Director, Member of Nomination and Remuneration Committee and Authorized Signatory Director**

Year of Appointment as a Director	January 1993	
Education/Training	<ul style="list-style-type: none">• Bachelor of Business Administration, Memphis State University, U.S.A.• Director Certification Program (DCP) 45/2004, Thai Institute of Directors Association	
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
Family Relationship among Directors and Executives	None	
5 Years past experiences and/or Remarkable Positions		
<ul style="list-style-type: none">• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	None	
<ul style="list-style-type: none">• Position in Other Company/ Organization/Institution	<ul style="list-style-type: none">• 1989-Present	<ul style="list-style-type: none">• Chairman of Modernform Tower Company Limited

Mr. Pattana Usanachitt (Age 65 years)**Director, Member of Corporate Governance & Sustainable Development Committee and Authorized Signatory Director**

Year of Appointment as a Director	April 2001		
Education/Training	<ul style="list-style-type: none">• Bachelor of Marketing, University of Nevada, U.S.A• Director Certification Program (DCP) 35/2003, Thai Institute of Directors Association• Finance for Non-Finance Director (FND) 4/2003, Thai Institute of Directors Association		
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally	Held by Spouse or Minor Children	
	111,750 Shares (0.01%)	0 Shares (0.00%)	
Family Relationship among Directors and Executives	Brother of Mr. Charoen Usanachitt		
5 Years past experiences and/or Remarkable Positions			
• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	None		
• Position in Other Company/ Organization/Institution	• 2015-Present	• Director of ITOKI Modernform Company Limited	

Mr. Kitti Busayapoka (Age 67 years)**Director**

Year of Appointment as a Director April 2017

Education/Training

- Bachelor of Economics, Kasetsart University
- Director Accreditation Program (DAP) 138/2017, Thai Institute of Directors Association

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 369,360 Shares (0.05%)	Held by Spouse or Minor Children 0 Shares (0.00%)
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Family Relationship among Directors and Executives	Brother of Mr. Thaksa Busayapoka
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5 Years past experiences and/or Remarkable Positions

- | | |
|---|------|
| • Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand | None |
| • Position in Other Company/ Organization/Institution | None |

Mr. Bancha Dhammarungruang (Age 42 years)**Director**

Year of Appointment as a Director April 2021

Education/Training

- Executive Master of Business Administration (EMBA) Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Master of Science in Information Technology of Carnegie Mellon University
- Bachelor of Science in Computer Science of Carnegie Mellon University
- Leading in a Disruptive World Program, SCPD of Stanford University
- Executive Program, Kellogg School of Management of Northwestern University
- อบรมหลักสูตร DAP รุ่น 184/2021 ของสมาคมส่งเสริมสถาบันกรรมการบริษัทไทย

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 6,700,000 Shares (0.89%)	Held by Spouse or Minor Children 930 Shares (0.00%)
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Family Relationship among Directors and Executives	None
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5 Years past experiences and/or Remarkable Positions

- | | |
|---|---|
| • Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand | None |
| • Position in Other Company/ Organization/Institution | <ul style="list-style-type: none"> • 2020-Present • 2019-Present • 2016-Present |
| | <ul style="list-style-type: none"> • Accounting & Treasurer Director and Director of Sasin Alumni Association • Chief Technology Officer of PACRIM Digital Company Limited • Founder and Chief Executive Officer of AMPOS Solutions (Thailand) Company Limited |

Mr. Suchart Thammapiatagkul (Age 75 years)
Independent Director and Chairman of Audit Committee

Year of Appointment as a Director	November 1999		
Education/Training	<ul style="list-style-type: none">• Master of Law, Harvard Law School, U.S.A• Barrister-at-law• Bachelor of Law, Chulalongkorn University• Director Certification Program (DCP) 60/2005, Thai Institute of Directors Association• Director Accreditation Program (DAP) 27/2004, Thai Institute of Directors Association• Effective Audit Committee Program, Thai Institute of Directors Association• Role of the Compensation Committee Program (RCC) 11/2010, Thai Institute of Directors Association		
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)	
Family Relationship among Directors and Executives	None		
5 Years past experiences and/or Remarkable Positions			
<ul style="list-style-type: none">• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	<ul style="list-style-type: none">• 2005-Present• 2005-Present	<ul style="list-style-type: none">• Independent Director and Chairman of Audit Committee of MFEC Public Company Limited• Independent Director and Member of Audit Committee of Unimitr Engineering Public Company Limited	
<ul style="list-style-type: none">• Position in Other Company/ Organization/Institution	<ul style="list-style-type: none">• 2011-Present• 1989-Present• 1986-Present• 1970-Present	<ul style="list-style-type: none">• Independent Director and Chairman of Audit Committee of T.C. Union Global Public Company Limited• Director of Bansathorn Company Limited• Director of Onnic Company Limited• Director of Somnuk Sutee and Associates Company Limited	

Mr. Surachai Sonthirathi (Age 73 years)
Independent Director, Member of Audit Committee, Chairman of Risk Management Committee and Chairman of Corporate Governance and Sustainable Development Committee

Year of Appointment as a Director	July 2014		
Education/Training	<ul style="list-style-type: none">• Bachelor of Commerce and Accountancy, Chulalongkorn University• Director Accreditation Program (DAP) 10/2004, Thai Institute of Directors Association• Audit Committee Program (ACP) 37/2011, Thai Institute of Directors Association		
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)	
Family Relationship among Directors and Executives	None		
5 Years past experiences and/or Remarkable Positions			
<ul style="list-style-type: none">• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	None		
<ul style="list-style-type: none">• Position in Other Company/ Organization/Institution	<ul style="list-style-type: none">• 2015 - 2020	<ul style="list-style-type: none">• Independent Director and Chairman of Remuneration Committee of Siam Technique Concrete Company Limited	

Mr. Kittichai Lattisophonkul (Age 75 years)
Independent Director, Member of Audit Committee and Member of Corporate Governance and Sustainable Development Committee

Year of Appointment as a Director May 2012

Education/Training

- Bachelor of Commerce and Accountancy, Chulalongkorn University
- Director Accreditation Program (DAP) 97/2012, Thai Institute of Directors Association

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 15,000 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
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Family Relationship among Directors and Executives None

5 Years past experiences and/or Remarkable Positions

- | | |
|---|------|
| • Board Member/Management of
Other Listed Companies on
the Stock Exchange of Thailand | None |
| • Position in Other Company/
Organization/Institution | None |

Ms. Natcharintorn Siriwattana (Age 59 years)
Senior Executive Vice President, Finance and Accounting Division

Education/Training

- Master of Business Administration (Finance), Kasetsart University
- Bachelor of Law, Sukhothai Thammathirat University
- Bachelor of Business Administration (Accounting), Sukhothai Thammathirat University
- Bachelor of Economics, Thammasat University
- CFO Certification Program Class 19/2015 of Federation of Accounting Professions
- Director Certification Program (DCP) 109/2008, Thai Institute of Directors Association

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
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Family Relationship among Directors and Executives None

5 Years past experiences and/or Remarkable Positions

- | | | | | | | | |
|---|---|----------------|--|----------------|---|----------------|--|
| • Board Member/Management of
Other Listed Companies on
the Stock Exchange of Thailand | None | | | | | | |
| • Position in Other Company/
Organization/Institution | <table> <tr> <td>• 2022-Present</td> <td>• Director of Modernform Health and Care
Public Company Limited</td> </tr> <tr> <td>• 2020-Present</td> <td>• Director of Workscape Company Limited</td> </tr> <tr> <td>• 2020-Present</td> <td>• Director of ITOKI Modernform Company Limited</td> </tr> </table> | • 2022-Present | • Director of Modernform Health and Care
Public Company Limited | • 2020-Present | • Director of Workscape Company Limited | • 2020-Present | • Director of ITOKI Modernform Company Limited |
| • 2022-Present | • Director of Modernform Health and Care
Public Company Limited | | | | | | |
| • 2020-Present | • Director of Workscape Company Limited | | | | | | |
| • 2020-Present | • Director of ITOKI Modernform Company Limited | | | | | | |

Ms. Sawangjit Pongpipatpong (Age 58 years)
Senior Vice President, Business Productivity & Procurement Division

Education/Training • Bachelor of Business Administration in Marketing, Thammasat Business School

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
--	-------------------------------------	--

Family Relationship among Directors and Executives	None
--	------

5 Years past experiences and/or Remarkable Positions

- | | |
|---|------|
| • Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand | None |
| • Position in Other Company/Organization/Institution | None |

Mr. Supaiboon Chumai (Age 56 years)
Vice President, Information Technology Division (CTO)

Education/Training • Master of Science Program in Applied Statistics, National Institute of Development Administration

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
--	-------------------------------------	--

Family Relationship among Directors and Executives	None
--	------

5 Years past experiences and/or Remarkable Positions

- | | |
|---|---|
| • Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand | None |
| • Position in Other Company/Organization/Institution | <ul style="list-style-type: none"> • 2019-2021 • Advisor to the Managing Director of Green Line Synergy Company Limited • 2017-2019 • Deputy Managing Director of Save Drugs Center Company Limited |

Mr. Panya Pispa (Age 57 years)
Vice President, Home Decorative Products Division

Education/Training • Vocational Certificate, Darunphithaya Commercial School

Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
--	-------------------------------------	--

Family Relationship among Directors and Executives	None
--	------

5 Years past experiences and/or Remarkable Positions

- | | |
|---|------|
| • Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand | None |
| • Position in Other Company/Organization/Institution | None |

Mrs. Wipawee Sroyraya (Age 48 years)**Vice President, Project Sales Division**

Education/Training	• Bachelor of Arts (English) Ubon Ratchathani University	
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
Family Relationship among Directors and Executives	None	
5 Years past experiences and/or Remarkable Positions		
• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand	None	
• Position in Other Company/Organization/Institution	None	

Ms. Chuthanon Sasisophonkhan (Age 48 years)**Company Secretary**

Education/Training	<ul style="list-style-type: none">• Master of Business Administration Program Marketing, Srinakharinwirot University• Bachelor of Business Administration Program Major in Marketing, Srinakharinwirot University• Bachelor of Communication Arts Program in Public Relation, Bangkok University• Bachelor of Arts in Mass Communication, Ramkhamhaeng University Company Secretary Training Courses: <ul style="list-style-type: none">• Company Secretary Program (CSP 81/2017) of Thai Institute of Directors• Company Reporting Program (CRP 17/2017) of Thai Institute of Directors• CSR for Corporate Sustainability Report (8/2016) of The Stock Exchange of Thailand• CS Sharing of the Stock Exchange of Thailand• Smart Disclosure Program of the Stock Exchange of Thailand• CGR Workshop 1/2018 of Thai Institute of Directors• Sustainability Risks & Material Analysis of The Stock Exchange of Thailand	
Shareholdings (Ordinary Shares) as of December 31, 2024	Held Personally 0 Shares (0.00%)	Held by Spouse or Minor Children 0 Shares (0.00%)
Family Relationship among Directors and Executives	None	
5 Years past experiences and/or Remarkable Positions		
<ul style="list-style-type: none">• Board Member/Management of Other Listed Companies on the Stock Exchange of Thailand• Position in Other Company/ Organization/Institution	<ul style="list-style-type: none">• None• 2019-2022	<ul style="list-style-type: none">• Company Secretary of Krungthai Computer Services Company Limited (Krungthai Bank PCL)

Enclosure 2: Details of the Directors of the Subsidiaries

Position of the Directors of Modernform Group Public Company Limited in its Subsidiaries and Associates (As of December 31, 2024)

Company Name Directors Name		Subsidiaries			Associates				Related Companies		
		Modernform Tower Co., Ltd.	Modernform Health and Care Co., Ltd.	Charoensup Kamlung 3 Co., Ltd.	ITOKI Modernform Co., Ltd.	Workspace Co., Ltd.	Built Dee Co., Ltd.	Lesmo Care Co., Ltd.	Arkitektura Co., Ltd.	UICC Co., Ltd.	Lesmo Plus Co., Ltd.
1.	Mr. Yothin Nerngchamnong	#,II	#,II,O							#,II	
2.	Mr. Kitiapat Nerngchamnong		#,II	#,II	#,II	#,X	#,II	#,X	II	#,II	#,II
3.	Mr. Thaksa Busayapoka	#,II	X					#,II		#,II	
4.	Mr. Pattana Usanachitt	#,II									
5.	Mr. Somsak Varikam	X									
6.	Mr. Charoen Usanachitt										
7.	Mr. Kitt Busayapoka										
8.	Mr. Bancha Dhammarunguang										
9.	Mr. Suchart Thammapiatgul										
10.	Mr. Surachai Sonthirathi										
11.	Mr. Kittichai Lattisophonkul										
The names of the top 4 Executives according to the Securities and Exchange Commission of Thailand (SEC)											
1.	Ms. Natcharintorn Siri wattana		#,II		#,II	#,II					
2.	Ms. Sawangjit Pongpipatpong						#,II				
3.	Mr. Supalboon Chumai										
4.	Mr. Panya Pisapa										
5.	Mrs. Wipawee Sroyraya										

Remarks : The meaning of Symbols: # = Authorized Signatory Director X = Chairman O = Chief Executive Officer I = President II = Director III = Executive Management

Enclosure 3: Details of Head of Internal Audit

1. Name-Surname

Ms. Jongjit Naboonpattana Position “Internal Audit Division Manager”

2. Education

- Master of Business Administration Managerial Accounting College of Commerce, Burapha University
- Bachelor of Business Administration Accounting Faculty of Business Administration, Ramkhamhaeng University
- Graduate Diploma in Auditing Faculty of Commerce and Accountancy, Thammasat University

3. Experience and Training

3.1 Experience

- 2020 - Present Internal Audit Division Manager, Modernform Group Public Company Limited
- 2014 - 2020 Internal Audit Manager, MAC Education Company Limited
- 2012 - 2013 Internal Audit Manager, Erawan Sugar Company Limited
- 1999 - 2012 Internal Audit Manager, Modernform Group Public Company Limited
- 1996 - 1999 Assistant Auditor, Dharmniti Auditing Company Limited

3.2 Training

3.2.1 Internal Audit Professional Course (The Institute of Internal Auditors of Thailand), Federation of Accounting Professions, The Stock Exchange of Thailand

- Thai Chartered of Management Accountants (TCMA-Practitioner): - Strategic Management, Risk Management and Financial Strategy: Federation of Accounting Professions
- ESG-related risks and management: A practical guide for listed companies Seminar of The Stock Exchange of Thailand
- Certificate Internal Auditor Training Program, Class 22 of the Association of Internal Auditors of Thailand (CPIAT) Business Strategy for Internal Auditor
- Prevention of Business Fraud and Fraud Auditing
- Internal Audit Course “Level 2”
- Writing Audit Report
- Internal Quality Assessment
- Audit Project Management
- Internal Quality Assessment
- Leadership Skills for Auditors
- Operational Auditor
- Risk Based Audit
- Introduction to Control Self – Assessment
- CSA Facilitation Techniques for Auditor
- Consulting: Activities Skills and Attitudes

3.2.2 Management Course Personnel Management and Others

- Executive Micro MBA, Faculty of Commerce and Accountancy, Chulalongkorn University
- Integrating Management Accounting Techniques Under Modern Management, Chulalongkorn University
- Spirit of Leadership Program (SLP)
- The Supervisory Grid Seminar - Grid Organization Development and Change Management, Thailand
- Intelligence and Ingenuity to target intent and make business decisions
- Vision and Management Strategy Workshop
- Strategy Management according to the guidelines of balanced scorecard
- Leadership Skills for Leader
- Coaching for Executives
- Problem Solving Skills
- Introduction to ISO 9000: 2000 and its application in Organizations - Technology Promotion Association (Thai-Japanese)
- Executive Safety Officer Course
- ESG Risks Management Workshop - The Stock Exchange of Thailand
- Road to Certify with CAC
- Anti - Corruption: The Practical Guide 64/2023 -CAC

Enclosure 4: Operating Assets and Details of Asset Assessment

For the fiscal year ended December 31, 2024, the Company's principal fixed assets are comprised of land, buildings, machinery, and other assets, as detailed in the accompanying schedules.

Type of Assets	Area/Rai/ Number of Rooms	Usable Area/sqm.	Proprietary Nature	Value (million Baht)			Obligation
				Cost Price	Depreciation	Book Value	
Land and Buildings							
1. Land and Building No.1 33/2 Moo 7 Bangna-trad Road, Tambon Bangchalong, Amphoe Bangplee, Samutprakarn	26.5	30,000	Owner	462.85	305.95	156.90	Mortgage with BBL (Partial) 159 million Baht
2. Land and Building No.2 33/5 Moo 7 Bangna-trad Road, Tambon Bangchalong, Amphoe Bangplee, Samutprakarn	10.2	11,000	Owner				
3. Land and Building No.3 5 Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok	5.2	9,000	Owner	29.74	26.56	3.18	Mortgage with KBANK 29 million Baht
4. Land and Building No.4 622 Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok	6.0	10,000	Owner	74.34	66.23	8.11	-
5. Land and Building DBS 58 Soi Thien Talay 10, Bangkhuntien Road, Kwang Sa-Mae-Dam, Khet Bangkhuntien, Bangkok	3 Rai 62.7 sq.wha.	4,800	Owner	46.55	14.95	31.60	-
Machines							
1. Machines for Production 1,2	113 Sets			176.36	152.04	24.32	
2. Machines for Production 3.4	263 Sets			88.89	86.08	2.81	
Other Assets				1,031.05	609.08	421.97	
Total Assets				1,909.78	1,260.89	648.89	

Remark : Assets used in the Company's business consist of property, plant and equipment-net and intangible assets-net.

Enclosure 5: Corporate Governance Policy and Code of Conduct



Additional Information on Good Corporate Governance Policies and Business Ethics (Full Version)

For further details, please visit: <https://www.modernform.co.th/ir/shareholder-info>

modernform

Design Awards Collection

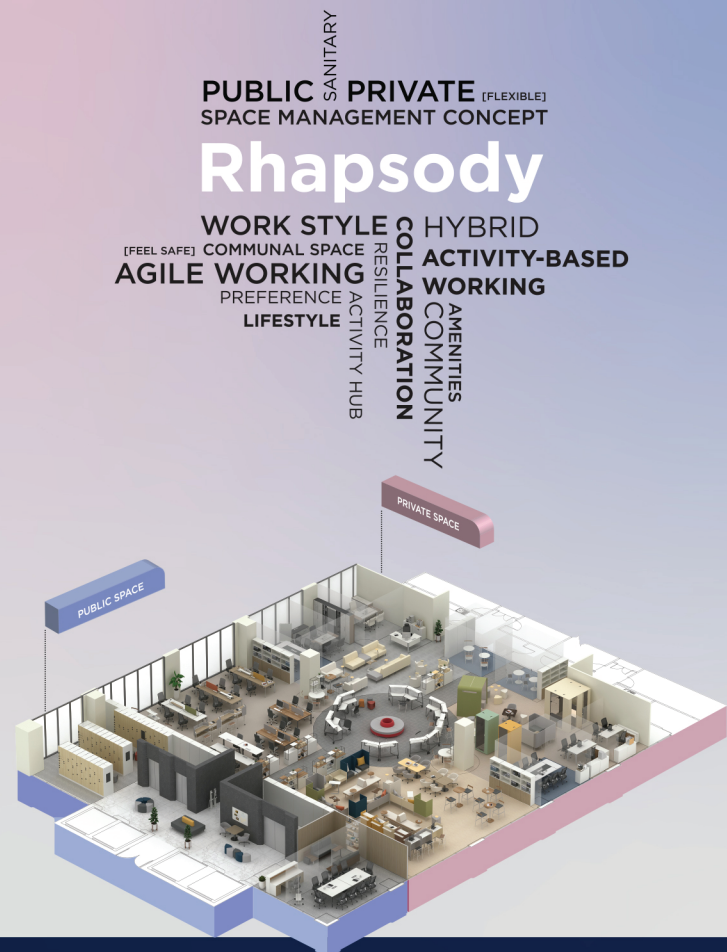
Our pride, in the eyes of the world

Modernform is committed to creating furniture products that provide both comfort and happiness in living, which eventually lead us to win an International Awards. Our continuous recognition from the global stages is the proof of quality for our brand's delicate design, functionality, innovation that crafted for the new generation living.



The Next Work Environment 

The Next Work Environment 2024
Honorable Mention





Living & Working Design Solution

Modernform Showroom

Sukhumvit 49 | Srinakarindr | Crystal Design Center | Ploenchit | Ratchapruek | Rayong

Modernform Dealer

Chiang Mai | Khon Kaen | Surat Thani | Songkhla

Modernform Group Public Company Limited

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E-mail: enquiry@modernform.co.th

Website: www.modernform.co.th

Facebook: [modernform thailand](https://www.facebook.com/modernformthailand)

Instagram: [modernformfurniture](https://www.instagram.com/modernformfurniture)