



T.M.C. Industrial Public Company Limited

56-1 One Report 2023



The Leader in Hydraulics of Thailand



TMC Website

	Important Financial Information	2
	Message from the Chairman	3
Section 1	Business Operations and Operating Performance	5
	1. Structure and Business Operation of the Company	5
	2. Risk Management	35
	3. Driving Business for Sustainability	44
	4. Management Discussion and Analysis: MD&A	60
	5. General Information and Other Important Information	68
Section 2	Corporate Governance	
	6. Corporate Governance Policy	69
	7. Corporate Governance Structure	77
	8. Corporate Governance Important Performance Report	97
	9. Internal Control and Related Transactions	123
Section 3	Financial Statements	127
Attachments		
	1. Details of the Directors, Executives, Controlled Person of the Company, Chief Financial Officer and Company Secretary	186
	2. Details on Directors of Subsidiaries	202
	3. Details on the Head of Internal Audit and Head of Compliance Unit of the company	203
	4. Business Assets and Details on Property Appraisal List	207
	5. Corporate Governance Policy, Code of Conduct and Anti-Corruption Policy	210
	Sustainability Report 2023	211

IMPORTANT FINANCIAL INFORMATION

56-1 One Report 2023

2

Unit: Million Baht

	2021	2022	2023
Comprehensive income			
Total revenue from sales and service	292.41	334.74	262.93
Total revenue and other income	303.74	602.32	326.61
Gross Profit	30.09	72.92	60.46
Net Profit	-41.02	266.64	14.74
Total Assets	709.11	734.53	735.84
Total Liabilities	380.59	139.37	118.81
Total shareholders' equity	328.52	595.16	617.03
Financial Ratio			
Gross profit margin (percent)	10.29	21.78	18.51
Net profit margin (percent)	-13.51	44.27	5.40
Liquidity ratio (times)	0.42	5.65	7.87
Debt to Equity Ratio (Times)	0.57	0.00	0.06
Earnings per share	-0.09	0.58	0.032



To Shareholders of
T.M.C. Industrial Public Company Limited

In 2023, it was considered a year of significant changes for T.M.C. Industry Public Company Limited. The company has restructured the Board of Directors and appointed sub-committees to supervise the operations of the company in order to strictly comply with the laws, objectives, regulations, and resolutions of the shareholder meeting.

The overall picture of Thailand's economy in 2023 expanded at a slower pace than in 2022, with an important factor being the contraction of industrial production as reflected in the Industrial Production Index. In addition, there was a capital flow of over 300 billion baht from the Stock Exchange of Thailand and Thai Bond Market, with foreign investors selling Thai securities continuously throughout the year. This year, the company has also been facing fluctuations of the price of steel, fuel price, consumer product prices throughout the year. In particular, the price fluctuation of steel is the main raw material of the Company in producing products. It directly affects the direct costs of the Company, having an impact on sales and services including the cost of the products. The company therefore maintains strict procurement policy measures and extends it to other departments such as Sales and Marketing, Engineering, Production, and Logistics to control production costs and manage the Company's production capacity for maximum efficiency.

In 2023, the Company has promoted Transformation Technology by using waste materials from the households and agricultural sector to create innovations that focus on development in 3 areas according to the principles of the BCG Model, including bringing automatic technology together with System Integrator (SI) to become a Cyber-Physical-System (CPS), then applied to achieve true modernity. CPS currently meets the needs of customers very well, both the current production line and the new production line.

In addition, the Company has diversified business risks by establishing Palmyra Being Company Limited as a subsidiary of the Company operating a business in the field of rehabilitation medicine and maintaining good health without disease to balance the body with a team of medical experts. Importantly, the holistic health care trend is gaining attention around the world and Thailand is one of the top 5 wellness destinations in the world. This type of business is currently gaining a lot of attention from consumers.

In addition, in 2023 and the years to come, the Company will focus on conducting business with sustainability in mind in the environmental, social, and corporate governance dimensions for sustainable long-term business growth as well.

On this occasion, I would like to express my gratitude to the Company's shareholders, customers, financial institutions, executives, employees, and all related parties who have always supported the Company's business operations. I also would like to pledge to work closely with the executives in formulating strategies for the Company to be able to overcome problems, obstacles, competition, and develop the business potential of the Company to be successful with sustainable growth according to goals to continue creating benefits and value for society, shareholders, customers, and all stakeholders.

(Mr. Manu Leopaiprote)

Chairman of the Board of Directors

(Mr. Thaweemit Kamolmongkolsuk)

Chairman of the Executive Committee

1. Structure and Business Operation of the Companies

1.1 Business Policy and Overview

1.1.1 Vision and Mission

Vision

T.M.C. Industrial Public Company Limited is a leader in innovation, creation, manufacturing and supply machinery which were added value and response to customer demand according to international standards.

Mission

- Continuous Improvement: Improve and develop every activity of the Company.
- Customer Satisfaction: Respond to customer demand and satisfaction guarantee.
- Quality Product Innovation: Machinery is an innovation with international standard quality.
- Sustainable Growth: Create sustainable growth under ethics of business and corporate social responsibilities.

Business Goals

Balancing between company profit, innovation and technology, and build a culture by focus on improvement to create sustainable competition.

The Company Operations Strategy

1. Cost Leadership: creating a balance of cost price strategy to be able to produce products that correspond to the customer’s use and step into can set the product price in the market.
2. Improving production line’s team to achieve fast productively coupled with quality and accurate cost.
3. Sales and marketing development. Access to customer needs such as cost, innovation, and technology impressive service both of domestic and international market.
4. Financial strategies for cash flow management to affect expenses and find suitable funding opportunities.

1.1.2 Change and Important Development

T.M.C. Industrial Public Co., Ltd. was established and named TMC Industrial Co., Ltd. in 1982 with a million Baht registered capital. We have been manufacturing and selling hydraulic machines and hydraulic materials handlings, such as press machines, cranes, motorcycle-car lifts, height-adjustable desks etc. More capital has been invested to constantly increase production capacity and develop the products for decades.

In early 2011, the company raised and paid 200 million Baht registered capital. In the same year, the company increased registered capital up to 290 million Baht and was registered as a public company for listing securities in the Market for Alternative Investment (mai). The company's Initial Public Offering (IPO) was 90,000,000 shares. The first day trade in The Stock Exchange of Thailand was on October 26, 2012.

Year	Important Event
2014	<ul style="list-style-type: none"> The Securities and Exchange Commission gave award for praise to the Company in the project of "IPO Pride of Provinces".
2015	<ul style="list-style-type: none"> Increasing in share capital from Baht 290,000,000 to Baht 543,750,000 through the issuance of 253,750,000 shares additional ordinary shares with a par value of Baht 1 each, 72,500,000 ordinary shares to be offered to the existing shareholders and 181,250,000 ordinary shares to reserve for the exercise of rights to convert TMC-W1 warrants to existing shareholders. Share capital registered and fully paid-up Baht 362,500,000.
2016	<ul style="list-style-type: none"> Warrants of T.M.C. Industrial Public Company Limited No.1 (TMC-W1) is a security in Marketing for Alternative Investment ("mai") on 19 January 2016, Number of warrants 181,249,573 units, Number of ordinary shares 181,249,573 shares at the par value allocated to 1.00, Term of Warrants 2 Years from issuance. The Board of Directors passed resolutions to approve investment in Celflow Company Limited and established Sahaphat Amorn Company Limited which has a registered share capital of Baht 101 million. The company has 19.80% of share capital registered and invested about Baht 20 million (the company did not manage in Sahaphat Amorn Company Limited) Sahaphat Amorn Company Limited to engage in the development of machinery related to water resources development and related business and distributor of machinery which produce by T.M.C. Industrial Public Company Limited only. Share capital registered and fully paid-up Baht 364,078,675.
2017	<ul style="list-style-type: none"> The warrants to purchase ordinary shares of T.M.C. Industrial Public Company Limited No.1 (TMC-W1), term 2 years. The last exercise date is December 15, 2017, and the result

	<p>of the exercise of the warrants to purchase ordinary share of T.M.C. Industrial Public Company Limited No.1 (TMC-W1) is 96,273,722 shares, at par Baht 1.</p> <ul style="list-style-type: none"> Share capital registered and fully paid-up Baht 458,773,722.
2018	<ul style="list-style-type: none"> Cooperated in Automation System Integration (SI) and develop automation system such as Smart Quality System, Smart Maintenance System, Smart Operation System, Smart Warehouse System and Smart Factory System with Thai German Institute (TGI). Cooperated with King Mongkut's University of Technology North Bangkok, the Sirindhorn International Thai-German Graduate School of Engineering (TGGs) in the design of hollow cylinder workpiece by simulating with finite element method in automatic production line.
2019	<ul style="list-style-type: none"> Cooperated with CMT & Son Company Limited to produce a prototype car sugar cane side tipping bin trailer for the sugar cane industry before entering the sugar cane crusher plant.
2020	<ul style="list-style-type: none"> Research and development to produce telescopic cranes and folding arm cranes to support the public and private sectors with a streamlined design that can rotate 360 degrees. Cooperated with CMT & Son Company Limited to research and development to produce a Sugar Cane Tipping Bin Trailer (Mark -3 - 185 R).
2021	<ul style="list-style-type: none"> Cooperated with P.R. Energy Solution Co., Ltd. and Pongthep Group Recycle Co., Ltd. to research and development to produce Recycle Machine (SHREDER).
2022	<ul style="list-style-type: none"> Research and development of crane 6000S-SC2022 continuously rotating waist 360 degrees for sale in groups of compressed rubber customers and general customers.
2023	<ul style="list-style-type: none"> Academic cooperation, project "Study and design of processes for processing waste materials into fuel products according to BCG guidelines" in collaboration with the Academic Service Center of Chulalongkorn University Research and develop the production of crane base 25 Ton/meter (257-TMC) Cooperated with Kayama Kogyo Corporation (Japan), Savan EMC Co., Ltd. (LAO) Reinforcement for Renewable resource Industry and Waste to Energy

Nature of Business

T.M.C. Industrial Public Company Limited engages in the production and distribution high quality of hydraulic machines as follow:

1. Hydraulic Press Machine 1 ton up to 3,500 tons pressure
2. Hydraulic Crane both truck – mounted cranes and fixed cranes
3. Hydraulic Handling Equipment such as motorcycle lifter and table lift

- | | |
|--|---|
| 4. Mechanical Press Machine | a metal forming machine using mechanism (Mechanical Press) which have both O-frame and C-frame |
| 5. Automation System Design | designing and manufacturing of automation system through control from master programs and SCADA systems |
| 6. Sugar Cane Side Tipping Bin Trailer | this product used with sugar cane harvester to reduce sugar cane burning rate and extend sugar cane cycle from 3 years to 5 years |
| 7. Mechanical design for waste materials from households and agricultural sector | a design of machinery to respond to 3 economies at the same time, including the Bioeconomy, which aims to create added value of biological resources linked to the circular economy (Circular Economy), taking into account the use of resources for maximum value or for the longest period of time, and Green Economy, economic development taking into account the sustainability of resources and the environment in line with the BCG Model, such as the design and production of biochar stoves, biomass briquette machines, and pellet machines (Wood pellet) and produce a complete waste sorting line, designing the production of liquid fuels to replace diesel from the pyrolysis process from plastic waste. |
| 8. Hydraulic machinery repair and maintenance services and metal processing with machinery | |

1.1.3 Fundraising

–None–

1.1.4 Company Obligation

–None–

1.1.5 Company name, Head office address, Type of business, Registered No., Telephone and Facsimile No., Company website, Type and numbers of shares issued

Company name: T.M.C. Industrial Public Company Limited

Location: – Head office 125/10 Moo 5, Bansuan sub-district, Muang district, Chonburi
 – Branch Office No.1 8/42 Moo 6, Bansuan sub-district, Muang district, Chonburi

Type of Business: Manufacture and distribute of high-quality hydraulic products i.e. Hydraulic Press Machine, Hydraulic Crane, Hydraulic Handling Equipment, Hydraulic repair and Maintenance services, Metal machining, Mechanical Press Machine and Automation System Design for Manufacturing.

Registration No: 0107554000089

Telephone: (6638) 271-933 – 4

Website: <http://www.tmc.co.th>

Registered Capital: 611,698,296.00.00 Baht, divided into Ordinary shares 611,698,296.00 shares. Par value 1.00 Baht per share

Paid-up Capital: 458,773,722 .00 Baht

1.2 Nature of Business

1.2.1 Revenue Structure of Company

Details	Separate Financial Statements					
	2021		2022		2023	
	Million	%	Million	%	Million	%
<u>Income from sales</u>						
1. Hydraulic press	48.93	16.73	56.98	17.02	33.77	10.34
2. Hydraulic crane	157.71	53.93	139.40	41.64	114.56	35.08
3. Hydraulic handling equipment	19.15	6.55	35.95	10.74	90.44	27.69
4. Contract revenue	–	–	25.41	7.59	13.44	4.12
5. Others	10.03	3.44	13.33	3.99	10.71	3.28
Total income from sales	235.82	80.65	271.07	80.98	262.93	80.50

Details	Separate Financial Statements					
	2021		2022		2023	
	Million	%	Million	%	Million	%
<u>Income from services</u>						
5. Maintenance service	34.77	11.89	48.67	14.54	48.62	14.89
6. Metal machining	21.82	7.46	15.00	4.48	15.06	4.61
Total income from services	56.59	19.35	63.67	19.02	63.68	19.50
Total income from sales and services	292.41	100.00	334.74	100.00	326.61	100.00

1.2.2 Products Information

1) Products or Services and Business Innovation Development

T.M.C. Industrial Public Company Limited engages in operation and distribution hydraulic system machine for all industrial i.e. Automotive Industrial, Electrical Appliance Industrial, Agro product processing industrial, Mold Industrial and Renewable energy industrial etc. The products and services can be classified into major categories as follow:

1. Hydraulic Press Machine
2. Hydraulic Crane
3. Hydraulic Handling Equipment
4. Hydraulic Repair and Maintenance Services and Metal Machining
5. Mechanical Press Machine
6. 6. Smart Factory System Design for Manufacturing
7. Sugar Cane Side Tipping Bin Trailer
8. Machinery Design for Household Waste Materials and Agricultural Sector

1. Hydraulic Press

Hydraulic Press is the machine that uses fluid (hydraulic oil) to transfer force to drive hydraulic cylinder to generate pressure force on the piece of work for molding products or for other purposes as per design of the machine. Main customers of hydraulic press are automotive industries, electrical appliances industries as well as mold and die industries. Currently, the Company can design and manufacture hydraulic presses that can generate up to 3,500 tons pressures, the highest pressure that can be manufactured in Thailand.



Hydraulic Clapper Die Spotting Press (HCD)



Hydraulic Die Spotting Press (HDS)



Hydraulic Try Out Press (HRP)

Hydraulic Clapper Die Spotting Press

Hydraulic Die Spotting Press: HDS is used in mold manufacturing companies. It is a machine for inspecting points that need to be decorated or repaired on mold surfaces by painting the face of the mold and then using a hydraulic press to press the mold to find the position that needs to be decorated. It is suitable for final inspection of molds before using them in production in order to make the molds more precise and help increase production efficiency, resulting in good quality of products produced from the molds. The Company's mold surface inspection machine is able to move up-down and can be adjusted up to 0.05 millimeters, making it possible to inspect the surface precisely.

The lower table surface can be moved in and out to facilitate inserting the mold into the machine. The top of the table can be made to flip over and lie on the floor to facilitate decorating the upper mold. The size of the press ranges from 1,000 mm. x 800 mm. to 4,600 mm. x 2,300 mm., which can support the inspection of large molds such as molds for producing car side parts. The pressure ranges from 15 tons to 300 tons. In addition, the Company's mold surface inspection machine security systems have been designed at every step. Examples of molds that use this type of machine include plastic injection molds and aluminum injection molds, etc.

Hydraulic Try Out Press

Hydraulic Try Out Press: HRP are used in mold manufacturing companies as machines used for testing molds that have already been surface-decorated. Before using the mold to produce the actual product, if the mold used is not in perfect condition, it will result in wasted time and raw materials. The Company's mold testing machine is designed for the bottom table can slide out to facilitate mold repair and can be used in metal forming, bending, and hole punching processes to increase production capability. Customers typically purchase such presses with high pressures of

600 tons or more to be able to test molds that will be used under high pressure.

Hydraulic Deep Drawing Press



Hydraulic Deep Drawing Press
(HDP)

Hydraulic Deep Drawing Press: HDP is widely used in the automotive industry and the electrical appliance industry. It is a metal forming machine that uses hydraulic pressure to press metal sheets so that the metal changes shape according to the mold. The Company's press drags forming machine is designed with a cushion system to slow down the stretching of the metal and makes the workpiece come out curved to the desired shape more beautifully and neatly than general metal press machines. The Company can produce press machines with press face sizes ranging from 1,000 mm. x 800 mm. up to 5,000 mm. x 2,500 mm. with pressure ranging from 100 tons to 3,000 tons and the machine has a security system designed for every step. Examples of products produced from this type of machine include car parts, sinks, etc.

Hydraulic Molding for Hot Press



Hydraulic Molding for Hot
Press (HMP)

Hydraulic Molding for Hot Press: HMP is used for forming non-metallic materials that require heat to assist in forming so that the workpiece can maintain the desired shape after forming can be done using the Company's press machine. Heat can be used up to 250 degrees Celsius. The heat used may be at the mold itself or at the front of the machine's table can be adjusted to work consecutively and automatically. In addition, the Company's press machines can also be controlled from either a push button on the control panel or a remote-control box. The Company can produce this type of press with a press size ranging from 2,400 mm. x 1,700 mm. to 3,500 mm. x 2,000 mm., using pressure ranging from 100 tons to 500 tons, which is suitable for the wood industry, such as plywood work (Veneer Hard Board), the rubber industry, such as the production of rubber rollers or heat compressing various rubber sheets and work on car interior parts such as materials inside car doors, etc.



Hydraulic Hemming Press
(HHP)



Hydraulic Trimming and
Bending Press (HTP)



Hydraulic Hemming Press

Hydraulic Hemming Press: HHP is used in the automotive industry. It is a machine used to fold the edges of two workpieces together by pressing the edges together once all around, such as car's inner and outer doors, inner and outer hoods, etc. It can be used with molds for folding edges that are 2,600 mm. wide, 2,400 mm. long, and 2,050 mm. high. The pressure ranges from 120 tons to 180 tons. There is a locking system that holds the mold firmly and uses a hydraulic system to move the mold in and out of the machine and there is a mold storage set (Die Storage) which stores up to 12 sets of molds for swapping out each workpiece. The swapping or moving of molds in and out of storage (Die Storage) is driven by a moving truck (Die Truck) with a hydraulic system that can support molds weighing up to 10 tons. The mold can be moved easily. The machine's operation is fully automatic and continuous.

Hydraulic Trimming and Bending Press

Hydraulic Trimming and Bending Press: HTP is a press used for folding, cutting edges, and punching holes in workpieces at the same time, such as car doors, hoods, or various parts which are wanted to cut the edge of the work piece. When the upper mold is pressed down onto the lower mold and held for a while, inside the mold, there will be equipment for punching holes and pressing or there will be special accessories that work by using signals from the machine to command punching or other processes. The Company can produce this type of machine with press size starting from 2,400 mm. x 1,500 mm. to 5,000 mm. This is suitable for produce refrigerator back panel or for work where the workpiece is not very thick, and the pressure is not very high.

Automatic System Machine

Automatic machinery with higher labor cost adjustment and lack of labor, especially in the industry that needs labors with intensive workforce, the industry has lost its competitive status for both domestic and international competitions. Hence, "Manufacturing Automation System" is collaboration between Mechanical +


Electrical + Electronic and Information Technology to create a collaborative system through the driver system. At present, the company can produce automatic machinery for production in the industry perfectly whether in a single production line, starting from the input of raw materials, the process, and the output. Moreover, it the connection to the robot kit, the conveyor system, and security system are designed which can be extended to the Smart Factory that will be present and widespread in the future.





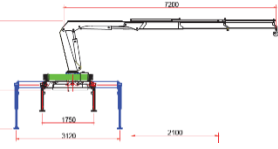
2. Hydraulic Cranes

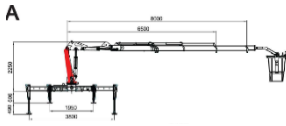



Hydraulic crane is an equipment used for lifting objects vertically and moving them horizontally. There are 2 main types of hydraulic cranes: straight-arm crane and folding-arm crane. The differences are that straight-arm crane cannot fold their arms. The Company manufactures only folding-arm hydraulic cranes. The Company produces both fixed cranes for lifting objects within the factory or the regular work area and truck-mounted crane so that crane can be moved to particular areas conveniently without wasting time for installation.

2.1) Standard Cranes

It is a custom crane designed and mass-produced to provide products for quick delivery to customers. This standard crane has various models to support the nature of work and the lifting weight that customers require.

Pictures	Job Types	Lifting Efficiency (Ton/Meter)	System Stretching Distance Hydraulic (Meter)
2000AA 	Used mostly for government work, such as tree cutting, basket installation, road light repair, and lifting various workpieces.	4	6

<p>065A-AA</p> 	<p>Used mainly for government work, such as tree cutting, basket installation, road light repair, and lifting various workpieces.</p>	6.5	5.2 – 6.5
<p>6000A/AA</p> 	<p>Used for steel plant work, construction work as a stationary crane or install it on a truck with a scrap metal clamp. It can be moved</p>	11.2 – 11.3	<p>8.4</p> <p>(A special extension arm increased stretch distance to 12.5 meters)</p>
<p>8000A/AA</p> 	<p>It's a big crane installed on a 10-wheel truck, mostly used for various construction work such as pile lifting.</p>	16	<p>6.5 – 8.4</p> <p>(A special extension arm increased stretch distance to 12.5 meters)</p>
<p>6000S</p> 	<p>Used for woodworking.</p> <ul style="list-style-type: none"> – It is a specific crane model. It is mainly used for clamping scrap metal, wood and can be installed on a boat to clamp water hyacinth. – Installed in place or installed on a moving truck 	12	8.2
<p>048SC-2A</p> 	<p>It is a newly designed product of the Company that rotates 360 degrees and is foldable. Used for government and private sector work, such as cutting down trees, installing baskets, repairing road</p>	4.8	7.2

	lights, and lifting various workpieces.		
065SC-2A 	It is a newly designed product of the Company that rotates 360 degrees and is foldable. Used for government and private sector work, such as cutting down trees, installing baskets, repairing road lights, and lifting various workpieces.	6.5	6.5
3.3TN-2A 	It is a newly designed straight-arm crane product of the Company that can rotate 360 degrees. It is used for government and private sector work such as tree cutting, cable car installation, road light repair, and lifting various workpieces.	6.6	8.4
Container lift 	Used for moving work such as scraps, scrap metal from various factories.	-	-
6000s-sc2022 	Crane 6000s – SC2022, waist type, continuously rotating 360 degrees, for sale to customers in rubber pelletizing work and general customers.	12	8.2

2.2) Other Cranes

Besides standard and continuous rotating waist cranes, in certain types of work, customers may require cranes with specific features. Therefore, the Company has developed various types of grapples to be used to suit the use, such as a stationary crane for holding paper, a crane installed on a boat to collect water hyacinth, cranes used in sugar factories, and cranes used in wood picking work, etc.



Holding Paper



Collecting Water Hyacinth



Sugar Factories Work







Wood Picking Work




3. Hydraulic Handling Equipment

Hydraulic handling equipment is used to lift and move objects. The Company produces various types of handling equipment to support various types of work which can be divided into 2 main types as follows:

3.1) Handling equipment for lifting and moving objects


It can lift items weighing from 350 kilograms to 20 tons. In addition, the Company has developed the Automatic Warehouse system and Made-To-Order work according to orders. This group of products includes:






Pictures	Job Types	Lifting Efficiency
Drum carrier trucks 	Used for moving 200-liter oil tanks to different locations.	350 kgs.
Hydraulic drum lift 	Used for lifting 200-liter oil tanks and adjusting the pouring, rotating 360 degrees, can be lifted in a row of 3, and can be lifted into the back of a 6-wheeled truck or pickup truck.	350 kgs.
Table lift 	Used for lifting work pieces and moving them to different places, such as lifting small molds to enter machines and to support workpieces from the production line.	350 – 500 kgs.
Hydraulic hand lift 	Used for moving raw materials or workpiece from one point to another.	2,500 kgs.

X-lift 	Used for lifting workpieces or objects to high or desired positions, such as loading things into the back of a car, loading raw materials up to high floors, and being used for lifting cars up to showrooms on high floors or as a link between production lines	1-20 tons
Home-lift 	Quality home elevators can be installed from single houses, commercial buildings, townhouses both inside and outside the building. It is a convenient device for patients or used as a passenger elevator for the elderly, people with knee problems or walking problems, and can be designed according to the actual location	1-1,200 kgs.
Automatic Warehouse 	An automatic storage system suitable for transporting storage materials such as containers, boxes, or pallets with high-speed operation and heavy weight. The system can be designed to be connected under the concept of LOGISTIC 4.0 and able to support a wide variety of products that need to be stored through the computer control system Warehouse Management System (WMS)	Support Inbound & Out bound Logistics Process

3.2) Handling equipment used in the automobile service center

It is a product for use in car and motorcycle service centers. It can lift objects weighing from 50 kilograms to 150 tons. Products in this group include the following.

Pictures	Job Types	Ability
Two post lifts 	Used for lifting cars and repairing various suspension parts at service center or car repair shop.	2,500 – 3,600 kgs.

Hydraulic press 	It is used regularly for repairs and for compressing work pieces as customers use them, such as compressing bushes, compressing bearings, compressing ball joints, pushing work pieces, etc.	10-150 tons
Hydraulic floor cranes 	Used for lifting the engine and lift various objects to various points as desired.	1-2 tons
Motorcycle lifter 	Used for service centers in motorcycle repair.	500 kgs.
Gear lifter 	Used for draining engine oil and moving to different places. It can lift gear	500 kgs.
Hydraulic jack 	Used for lifting cars and 10 - wheel trucks to change tires.	60 tons

4. Metal machining services and hydraulic machines maintenance services

Apart from the availability of machines and production technology, the Company also provides various services to respond to the customers' demand. Services rendered by the Company are:

4.1 Metal machining services

Metal fabrication is the process of processing steel sheets, cast iron, or various structural works to process to get the desired characteristics such as drilling, turning, milling and grinding, etc. As the Company invests in large machinery, hydraulic machinery components can be produced in-house as much as possible. It can process metal with a width of 2.5 meters and a length of 6.0 meters. It is one of the few operators in the country that has such a machine. Therefore, the Company plans to use the production capacity of the machines for maximum efficiency by providing metal processing services to customers during the time that the Company's machines is not used in the production of the Company's own products, such as metal structure machining, groove milling, and drilling, which are often used in large industries such as the automotive industry, electrical industry, etc. This type of service occurs when a customer needs to use metal processing work that is too large for the customer's existing machinery to be able to process.

In addition, the Company has prepared a team with specialized knowledge and expertise to provide advice and recommend work methods so that customers can be confident that they will receive the highest quality and most efficient service within the required time.



Pictures of metal processing work

4.2 Hydraulic machines maintenance service

The Company has prepared a maintenance team with experience and expertise in various fields. Whether it's mechanics, hydraulics, electricity, electronics, and other

aspects related to machinery, we are here to serve customers in a timely manner as the Company's products are often used in the production lines of large industrial plants, especially hydraulic presses.

The Company can be considered as the heart of the customer's production line. If there is a malfunction and is not taken care of in a timely manner, it may cause an impact on the customer's production process. Currently, the Company has a maintenance team of more than 20 people who are ready to provide service to customers within 24 – 48 hours.

5. Mechanical Press Machine

It is a metal pump with metallurgical system, and it is the metal pump that can be used with almost all types of industries by using mechanical techniques in power transmission with the electrical and electronic equipment. Processing of the work piece caused by the pump process has a steady work piece thickness, and it can mold the complex work through the use of device or mold.

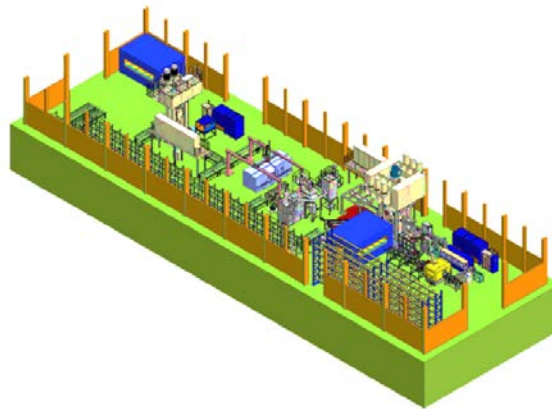


6. Smart Factory System Design for manufacturing

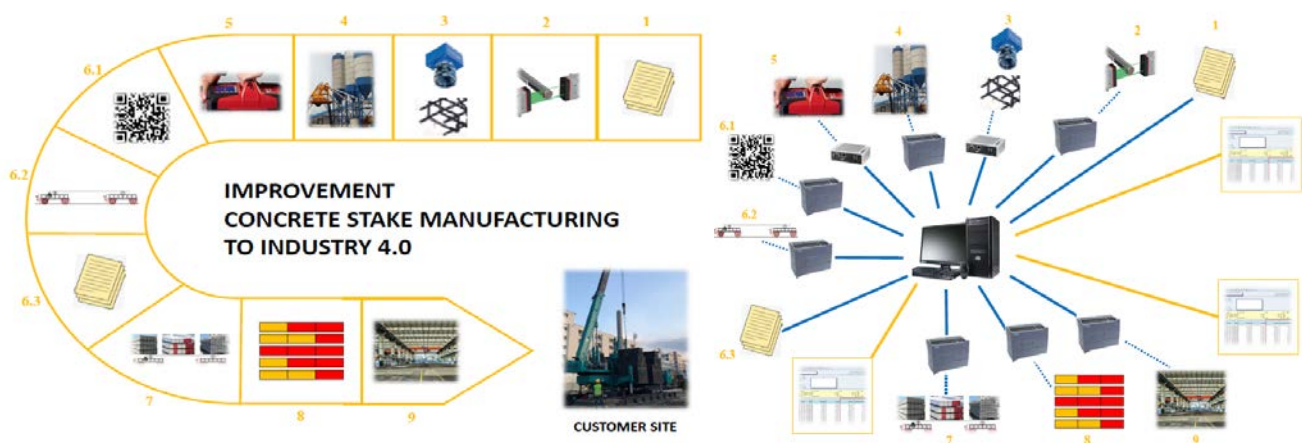
6.1 Automation System Factory (Smart Factory)

Smart factory is an information innovation in factory which the network connection of equipment is the first step of Smart Factory. However, devices and equipment using in electronics production industry are diverse and distinct. Therefore, the development of system that enables the monitoring of devices and equipment is

difficult. For this reason, the main challenge to the factory manager is to find the efficient method for gathering production data from each different brand device that uses the different connection protocol in order to analyze the long range monitoring, minimize the operational and maintenance cost, and enhance the efficiency of production process monitoring.



- 6.2 Development of production line for Smart Quality monitoring
- 6.3 Development of Smart Maintenance
- 6.4 Development of Smart Operation
- 6.5 Development of Smart Warehouse



Process Flow Smart Quality & Smart Warehouse



Process Flow Smart Operation & Smart Maintenance

7. Sugar Cane Side Tipping Bin Trailer

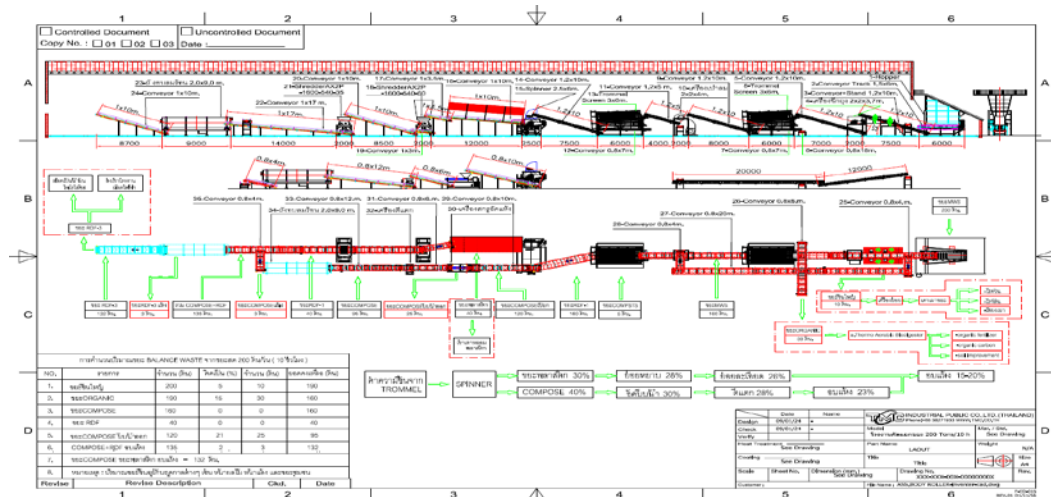
The efficient utilization of agricultural machines in all processes of domestic sugarcane harvesting around November–March pertaining to the announcement of sugarcane and sugar plants is the key success. Efficient enrichment and harvesting will definitely reduce labor cost, as well as time consuming per Rai. While envisioning the opportunity in supporting sugarcane farmers and relieving PM 2.5 problem from the burning off prior to the transferring to the plants, TMC has collaborated with the partner in researching and developing 8-Tons and 6-Tons Sugar Cane Side Tipping Bin Trailers for transferring the products from the farms. It can create awareness in reducing the sugarcane burn off among the farmers and can prolong the lifespan of the sugarcane stump from 3–5 years.



8. Machinery design for household waste materials and agricultural sector

8.1 Waste materials from households

Municipal Solid Waste Management is the process of reusing leftover materials from solid waste to help reduce the amount of solid waste that must be disposed of. At the same time, it helps preserve natural resources by separating materials for reuse such as paper, glass, bottles, plastic, steel and other metals. Another part of solid waste is processed into energy, namely heat energy. This is obtained by using the combustible portion of solid waste as fuel for factories and as energy for use in industrial plants to reduce the use of oil and coal such as designing and producing a complete waste sorting line, designing the production of liquid fuels to replace diesel from the pyrolysis process from plastic waste.



8.2 Waste materials from the industrial sector

It is a design of a machine to use waste materials from the industrial sector, such as carpet scraps from production and various parts that is plastic or synthetic leather. It can be broken down to reduce its size and used as fuel to replace oil and coal.

Company has to create commercial design to reduce the amount of carbon dioxide from the combustion of waste materials from households, industry, and agriculture, such as designing and producing machinery for integrated waste management from the community to be used as fuel or brought back for remelting, designing machinery to manage waste materials from the industrial sector for use as fuel, such as leather, various car carpets. For agricultural images, there has been a design Wood Pellet Machinery and Biomass Briquette Machine.

2) Marketing and Competition

Marketing

1. Domestic Market

The Company has defined a group of products and distribution channels and opportunities for domestic business growth such as hydraulic press group will determine the sales direction based on price quoted to the customer and monitor the performance of customers as well as introduce new products of the company to customers. The Hydraulic crane group determines the placement of crane specifications or characteristics with dealers to bid job with the government in advance. For the private sector we analyzed according to the government policy on investment in various construction including renewable energy.

2. International Market

The Company has established trade alliances and designs with customers. The company has been entrusted to produce products to foreign countries such as South Africa, Pakistan, and India, etc.

Competitive Strategy

1. Quality of Products

The company gives an importance to the quality and efficiency of design and production steps; the design that satisfies the customers' need created by the proficient engineering team and, the use of new technology, as well as the quality control in every production steps to ensure that the products meet international standard and the requirement of customers.

2. Ability to Manufacture Complete Services

The company manufactures the complete service to fully support the customers; starts with product design, production, and installation in which the company is able to design the machine and parts, try out the modern program to test the product in

order to ensure the ability of bearing strength while using the machine and the production ability. The company has adequacy of human resources who are proficient and skillful in production and assembly in which the company can respond to the need of customers promptly.

3. After Sales Service

The company highlights the after sales service by increasing sales channels for preventive maintenance and visiting customers as well as presenting news and product information to the customers who purchase the company's machine and the customers who use the machine of the competitors. The company pays attention to its 24- hour service to ensure that the customer's business meets their goals. Moreover, the company staff are knowledgeable and understand the product very well so they can analyze the damage and quickly repair the machine accurately.

4. Appropriate Pricing

The products of the Company are variety to support the requirements of customers from all industries. Each type of product is manufactured based on the universal standard that is the same standard as other competitors. Therefore, the company sets the price based on the appropriateness of each product according to the competition and sales channel.

5. Customers' Trustworthiness

From the long experience in hydraulic machine manufacturing and repair and service, the company earns the trustworthiness from the customers in customer service, both fair price and high-class service, as well as the design that satisfies the customers.

6. Technology Development

The company studies and research new technology constantly such as engineering design that applies automatic production systems to respond to customer demand. The design of automatic production system integrating Automatic Machine Builder (AMB) to System Integrator (SI) as the Cyber-Physical Production System (CPPS) is the full-automatic production line system or Smart Factory that currently fulfills the customer's need very well, both from current and new production lines.

Customer Groups and Target Groups

The Company classifies the customers into 2 groups.

1. Domestic Customers

The Company distributes the product in the country to the customers in both the government and private sector. The customers in private sector are the entrepreneurs in the industries who use the machine directly such as the entrepreneurs of the automotive industry, electric appliances industry, construction industry, renewable energy industry and other industries e.g. sawmill plant, sugar factory and the customers in repair and service center. In 2022, the company added distribution channel through broker. The additional channel included direct sales in order to create a chance for higher distribution, and online selling via Facebook, Line, Shopee and other platforms. For offline selling, the company aimed to conduct the distribution via modern trade showroom and improve catalogue and brochure for customer's convenient access to the products.

2. Customers in Foreign Countries

The Company distributes the products to foreign countries by exporting by the company and via the customers' supplier, as well as via the brokers, so that the company explores more markets in the foreign countries. This is the policy that creates new business alliances so that the company can distribute and explore the markets in foreign countries to increase competitive opportunity.

Target Customer Groups:

Regarding the overview of company industry, the sales target is the renewable energy industry especially the crane products group, manufacturing contract and general services i.e. build of iron bridge and the industrial sectors that are promoted in the Eastern Economic Corridor (EEC) and the customers in automotive and electric appliance industry who wish to develop the production line to become automatic system.

Distribution and Distribution Channel

In regard to the distribution management, the company sets the distribution pattern to cover all industries which consists of direct sale to provide service for the customers who need special qualification product or made-to-order product, distribution through the suppliers for the low price products and frequently use that distribute to the government/real estate sector, and shop selling which the company operates one shop: at Ban Bueng bypass

intersection, Chonburi Province. This shop is not only the shop but also the accessible repair and service center to facilitate the customers. In the past year, the company increased the distribution channel through Modern Trading, by cooperating with other leading companies, as the product distribution center for industrial products, construction system work and other materials. All channels will facilitate the customers to access the products and services of the company.

3) Materials and Products Supplies

Capacity and Production Volume

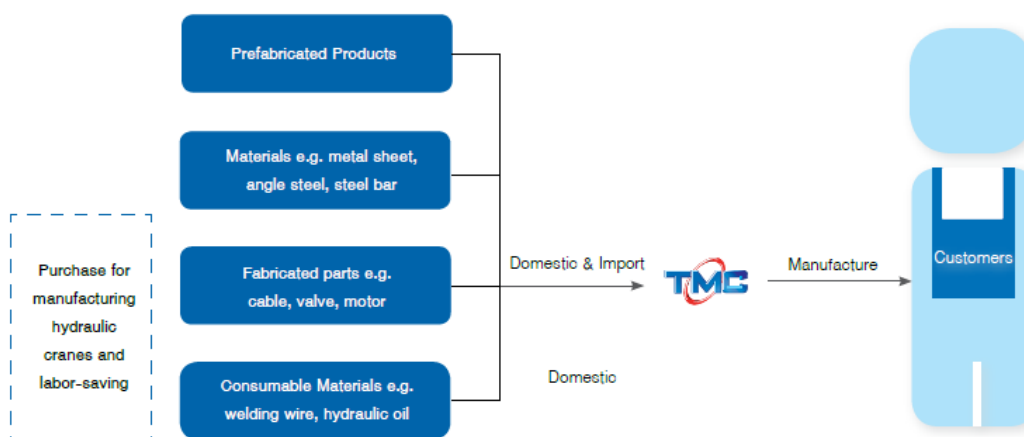
Details	2021	2022	2023
Maximum Capacity (Ton/Year) ^{1/}	3,096	3,096	3,096
Actual Production (Ton/Year) ^{2/}	1,033	508 ^{3/}	380
Capacity Ratio	33.37%	16.41%	12.27%

Remarks:

- 1/ The maximum capacity per year estimated from the average weight of hydraulic press machine, which is 40 tons/machine multiply by the average number of machines that the company can manufacture per year. The hypothesis is that the company's working hours are 10.5 hrs/day (including overtime 2.5 hrs.)
- 2/ Actual production volume estimated from the weight of hydraulic press machine manufactured each year.
- 3/ The decreasing production capacity was the result of the decreasing number of press hydraulic machines and higher purchasing order of crane products from overseas. Those affected the decline in production capacity in preparing, welding, and processing jobs. However, the assembly and installation jobs employed normal production capacity.

Materials and Products Supplies

The company supplies materials, parts, and products from domestic sources and foreign countries as following details.



Materials and fabricated parts used in manufacturing process

The Company purchases hydraulic materials and parts, as well as consumable for use in hydraulic machine manufacturing for 96% of the total cost of material and product purchase as the following details.

Materials:

main materials used in the production process such as types of steels e.g. steel sheet, angle steel, steel bar. The company processes steel such as cutting, welding, and milling to set the pattern and structure as desired. The steel used in the company can be divided into 2 main classes.

- 1) Standard steel that can purchase from general supplier in Thailand. To purchase the steels, the company will place an order with the domestic suppliers by comparing the price from a few suppliers to acquire the quality steel in a reasonable price.
- 2) Special steel i.e. the steel with extra thickness or width which does not manufacture in Thailand. The company will purchase the special steel from foreign countries directly such as China in which the cost is cheaper than purchasing from the supplier.

In order to purchase the steel for hydraulic press machine manufacture, the company will process the purchase when receiving the order from customer. To order the steel used for hydraulic cranes and labor-saving devices, the company will place an order in advance to be enough for manufacture one month.

Fabricated Parts:

Fabricated parts used in hydraulic machines are hydraulic cable, hydraulic valve, motor, and cable. The company normally orders the fabricated parts from the domestic supplier after having a price comparison.

Consumables:

Welding wire, drill bit, and hydraulic oil. The company will purchase consumable materials from domestic suppliers after having price comparison.

4) Business Assets

The main fixed assets and important intangible assets that the company use for business i.e. land and buildings, factory, machineries, trademarks and others, the details are as shown in attachment 4.

1.3 Shareholding Structure of Company Group

1.3.1 Shareholding Structure of Company Group

As of 31 December 2023, the Company has a 99.99% shareholding in 1 subsidiary company, namely:

1. Palmyra Being Co., Ltd.

At the Board of Directors' Meeting No. 2/2023 on 22 February 2023, the Board of Directors resolved to approve the establishment of a subsidiary company to support investment in other companies than the Company's original business which has a registered capital of 60,000,000 baht (12,000,000 common shares with a value of 5 baht per share) by the company's shareholding proportion in the said subsidiary is 99.99%. The subsidiary was registered with the Ministry of Commerce on 7 June 2023 and paid for the first issued shares at 1.25 baht per share (calling for payment of 25% of the registered capital). Representing a paid-up value of 15,000,000 baht, the Company paid for such shares in proportion to its shareholding in the amount of 15,000,000 baht in June 2023.

1.3.2 The Conflict-of-Interest person who holding the subsidiary or associate company's shares more than 10 percentage

–None–

1.3.3 Relations with Major Shareholders' Business Group

–None–

1.3.4 Shareholders

Name of top 10 shareholders as per listed in the book of shareholders' registration as of 2 May 2023 were as follows:

Name	No. of Shares (shares)	Percentage of Shareholding Proportion
1. Panjaworayan Family*	91,650,000	19.977
Mr. Nuttapong Panjaworayan	68,800,000	14.996
Ms. Woranan Panjaworayan	22,850,000	4.981
2. Chaichukiat Family*	65,455,900	14.268
Mr. Chuchat Chaichukiat	42,825,000	9.335
Mr. Saran Chaichukiat	22,630,900	4.933
3. Mr. Sawaeng Sirijantherophat	18,950,000	4.131
4. Thai NVDR Company Limited	17,841,757	3.889
5. Ms. Nalinphat Kittisurithorn	16,839,200	3.670
6. Mr. Suthipoj Ariyasuthiwong	16,144,500	3.519
7. Mr. Thanadit Lomphayen by Krungthai Xspring Securities Company Limited	12,550,000	2.736
8. Mrs. Nattanan T.Thienprasert	12,000,000	2.616
9. Mr. Sottichon Tannapai	8,000,000	1.744
10. Mrs. Sudjai Wuthisaksilp	7,940,000	1.731
11. Other shareholders	191,402,365	41.720
Total	458,773,722	100.000

Remark:

* Panjaworayan Family – Mr. Nuttapong Panjaworayan is in the position of Chief Executive Officer

1.4 Registered and Paid-up Capital

The Company registered capital totaled 611,698,296.00 Baht, Paid-up capital 458,773,722.00 Baht Common Shares 458,773,722 shares.

1.5 Issuance of Other Securities

The 2023 Annual General Meeting of Shareholders on 22 April 2023 resolved to consider approving the issuance and offering of warrants to purchase ordinary shares of T.M.C. Industrial Public Company Limited, No. 2 (“TMC-W2” or “Warrants”) in an amount not exceeding 152,924,574 units (or equivalent to 33.33 percent of the paid-up capital of the Company as of the Board of Directors

Meeting No. 2/2023, 22 February 2023) to the existing shareholders of the company in proportion to the number of shares held by each shareholder (Right Offering) at an offering price of 0.05 baht per 1 warrant unit (5 satang) in the ratio of 3 existing common shares per 1 warrant unit. The said warrant is valid for 2 years from the date it is issued. The exercise rate of the warrant is 1 unit per 1 ordinary share and the exercise price is equal to 2 baht per share (except in the case where the exercise price is adjusted).

Warrant holders can exercise their rights under the warrants every last business day of September and March of each calendar year throughout the life of the warrant. The first exercise date is 29 September 2023, and the last exercise date is the date that the warrants expire for 2 years, which is 9 July 2025. In the case that the exercise date and the last exercise date falls on the Company's holiday, the date specified for exercising such rights shall be postponed to the last business day before the date specified for each exercise of rights.

Warrant holders who wish to exercise their rights to purchase the Company's ordinary shares must notify the intention to exercise the right to purchase additional ordinary shares of the Company between 8.30 a.m. and 3.30 p.m. on every business day of the company within a period of 5 business days before the date of each exercise of rights. Except for expressing the intention to the last exercise, express your intention to exercise your rights within 15 days before the last exercise date.

1.6 Dividend Policy

The Company has the policy of paying dividends to shareholders of no less than 40% of net profit according to the separate financial statement after deduction of corporate income tax, legal reserve and other reserves. However, the Company may pay a dividend less than above rate, depending on the necessity of working capital use for business expansion and other factors relating to the business operation and management. In addition, the resolution of the Board of Directors on approval for dividend payment must be proposed and requested for approval from the shareholders' meeting, except for interim dividend payment which can be approved by the Board of Directors and reported at the next shareholders' meeting.

Dividend Payment Data

Details	2021	2022	2023
Earning / Share (Thai Baht)	- 0.09	0.58	0.03
Dividend / Share (Thai Baht)	No Dividend	No Dividend	No Dividend
Dividend Ratio (%)	0	0	0

2. Risk Management

2.1 Policy and Risk Management Plan

In 2023, the Company has established a Risk Management Committee and a risk management working group has been appointed to prepare a manual and risk management plan which was completed and brought to the Risk Management Committee Meeting No. 1/2024 and approved by the Board of Directors Meeting No. 1/2024 on 22 February 2024

Risk Management Policy

To provide clarity in risk management, the Risk Management Committee has established a policy framework for risk management, method of operation, and TMC's risk management operational plan as follows:

- 1) Focus on risk management that affects TMC's objectives and policies, including TMC's reputation and image.
- 2) Manage risk management to be most effective and at an acceptable level.
- 3) Involve all employees in the risk management process.
- 4) Encourage employees throughout the organization to be aware of and prevent all risks that may occur.
- 5) Continuously examine, follow up and assess risks that will occur according to the changing environment from both internal and external factors within the organization.
- 6) Promote risk management as part of the culture that leads to added value for the organization.

Risk Management Plan

TMC's risk management is divided into 4 types of risks as follows:

1. Strategic Risk: S

Refers to the risks involved in formulating strategies and making strategic decisions. This includes inconsistencies between policies, goals, strategies, organizational structures, competitive situations, and environments that affect the organization include risks related to government policies, economic, political conditions, reputation, stakeholders, business competition, and management, etc.

2. Operational Risk: O

Refers to risks arising from operations in various departments, including risks related to operations, property management, corruption, personnel, information technology risks, etc.

3. Financial Risk: F

Refers to risks related to financial and investment management policies and procedures, including capital structure risks, accounting and financial reporting, financial liquidity, exchange rates/interest rates/inflation rates, etc.

4. Compliance Risk: C

Refers to the risk of violating or being unable to comply with the law, regulations, various standards, or existing laws/regulations are inappropriate or an obstacle to work, etc.

The risk level is defined as follows.

Effects Probability	Very Low 1	Low 2	Medium 3	High 4	Very High 5
Very High 5	High 5	High 10	Very High 15	Very High 20	Very High 25
High 4	Medium 4	High 8	High 12	Very High 16	Very High 20
Medium 3	Low 3	Medium 6	High 9	Very High 12	Very High 15
Low 2	Low 2	Low 4	Medium 6	High 8	Very High 10
Very Low 1	Very Low 1	Low 2	Medium 3	High 4	High 5

From the above risk level, in preparing a risk management plan, it is divided into medium, high, and very high risks that are classified as corporate risks that must be closely monitored. Results are reported to those involved, the Risk Management Committee and the Board of Directors, respectively. The risks are low and very low level are classified as a risk that must be monitored by the risk owner and report results to management.

2.2 Risk Management towards the Company's Operation

2.2.1 Risk towards the Company's Operation

Risk factors which affect the company's operation in 2023 are as follows:

1) Liquidity Risk

After the third quarter of 2022, the Company was able to sell land and buildings in Ban Bueng District (new factory), allowing the company to repay all debts with financial institutions, makes the Company's liquidity back to normal again. However, in 2023 the Company still has to face factors that cause an impact on the Company's liquidity, such as delayed payments by customers, investment in new products to expand the business.

Risk management guidelines After being able to sell the land and buildings at Ban Bueng, the Company was able to relieve the burden of liquidity, but the management still maintains various measures as before and has a stricter plan for spending money. For example, the Company has an accounting and finance department that monitors and plans the use of the Company's money every month with controls and plans liquidity management to ensure that there will be sufficient capital to operate the business. In addition, the Company also controls production costs, including expenses. The work process has been improved to be more efficient and effective. Consideration has been given to adjusting the budget to suit the current situation including the worthiness of wages and various expenses. In addition, inventory management has been improved so that there are no excessive inventories and products remaining in stock for a long time.

2) The Risk from the Fluctuation of Raw Material Prices

Steel Plate, Steel Bar, Oil Pipe and Hydraulic Tube are the main raw materials to produce the Company's machines. It accounts for more than 50.00 percent of the total production costs. Therefore, in 2023, there will still be fluctuations in steel prices which depend on the demand and consumption of the world market. As a result, the selling price of steel in the world market changes all the time including import tax rates and determination of special fees (Surcharge). Therefore, the Company is at risk if the price of steel increases, which will cause the Company's production costs to increase too.

Risk management guidelines The Company calculates costs based on the price of material at that date. Therefore, the prices of these products can be adjusted in

accordance with the material costs before quoting the prices for customers and the company compares the steel prices of many distributors and find raw materials source from other countries to create competition in the quoting of prices. As for the selling prices of the company's standard products, the price list will be created to be used as standard prices and adjust price when cost is increasing by which will be adjusted by using the policy to determine the selling prices of products by considering the company's costs of sales together with the competitors' prices at that moment.

3) The Risk from the Foreign Exchange Rates

The Company's business is connected to foreign currency, i.e., the ordering of raw materials, parts, and products from overseas and the selling of the Company's products in other countries. The payment and the receiving of foreign currencies, which was effective in case the rate of exchange changed according to period of time.

Risk management guidelines The Company is able to prevent the risk from the US dollar exchange rates by opening a Foreign Currency Deposit Account (FCD) for the transactions which are involved with US dollar currency. In other foreign currencies, the Company has monitored the change of currency closely so that it can use other financial tools i.e. Forward Contract to prevent the risk from the fluctuation of exchange rates in the future. However, the company shall convert some foreign rate to Thai baht as appropriated to the use and trend of exchange rate.

4) The Risk of Economic Situation

The current Thailand and worldwide economic recession entail the decrease of industrial investment. With this association, the demand for the Company's products is inevitably decreased while the price competition is increased.

Risk management guidelines The Company has been trying to pull down the risk from economic recession by creating and offering new customers' on-demand products, as well as developing the product's efficiency. The Company provides post-purchase maintenance and adjustment services so they can be reused as new. The market has been extended to the expanding industrial segments which still need our product. We invent and develop products which meet the requirement in those industries and modification of sales from sold as a one machine product change to operation line machine sales, include robot and innovation technology that to meet customer.

5) The Risk from the Lack of Skilled Employees

Being a machinery manufacturer which requires complicated and specific skills, the Company has to rely on people with those skills such as experienced welders, mechanical engineers and electrical engineers who can write machine codes program etc. For this reason, the Company has the risk of lacking skillful persons, especially the old laborers who have high experience and near retirement and the new recruit labors must learn and add more working skill for the company requirement.

Risk management guidelines The Company has the policy to retain the human resource of the old labors who have high experience and near retirement to meet work requirement by renew work annually and transfer knowledge to new employees by training for more working skills. At the same time, the relationship with business alliances who are proficient in each area is developed to enable the support to company.

6) The Risk in Developing New Products and Extending Market to New Group of Customers

As the Company's unchanged products have been sold for a long time, new products have been developed and produced for the Company's regular customers. Also, the Company develops or modifies the old products and presents them to new customers who need products in that industry. There might be cost risk and expenses in opening that market as the abilities of meeting the customer's expectations and being successful are still insecure. Production cost calculation for pricing during market opening and hidden costs that might occur can cause failure in reaching the prospective gain.

Risk management guidelines However, the Company communicated with customers about their expected products and the consideration on the Company's existing potential and proficiency in order to minimize the risk in developing new products. The company improves, fixes, and presents products suited to the customer's need. We also study the opportunity to sell products in more new markets and new groups of customers. The information on cost and technical data are also collected and used to develop and reduce production cost to secure that errors, production problems, and future production costs are minimized and that the Company's products are developed to meet customer's needs.

7) The Risk of Uncertainty of Income

As the Company's products mainly rely on the automotive industry, the long-term halt in the past years of the industry entails the decrease of sales revenues of products and services and the Company's uncertain income. The Company has then altered the sales platform to other industry groups, for example the power generation industry, electronic industry, the agriculture industry, construction industry etc. Sales income is uncertain as it is the project sale and the products are made-to-order that takes a long time to produce, starting from the Company gives advice the product designs, makes cost estimation and proposes to the customer for making decision. Then, the Company starts production and delivers the products to the customer at the agreed period. Thus, income uncertainty occurs. The income shown on the financial statement can be confirmed after delivery only. Further, the Company's product lifetime is quite long so there are no frequent orders from customers.

Risk management guidelines However, the Company has a development and wide range of products used in many industries. In addition, the Company has continually designed and developed its products to meet the needs of different customers in different industries with different investments in order that the revenue of the Company continues. The Company also has standardized products promptly to be sold to the customers for the Company's stable earnings.

8) The Risk from Customer Credit

On 31 December 2023, the Company had net trade receivables 61.41 million baht, representing 18.80% of sales and service income. The Company has an average debt collection in 2023 equals to 58 days, so the Company may have a risk of debt collection from trade receivables. This may cause the Company to incur debt collection expenses. If the Company's trade receivables are in trouble, it may affect the Company's profit and financial position.

Risk management guidelines The Company has had an efficient and effective debt collection policy. The Company focuses on the individual customer's credit assessment, for example performances, biography, address, cash flow, payment history (in case of regular customers) before selling and strictly give credit to customers. Credit will be signed and approve by the Company's Chief Executives so that the Company can assure sale approval and debt collection from the individual customer.

9) Strategic Risk

The risk has been resulted from intense business competition and the change of marketing trend, business impact from pandemic and other forces occurred in 2023. These cause global economic slowdown for both Business to Business (B2B) and Business to Consumer who have subdued purchasing power with greater caution in spending money. This makes business operation following the planned strategy difficult.

Risk management guidelines The Company's mitigation plan has been suitable for the current situation and the approaches are as follows.

- Extend customer and find new customers who still have purchasing power in both domestic and international markets. The extension could be made among groups of customers, who trust our products, in hydraulic press business and hydraulic crane in international market, such as Africa, Japan, Pakistan, Vietnam etc.
- The addition of new distribution channels in order to provide better convenient customer's access to products, for example hydraulic labor-saving machines. Product distribution channels are shifted to online and social network markets in order to support current customer's needs and satisfaction.
- Promotion and marketing activities are promoted to trigger customer's purchasing motives by utilizing and making the most of promotion and marketing activities.
- Work process is improved for the project of engineering business by cutting down some duplicated and unnecessary works in order to boost efficiency and appropriately reduce operation cost. The new selling price structure is made suitable for motivation and competitiveness.
- Bond good relationship with all groups of customers. Create contact and develop continual connections.

2.2.2 The Risk toward Investment of Shareholders

Despite good investment returns in stocks from dividend and profits from sale of shares, the certainty and stability of these returns cannot be guaranteed. The important thing which should always be kept in the investors' consideration is **"No investment is 100% risk free."** Investment in a high-risk property comes with high expectation on returns to compensate

that risk as said, “High Risk High Expectation Return”. On the other hand, investment in low-risk property comes with the investors’ lower expectation. There are many risk factors which might affect the investors’ investment returns.

- 1) **The business profits:** The relevant industries and economic condition are significant factors which determine the level of investment returns. The situation of stock market trading is also a factor. A good economy and good business profits surely provide high returns for investors. On the opposite side, the economic recession and the decrease in business profits will certainly pay lower returns for investors.
- 2) **The uncertainty of rate of return to be received:** The investors might sell stocks at a lower price than expected or the Company might pay little or no dividend at all. The lower return than expected might be caused by the uncertain cash flow of the issuer. It also leads to uncertain investors’ returns. The issuers’ business risk and financial risk are the causes of the business uncertain cash flow received.
- 3) **Business Risk:** is the risk from the specific type of business, for example the revenue structure of business, business’ expenses etc. The factors which affect business operation might be macro factors, such as the increase of fuel price, inflation, labor costs etc. They influence the increase of production cost. There are also other factors which affect business operation, such as social change, technology, politics, and regulations etc. However, the severity of the effect also depends on micro factors in the business. For example, some businesses put high investment in fixed assets which results in high depreciation, and it goes the other way round. Low sales volume with certain high fixed cost will push the business’ profit into the great deficit and the investors’ expected return will also be low.
- 4) **Financial Risk:** is the result of some financial commitments, such as indebtedness. Payment of interest, which is a high fixed cost, comes with great indebtedness. If the business cannot reach the targeted profits, the budget to pay for the interest will be insufficient. When the business lacks the ability to pay the committed interests, the risk of prosecution will fall on the Company.
- 5) **Rates Risk:** The fluctuation of interest rates in financial markets affects the investors’ prospective return rate when the trend of the interest rate progresses. As they expect a higher return rate, they need to buy stocks and other properties at a lower price. Therefore, the increase of interest rate will lower the price of properties.

- 6) **Inflation Risk:** Inflation is the situation when the general prices of products and services are gradually higher. High inflation lessens the value of cash which means fewer numbers of products can be purchased. It can be explained that 5% of the return rate in the form of cash minus with 3% inflation rate will be the actual return rate received which is equal to only 2%. The higher the inflation rate, the lower the actual return received. Although, the investment in stocks cannot avoid inflation rate, the perpetual change of stocks' price and the payment of dividend following business performance are believed to be elements which make the investment in stocks the preventive measure against inflation better than bank deposit which gives stable returns. However, the investors need to always be aware of investment risk as there is no guarantee of regular high returns to the investors. The returns can be high or low or none. Therefore, the investors should select the investment fits for the investors' acceptable risk level. The medium-risk investment should be an option for a low acceptable risk level and receive a moderate level of return. If the investors can accept high risk, they can select high-risk investment.

2.2.3 Risks Facing Investing in Foreign Securities

–None–

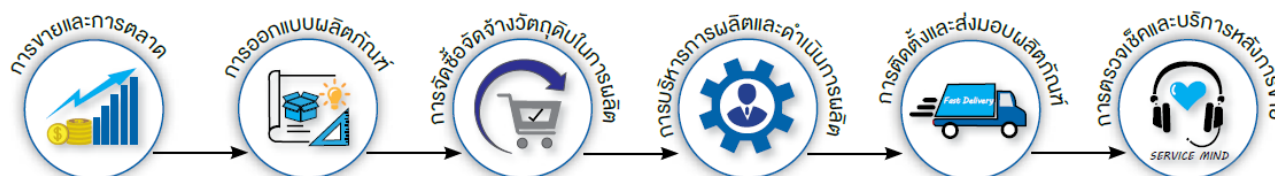
3. Driving Business for Sustainability

3.1 Policies and Goals for the Management of Sustainability

T.M.C. Industrial Public Company Limited has the policies for running business according to sustainable development. The company emphasizes business operation with good corporate governance as the fundamental to sustainability, and the company is aware of responsibilities for stakeholders throughout the value chain in economic, social, and environmental dimensions. This emphasis is in accordance with the company vision as a guarantee on behaviors and practices of the company's committee, administrators, and employees in compliance with laws, rules, and regulations. In addition, the management system is performed with governance, and the production process is managed without any negative effects or destruction on environment in order to obtain the highest effectiveness and organizational sustainability.

3.2 Management of Effects on Stakeholders in Business Value Chain

3.2.1 Business Value Chain



Under the company's value chain, the main operational and supporting activities are as follows.

- **Sales and Marketing**

The Company responds to customers' demand for them to get the highest satisfaction. As most of the company products are relevant to design work and are made to each customer's order, the Company has set the fairest and most competitive prices in the market.

- **Product Design**

The Company has the engineering team responsible for designing products under the manufacturing scope of the Company by considering mainly on raw materials supplied from the trade partners of the Company. All work has been implemented under the control of quality, production cost, and customers' demand before

delivering the design for production and description of customers' demand to the factory for production.

- **Management of Production Factors**

Regarding the procurement, coordination has been made with the main trade partners for supplying raw materials from domestic and international suppliers. In addition, the trade partners in parts processing are recruited as an additional part of the factory's production power.

- **Production Management**

New technology is applied in production for continuously developing the product quality and reducing environmental effects from production such as reduction of production waste etc.

- **Product Installation and Delivery**

Before on-site product installation and delivery, the Company allows the customers to inspect and test the product operation for ensuring that the product quality and use conforms to the customers' demand as much as possible.

- **After-Sales Service**

The products are guaranteed, the machine inspection is performed according to the use period, and good consulting and after-sales services are available.

3.2.2 Impact Management to Stakeholders in the Business Value Chain



Stakeholder Group	Communication Relationship Activities	Expectation	Operation to meet Expectation
employees	<ul style="list-style-type: none"> • Small group meeting of each department in the morning before starting work. • Company announcement • Internal electronic mail • Satisfaction survey • Complaint channel 	<ul style="list-style-type: none"> • Received good compensation and benefits • Have career advancement and stability • Have a safe working environment 	<ul style="list-style-type: none"> • Paying reasonable and fair compensation and benefits • Promote and develop opportunity to grow in the line of work that suitable for knowledge and abilities • Manage a healthy and safe working environment
Supplier / Business partners	<ul style="list-style-type: none"> • Telephone communication • Internal electronic mail • Meeting or plant visit and inspection 	<ul style="list-style-type: none"> • Fair and transparent trade competition • Perform trade term as agreement 	<ul style="list-style-type: none"> • Promote fair trade competition and business appropriate mutual benefit • Exchange of knowledge and new technology between each other and grow business together
Customer and Consumer	<ul style="list-style-type: none"> • Telephone communication • Electronic mail • Customer visit • Satisfaction survey 	<ul style="list-style-type: none"> • Quality products and service exactly as required and reasonable price • Delivery of products or services on time, have guarantee and good aftersales service 	<ul style="list-style-type: none"> • Continuously develop products and services in order for customers to be satisfied and confident in the products and services of the company
Community	<ul style="list-style-type: none"> • Visit communities nearby factory to listen to opinions and complaints 	<ul style="list-style-type: none"> • Production process does not affect the environment and various pollution to the community • Support community activities 	<ul style="list-style-type: none"> • Supervise the quality of the environment and pollution • Join to support public activities for the benefit of the community
Competitor	<ul style="list-style-type: none"> • Business operations 	<ul style="list-style-type: none"> • Do the business operation according to the framework of honest competition and fair 	<ul style="list-style-type: none"> • Commitment to business according to the company's code of conduct
Creditor	<ul style="list-style-type: none"> • Telephone communication • Electronic mail • Visit creditors 	<ul style="list-style-type: none"> • Pay debts in full and on time 	<ul style="list-style-type: none"> • Comply with the conditions strictly agreed
Shareholder and Investor	<ul style="list-style-type: none"> • Annual general meeting of shareholders • Annual report • Disclosure on company website and SETLink • Contact via the company's investor relation 	<ul style="list-style-type: none"> • Reasonable return from good operation and company profit • Good corporate governance management 	<ul style="list-style-type: none"> • Commitment to business operations for good performance and consistently profitable • Comply with good corporate governance and code of conducts strictly

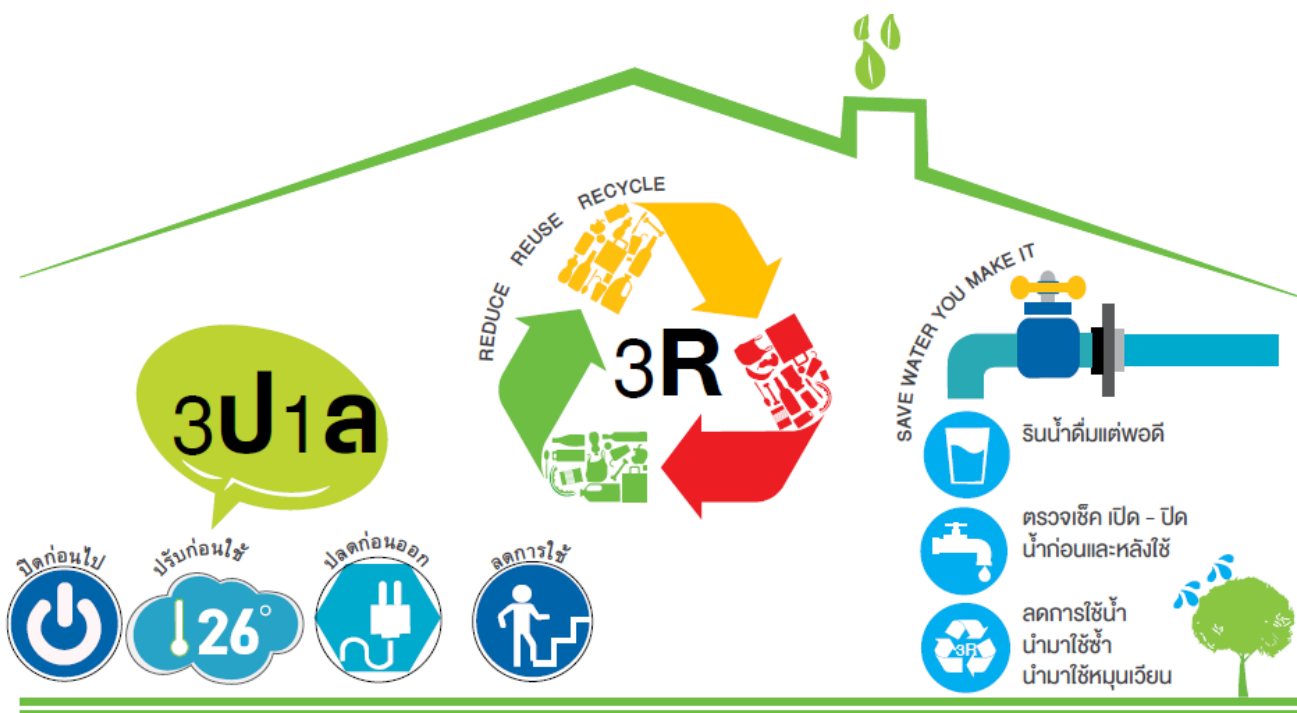
3.3 Environmental Sustainability Management

3.3.1 Environmental Policy and Practice

T.M.C. Industrial Public Co., Ltd. manufactures hydraulic presses, hydraulic cranes, and all hydraulic tools and equipment. The company is determined and aware of environmental responsibilities and the safety and health of all employees. Therefore, the following guidelines are determined to achieve the policy efficiently.

- 1) Follow the environmental laws, regulations, and other relevant rules strictly to control the environmental impact.
- 2) Determine to improve the environment with environmental-friendly procurement.
- 3) Aim to manage waste and hazardous waste accurately and efficiently.
- 4) Focus on cleanliness and orderliness in the office.
- 5) Mitigate electricity and water consumption by using them economically and efficiently.
- 6) Participate in environmental conservation and restoration activities regularly and constantly.





3.3.2 Environmental Performance

Energy Management

The Company cooperates with the government sector, the Ministry of Industry, to execute the Level 2 Green Industry for the sustainable use of electric power for production and the use of electricity and lighting in the factory. The Company also encourages all employees to save energy by turning off all electric appliances and air-conditioners after use, before the lunch break, and before going home.

Water Management

The Company uses water for consumption only. Regarding the measure of water management for the environment and worthiness, the Company surveys the water consumption by calculating the water use per capita and compares it with the actual use and increasing expense. Moreover, the Company organizes the activity to campaign water saving and monitors the equipment and water pipes regularly to avoid leakage.

Garbage and Waste Management

The Company classifies the garbage into four categories.

1. Solid waste and waste – the company disposes of the solid waste and waste by coordinating with the local municipality for disposal.
2. Recycling waste – the company sorts the waste to sell and chooses the certified company by the Ministry of Industry to handle it.
3. Hazardous waste – the company sends the hazardous waste to be disposed of with the certified company by the Ministry of Industry.
4. Production waste
 - 1.1. Used oil will be sold to a legally certified company by the Ministry of Industry.
 - 1.2. Used coolant will be sent for disposal by the legally certified company by the Ministry of Industry.
 - 1.3. All steel scraps will be sold to a legally certified company by the Ministry of Industry.

Greenhouse gas management

In 2023, T.M.C. Industry Public Company Limited collaborated with Natural Power Energy Company Limited in a project to produce electricity from solar energy on the roof. To reduce CO2 emissions, the installation of the project will be completed in November 2023.

3.4 Sustainability Management in the Social Dimension

3.4.1 Policies and Guidelines on Societies

The Company has continually reviewed and improved its corporate governance policy with a focus on participation which is appropriate and in accordance with the corporate governance principles, relevant international laws, and guidelines. The Company has a campaign against corruption related to interests of each department to create awareness and good practices for all employees in the Company, as well as reviewing emerging risk issue and jointly finding way to prevent such as information technology risk by establishing a security and cyber security management system including the Personal Data Protection Act (PDPA) for all employees, including customers and partners.

3.4.2 Social Performance

Respect to Human Rights

The Company set the policy on human resource management and policy on human rights in workplaces, and with the respect to human rights with fairness and equality without discrimination in employment, payment, promotion, training, and employee development. In addition, we do not support discrimination in terms of genders, skin colors, ages, languages, educational institutions, races, and religions. We support employment for underprivileged people such as disabled and elderly people in order to provide them with chances, occupations, and stable incomes. Moreover, the company supports every employee and personnel to feel engaged with the organization like in the same family.

In 2023, the Company did not receive any complaints on human rights from the employees.

Fair Labor Treatment

Employees and labors were treated with consideration on human rights including fairness in employment and payment, employee training and development, employee satisfaction development, safety management, occupational health, and working environment etc., and care for every employee to feel engagement to the organization as the same family. In 2023, the Company's main performance on employees are as follows.

1. Proportion separated by gender

Details	2021		2022		2023	
	Total	Percentage	Total	Percentage	Total	Percentage
Male	164	72.89	160	72.40	166	73
Female	61	27.11	61	27.60	60	27
Total	225	100	221	100	226	100

2. Proportion of disabled employee

Details	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Fulltime employee	164	61	160	61	165	58
Disabled employee	1	2	1	2	1	2
Total	165	63	162	63	166	60

3. Proportion separated by age

Details	2021		2022		2023	
	Total	Percentage	Total	Percentage	Total	Percentage
Under 30 years old	12	5.36	8	3.56	21	9
Age between 30-50 years	145	64.74	174	77.33	135	60
Over 50-60 years old	60	26.79	41	18.22	63	28
Over 60 years old	7	3.13	2	0.89	7	3
Total	225	100	224	100	226	100

Employee Training

Employee training for the year 2023, the Company has organized a training course for employees to increase their skills and work potential. A total of 26 courses are organized both internally and externally for employees, such as Update TFRS that will be changed in 2024, Sustainable Accounting, Advanced PLC Programming for Application in Automation Systems, Modern Technology in Managing Industrial Waste according to BCG, using the SAP Business One software system to manage and access data, BSC+BMC+TMC Business & Product & Vision, the way to success in building a business that must be known and measured, management planning Purchasing work system, quality training (Writing prevention measures: fishbone diagrams), providing knowledge to managers for succession plans, etc. The total number of employees who received training was 118 people, accounting for 53.39 percent of all employees.

Responsibility to Customers

The Company gave high importance to customers in responding to customer satisfaction on products and services with consideration on quality of products and services delivered to the customers. The Company continuously developed quality products and after-sales services. In 2023, the company was rated on customer satisfaction at 96.37%, a slight decrease from 96.39% in 2022. The Company also gave importance to innovation creation in production engineering, as detailed in the project description in the Company's 2023 performance report on sustainability.

Responsibility to Communities and Societies

The Company runs the business with responsibilities to communities and societies by giving importance on reducing environmental effects and avoiding implementation which might have negative effects on quality of life of the surrounding communities. In 2023, the Company did not receive any complaints on social or environmental issues from any communities. Moreover, the company participated in quality-of-life development and promotion of community participation. In 2023 the company organize activities and join the community as following;

- The Company has organized a proactive health care project for insured persons in the workplace together with social security and Vibharam Hospital Health examination to look for risk of chronic non-communicable diseases (NCDs)





- Company employees Participated in donating blood to patients who need to use blood for surgery, 2 cases at Chonburi Hospital Chonburi Province



- In order to protect the health of employees We have been proactive in screening for colon cancer. to employees in collaboration with Muang Chonburi Hospital



- Provide 66 scholarships to children of employees who perform well in school, divided into 3 levels.
 1. Primary level, Prathom 1 – Prathom 6
 2. Lower secondary school level, M.1 – M.3
 3. High school level / Vocational Certificate (Vocational Certificate)



- Mobile dental project, filling teeth, extracting teeth, scaling teeth within the establishment. Employees participating in the project use their social security rights.



- White Factory Campaign Project safe drugs by inspecting 100% of employees by the Department of Provincial Administration, Chonburi Province





- Support traffic signs for Mangrove Forest Resource Management Center, Chonburi Province, Department of Marine and Coastal Resources, Ministry of Natural Resources and Environment to solve the surrounding traffic problems.



- The Company is aware of the health of its employees by providing health examinations for 100% of employees for the year 2023.





Safety, Occupational Health, and Working Environment

In 2023, the company continuously developed and improved the effectiveness in safety management for reducing sickness, injuries and death as well as for properly taking care of employees' quality of life by doing the following measures.

- 1) Surveillance and evaluation on occupational health and safety as prescribed by laws.

No.	Inspection List	Inspection Results	Inspection Dates	Inspectors
1	Inspection on safety of the electrical systems in 2023	The system is workable. The electrical systems and equipment have to be maintained properly according to the engineering principles.	30 AUG 2023	Mr. Uthane Angkhasirikun
2	Inspection on parts and equipment of the stationary and mobile cranes	Most cranes are in safe workable conditions. They are unlikely to cause dangers to the crane operators and workers in nearby areas. However, these crane parts and equipment must be regularly inspected and maintained.	1 st : 3 MAR 2023 2 nd : 6 SEP 2023	Mr. Chainarong Bunkham (Sor Kor.4713)

According to the above data, the inspection results from the whole surveillance shows safety of the operational conditions. However, the surveillant inspections must be performed regularly and continuously every year.

2) Rehearsal of emergency response plans

The Company gives importance on effective preparation and response to emergency situations, so we have planned guidelines and practices for stopping negative incidences, reducing negative effects, and coordinating with the external agencies according to the emergency response plans and management plans for coping with critical situations. The Company regularly arranges the annual rehearsal as follows.

Firefighting and protection plan



In addition, the Company provides the measures for work safety are reiterate the supervisors to supervise the employee operation during the working hours and train the employees to perform work procedure correctly and strictly.

Arrange a meeting of the Occupational Safety Committee to involve employees in expanding safety thinking to cover both safety occupational health and the working environment issues presented at the meeting will be reported on monthly safety improvements. It was proposed that the Occupational Safety Committee be informed of the risk assessment and help monitor the work area to see where there is a risk of accidents and to repair them immediately then reporting employee accident statistics to the meeting and find solutions together.



Work safety officials at the professional level are encouraged to receive additional training and knowledge. Knowledge development course will allow Civil Service Officer to be a lecturer on safety in business establishments, a course on how to follow safety laws in working with electricity, a course on laws related to waste management or unused materials for the originating factory.

In addition, executives and supervisor newly appointed are encouraged to attend training courses Work safety officer: management level and Work safety officer: Supervisor level

4. Management Discussion and Analysis: MD&A

4.1 Performance and Financial Status

The comparison of the 2023 performance and the 2022 and 2021 performances is presented below.

Million Baht							Compared to the same period			
	2023		2022		2021		2023 vs 2022		2022 vs 2021	
	Sales	%	Sales	%	Sales	%	Sales	%	Sales	%
Income from sales										
Hydraulic press	33.77	10.34	56.98	17.02	48.93	16.73	(23.21)	-40.73%	8.05	16.45%
Hydraulic crane	114.56	35.08	139.40	41.64	157.71	53.93	(24.84)	-17.82%	(18.31)	-11.61%
Hydraulic handling equipment	90.44	27.69	35.95	10.74	19.15	6.55	54.49	151.57%	16.80	87.73%
Contract revenue -Project	13.44	4.12	25.41	7.59			(11.97)	-47.10%	25.41	
Others	10.71	3.28	13.33	3.98	10.03	3.44	(2.62)	-19.62%	3.29	32.77%
Total income from sales	262.93	80.50	271.07	80.98	235.82	80.65	(8.14)	-3.00%	35.24	14.94%
Income from services										
Maintenance services	48.62	14.89	48.67	14.54	34.77	11.89	(0.05)	-0.10%	13.90	39.98%
Metal machining	15.06	4.61	15.00	4.48	21.82	7.46	0.07	0.44%	(6.81)	-31.22%
Total income from services	63.68	19.50	63.67	19.02	56.59	19.35	0.01	0.02%	7.09	12.53%
Total income from sales and services	326.61	100.00	334.74	100.00	292.41	100.00	(8.13)	-2.43%	42.33	14.48%
Cost of sales and services	266.15	81.49	261.82	78.22	262.32	89.71	4.33	1.65%	-0.50	-0.19%
Gross profit	60.46	18.51	72.92	21.78	30.10	10.29	(12.46)	-17.08%	42.83	142.33%
Gross profit %	18.51		21.78		10.29		(3.27)			
Profit from disposal of assets	1.06	0.33	171.44	51.22			(170.38)	-99.38%		
Transfer back impairment of assets			66.79	19.95			(66.79)	-100.00%		
Other income	11.50	3.52	29.34	8.77	11.32	3.87	(17.84)	-60.82%	18.02	159.17%
Selling and administrative expense	55.37	16.95	63.20	18.88	71.65	24.50	(7.83)	-12.38%	-8.45	11.79%
Finance cost	0.22	0.07	10.65	3.18	10.79	3.69	(10.43)	-97.96%	-0.14	-1.314%
Loss for the year	14.74	4.51	266.64	79.66	(41.02)	(14.03)	(251.90)	-97.47%	307.67	749.99%
EBITDA	25.48	7.80	279.72	83.56	(14.72)	(5.03)	(254.24)	-90.89%	294.45	1998.98%
Earnings per share	0.032		0.58		(0.09)		(0.55)		0.67	

4.1.1 Overview Performance of 2023

The overall picture of Thailand's economy in 2023 expanded at a slower pace than in 2022, with an important factor being the contraction of industrial production as reflected in the Industrial Production Index. In addition, it was found that there was a capital flow of over 300 billion baht from the Stock Exchange of Thailand and Bond Market in 2023 with foreign investors selling Thai securities continuously throughout the year. And this year the Company still have to face the price of steel, fuel price, consumer product prices' fluctuation throughout the year. In particular, the price adjustment of steel is the main raw material of the Company in producing products and affecting the direct costs of the company causing an impact on sales and services including the cost of products therefore the Company still maintains strict procurement policy measures and extends them to other departments as follows.

1. Sales and Marketing: The turnover prediction should be more precise, and the target customer should be determined clearly. New and current customers, sales plans, product development, and inventory sales at the minimum gross profit should be reviewed. Moreover, the after-sales follow-up should be implemented in case of the customer postpones the plan. A survey to find new customers or products of hydraulic tools must be conducted.
2. Production and Engineering: The task operational plan should be set to control the working hours of humans and machines under the estimated hours. The minimization of overtime work and production waste reduces the cost and helps keep up with the deadline. Task analysis to learn from mistakes, and the adaptation to engineering is crucial to find the solution and avoid the same problem. The model will be examined before the actual use to mitigate the mistake and reduce the work that does not respond to the customer's need.
3. Logistics (Inventory): A verification measure of the dead stock is in place for modification and selling at a lower price. Only the used or best seller products are stocked so the number of dead stocks reduces remarkably.

As a result, the Company total sales and service income was 326.61 million Baht, a decrease of 2.43 percent, divided into product sales income of 262.93 million Baht, a decrease of 3.00 percent, service and maintenance income of 63.68 million Baht, an increase of 0.02 percent. Costs sales of goods and services were 266.15 million Baht, an increase of 1.65 percent. Other income was 11.50 million Baht, a decrease of 60.82 percent Profits from property sales were 1.06 million Baht Selling and administrative expenses were 55.37 million Baht, a decrease of

12.38 percent. Costs financial expenses were 0.22 million Baht, a decrease of 97.96 percent. As a result, the gross profit margin decreased 3.27 percent from 2022 to 18.51 percent in 2023 and had a net profit of 14.74 million Baht for 2023, a decrease from 2022 of 251.90 million Baht, or 97.47 percent, calculated as Net earnings per share of 0.032 Baht per share in 2023 decreased from 2022, which had a net profit per share of 0.58 Baht per share.

4.1.2 Performance and Profitability

1) Sales and Service Income

- During 2021 – 2023, the Company has sales of hydraulic presses to 48.93 million Baht, 56.98 million Baht, and 33.77 million Baht, respectively, representing an increase in proportion in 2022 of 16.45 percent, a large result from the spread of COVID 2019 is starting to ease. As the infection of the disease decreased, orders from the government and private sectors began to come in and decreased in 2023 by 40.73 percent due to the economic and automotive industry slowdown, this causes sales of large machines to decrease.
- During 2021 – 2023, the Company has hydraulic crane sales of 157.71 million Baht, 139.40 million Baht, and 114.56 million Baht, respectively, representing a decrease of 11.61 percent and 17.82 percent, respectively, due to 2022 and 2023 customers in the agricultural product group postponed purchase plans due to raw material prices continuously increasing.
- In 2023, the Company has project contract income of 13.44 million baht from waste separation machine work.
- During 2021 – 2023, the Company has service sales of 56.59 million Baht, 63.67 million Baht, and 63.67 million Baht, respectively, representing an increase in proportion in 2022 of 12.53 percent and in 2023 an increase of 0.02 percent because current customers focus on repairs to use instead of buying a new one.
- During 2021 – 2023, the Company has total sales and service income of 292.41 million Baht, 334.74 million Baht, and 326.61 million Baht, respectively, representing an increase of 14.48 percent in 2022 and a decrease of 2.43 percent. in 2023, which is in line with the economic slowdown in 2023.
- During 2021 – 2023, the Company had other income equal to 11.32 million Baht and 29.34 million Baht and 11.50 million baht, respectively. In 2023, the Company had other income of 11.50 million Baht, divided into interest income of 5.41 million Baht and compensation from directors 5.87 million Baht.

2) Cost of Sales

- During 2021 – 2023, the Company has sales and service costs of 262.32 million Baht, 261.82 million Baht, and 266.15 million Baht, respectively, representing a proportion that will decrease in 2022 by 0.19 percent and increase in 2023 by 1.65 percent due to the production volume reduced in the 4th quarter of 2023 makes it inconsistent with the Company's production capacity and caused by sales of some products with low gross margins.

3) Sales and Administrative Expense

- During 2021 – 2023, the Company had sales and administrative expenses of 71.65 million Baht, 63.20 million Baht, and 55.37 million Baht, respectively, representing a proportion that decreased in 2022 by 11.79 percent and decreased by 16.95 percent in Year 2023, the main reason is due to decreased depreciation of buildings from the sale of factories.

4) Financial Cost

- During 2021 – 2023, the Company has financial costs of 10.79 million Baht, 10.65 million Baht, and 0.22 million Baht, respectively, representing a decrease of 1.31 percent and 97.96 percent, respectively, because all debts have been paid.

5) Profitability

- During 2021 – 2023, the Company has managed Purchasing, Sales and Marketing, Production, Engineering Departments, and new inventories. As a result, the gross profit margin was 10.29 percent, 21.78 percent, and 18.51 percent, respectively, representing an increase in 2022 of 142.33 percent and a decrease in 2023 of 17.08 percent due to higher sales costs.

From the reasons mentioned above, the Company operating results for 2021 has a net loss of 41.02 million Baht, for 2022 has a net profit of 266.64 million Baht, and for 2023 has a net profit of 14.74 million baht, an increase of 749.99 percent, equivalent to a net profit per share of 0.032 baht per share in 2023 and Its EBITDA was -14.73 million Baht, 279.72 million Baht, and 25.48 million Baht, respectively.

4.1.3 Asset Management Capabilities

Financial Statement

As of 31 December 2023, the Company had total assets of 735.84 million Baht, an increase from the previous years of 2020 and 2021 with total assets of 709.12 million Baht and 734.53

million Baht, respectively. The increase in total assets of 2021 was due to the problem of installation at the customer's site was not ready for installation, causing the inventory to increase by 15.28 million baht.

Cash and cash equivalents is 86.73 million Baht, other current financial assets is 300.00 million Baht and depreciation of investment properties decreased by 8.66 million baht from 2022.

The return on assets ratio in 2023 decreased to 2.00 percent from the original 36.30 percent in 2022 and -5.78 percent in 2021, respectively.

4.1.4 Liquidity and Capital Adequacy

As of 31 December 2023, the Company's net cash flow at the end of the period decreased to 86.73 million Baht from the original 101.55 million Baht, resulting from net cash used in operations of 11.04 million baht, cash used in investment activities of 10.51 million baht, and deducted cash that came from financing activities of 6.75 million Baht, resulting in a decrease in cash flow of 14.82 million Baht.

4.2 Factors or Incident Affecting the Significant Financial Status or Performance in the Future

As of 31 December 2023, the Company had current assets higher than current liabilities by 528.13 million Baht, while in 2022 and 2021 the Company had current liabilities higher than current assets by 468.24 million Baht and -197.55 million Baht, respectively. The Company continues measures to improve operations in order to generate profits, managing debt collection to meet deadlines, production cost management, reducing work that is undesirable or not suitable for the work that the Company does.

Table of Financial Ratio Summary

		2021	2022	2023
Liquidity ratio	Times	0.42	5.65	7.87
Accounts Receivable Turnover Ratio	Times	7.64	6.88	6.29
Average Collection Period	Days	47.75	53.02	57.19
Inventory Turnover Ratio	Times	2.56	2.22	2.97
Average Inventory Period	Days	142.80	164.38	121.15
Account Payable Turnover Ratio	Times	3.10	2.80	7.64
Average Payment Period	Days	117.92	130.32	47.13
Cash Cycle	Days	72.63	87.07	131.21
Gross Profit Margin	%	10.29%	21.78%	18.51%
Net Profit Margin	%	-13.51%	44.27%	5.40%
Return on Equity (ROE)	%	-12.49%	44.80%	2.43%
Return on asset (ROA)	%	-5.78%	36.30%	2.00%

Debt to Equity Ratio : D/E	Times	115.85%	0.23%	0.19%
Debt to Equity Ratio	Times	0.57	0.00	0.26
Dividend Payout Ratio	%	N/A	N/A	N/A
Book Value Per Share (BVPS)	Baht	0.72	1.30	1.32
Earnings Per Share (EPS)	Baht	(0.09)	0.58	0.032
Dividend Per Share (DPS)	Baht	N/A	N/A	N/A

4.3 Data for Presenting the Financial Position and Comparison of Performances in 3 Years

The summary of the financial position and performance is presented in the table showing the financial position and the profit and loss statements in 2 previous years and the latest year.

Statement of financial position as of December 31

	2023		2022		2021	
	Baht	%	Baht	%	Baht	%
Assets						
<u>Current Assets</u>						
Cash and cash equivalent items	86,731,247.26	11.79%	101,549,535.72	13.83%	3,207,646.51	0.45%
Trade and other receivables	61,408,894.29	8.35%	48,622,541.56	6.62%	38,257,451.07	5.40%
Inventories-Net	81,119,241.57	11.02%	117,907,729.00	16.05%	102,630,360.60	14.47%
Other current financial assets	300,000,000.00	40.77%	300,000,000.00	40.84%		
Other current assets	668,312.64	0.09%	785,993.93	0.11%	290,718.30	0.04%
Total current assets	529,927,695.76	72.02%	568,865,800.29	77.45%	144,386,176.48	20.36%
<u>Non-current assets</u>						
Other non-current financial assets	37,318,843.21	5.07%	18,364,397.36	2.50%	19,998,000.00	2.82%
Investment property	-	0.00%	-	0.00%	375,038,628.99	52.89%
Property, plant and equipment-Net	140,609,140.96	19.11%	141,414,834.64	19.25%	163,775,784.14	23.10%
Right of use assets	12,720,593.28	1.73%	738,503.34	0.10%	1,294,337.42	0.18%
Intangible assets	7,519,139.67	1.02%	325,060.66	0.04%	423,971.16	0.06%
Other non-current assets	7,742,932.46	1.05%	4,824,897.58	0.66%	4,200,193.11	0.59%
Total non-current assets	205,910,649.58	27.98%	165,667,693.58	22.55%	564,730,914.82	79.64%
Total assets	735,838,345.34	100.00%	734,533,493.87	100.00%	709,117,091.30	100.00%
Liabilities and shareholders' equity						
<u>Current Liabilities</u>						
Short-term loan from institutions	-		-	0.00%	147,465,646.93	20.80%
Trade and other payables	57,335,100.36	7.79%	93,483,935.17	13.18%	84,751,139.75	11.95%
Current portion - Leasing	1,802,551.05	0.24%	370,945.84	0.05%	548,041.44	0.08%
Current portion - Long-term loan	-		-	0.00%	39,000,000.00	5.50%
Loan from other person	-		-	0.00%	58,000,000.00	8.18%
Provision warranties	4,942,872.72	0.67%	6,031,501.73	0.85%	10,066,148.93	1.42%

Accrued income tax	1,638,454.05	0.22%	-	0.00%	-	0.00%
Other current liabilities	1,648,796.14	0.22%	745,696.71	0.11%	2,110,741.57	0.30%
Total current liabilities	67,367,774.32	9.16%	100,632,079.43	13.70%	341,941,718.62	48.22%
<u>Non-current liabilities</u>						
Lease liabilities	10,999,703.69	1.49%	-	0.00%	370,945.83	0.05%
Other non-current liabilities	40,257,711.62	5.47%	186,915.89	0.03%	186,915.89	0.03%
Employee benefit obligation	186,915.89	0.03%	38,552,397.29	5.25%	38,095,056.19	5.37%
Total liabilities	118,812,105.52	16.15%	139,371,392.61	18.97%	380,594,636.53	53.67%
<u>Shareholders' equity</u>						
Authorized share capital	611,698,296.00	83.13%	543,750,000.00	74.03%	543,750,000.00	76.68%
Unpaid capital	(152,924,574.00)	-20.78%	(84,976,278.00)	-11.57%	(84,976,278.00)	-11.98%
Premium on ordinary share	159	0.00%	159	0.00%	159	0.00%
Warrants	7,128,730.89	0.97%	-	0.00%	-	0.00%
<u>Retained earnings</u>						
Unappropriated retained earnings – beginning of period	143,537,945.55	19.51%	(134,955,275.58)	-18.37%	(87,113,575.69)	-12.28%
The impact of the change in accounting policy	-	0.00%	(138,139.93)	-0.02%	(138,139.93)	-0.02%
Legal reserve	7,585,839.79	1.03%	6,819,418.68	0.93%	-	0.00%
Dividend	-	0.00%	-	0.00%	-	0.00%
Other comprehensive income	-	0.00%	(1,977,271.99)	-0.27%	(1,977,271.99)	-0.28%
Profit (Loss)	14,735,407.67	2.00%	266,639,646.49	36.30%	(41,022,281.21)	-5.78%
Total retained earnings	151,123,785.34	20.54%	136,388,377.67	18.57%	(130,251,268.82)	-18.37%
Total shareholders' equity	617,026,239.82	83.85%	595,162,101.26	81.03%	328,522,454.77	46.33%
Total liabilities and shareholders' equity	735,838,345.34	100.00%	734,533,493.87	100.00%	709,117,091.30	100.00%

Statement of comprehensive income for the year ended 31 December

	2023		2022		2021	
	Baht	%	Baht	%	Baht	%
<u>Income</u>						
Income from sales	262,926,190.27		263,988,629.49	43.83%	235,477,067.25	77.53%
Income from services	63,684,740.71		70,755,023.16	11.75%	56,936,784.13	18.75%
Income from sales and services	326,610,930.98	96.30%	334,743,652.65	55.58%	292,413,851.38	96.27%
Profit from disposal assets	1,061,975.29	0.31%	171,440,166.44	28.46%		
Transfer back allowance for impairment loss	-	0.00%	66,793,867.69	11.09%	-	0.00%
Other income	11,495,448.82	3.39%	29,343,932.12	4.87%	11,323,977.42	3.73%
Total revenue	339,168,355.09	100.00%	602,321,618.90	100.00%	303,737,828.80	100.00%
<u>Selling Expenses</u>						
Cost of goods sold	266,146,677.83	78.47%	261,824,740.94	43.47%	262,323,262.56	86.37%
Selling expenses	14,567,909.81	4.30%	14,404,723.87	2.39%	17,026,845.61	5.61%
Administrative expenses	40,805,342.46	12.03%	48,800,900.85	8.10%	54,616,672.54	17.98%

Financial cost	216,917.55	0.06%	10,651,606.75	1.77%	10,793,329.30	3.55%
Total cost of sales and expenses	321,736,847.65	94.86%	335,681,972.41	55.73%	344,760,110.01	113.51%
Profit (loss) before tax	17,431,507.44	5.14%	266,639,646.49	44.27%	-41,022,281.21	-13.51%
Income tax expenses	2,696,099.77	-0.79%	-	0.00%	-	0.00%
Profit (loss) after tax	14,735,407.67	4.34%	266,639,646.49	44.27%	-41,022,281.21	-13.51%
Actuarial Losses	-	0.00%	-	0.00%	-675,612.92	-0.22%
Total comprehensive income (loss) for the year	14,735,407.67	4.34%	266,639,646.49	44.27%	-41,697,894.13	-13.73%
Basic loss per share	0.032		0.58		(0.09)	

5. General Information and Other Important Information

5.1 General Information

Share Registrar

Thailand Securities Depository Co., Ltd.
93 Ratchadapisek Road, Dindaeng district,
Bangkok 10400

Tel. (66) 2009 9000 Fax. (66) 2009 9991

Auditor

SAM NAK-NGAN A.M.C Company Limited
19th Floor, Unit 4, Silom Complex Building,
191 Silom Road, Bangrak, Bangkok 10500
Tel. (66) 2231 3980-7 Fax. (66) 2231 3988

5.2 Other Important Information

-None-

5.3 Legal Dispute

-None-

5.4 Secondary Market

-None-

5.5 Financial Institutions with Regular Contact (Only if the Company Issues Debt Instruments)

-None-

6. Corporate Governance

6.1 Overview on CG Policy and Guidelines

The Board of Director has given importance to run a business by the good corporate governance principles for listed companies of the Stock Exchange of Thailand and The Securities and Exchange Commission. The company had applied such principles as the Good Corporate Governance Policy and Code of Conducts to guidelines for the company's operation and distributed to the directors, the executives, all employees as the guidelines for the operation with virtuously, ethics and transparency to build confidence and bring maximum benefit to all group of stakeholders which will be the basis of business driving to develop towards stable and sustainable growth, and also been published on the company's website www.tmc.co.th, and the details are as follows:

1. The company aims to reach the goals according to the vision and mission of the company in the environmentally and socially friendly manner together with the application of corporate governance for sustainable development.
2. The directors, the executives and all employees are committed to applying good corporate governance principles and business ethics as the guidelines for the company's works and operations.
3. The directors, the executives and all employees will work with determination, responsibility, honesty, trustworthiness, transparency and respect for human rights and stakeholders' rights by following the laws, the company's rules, and related announcements.
4. The directors, the executives and all employees will fight against corruption and intellectual property infringement. After such problems are discovered and the investigations are finalized, the company will have clear and strict penalties.

6.1.1 Policy and Guideline for the Board of Director

1) Nomination of the Directors and Top Management

With regard to the policy of nomination of the members of the Board of Directors and top management i.e. Chief Executive Officer or Managing Director, even though the Company does not have the Nomination and Remuneration Committee in place, but the nomination of the director and top management shall be made by the Board of Directors by taking into account the qualifications on knowledge, competency,

experiences, vision and credibility and such candidate must not possess the qualifications prohibited by the laws. Especially on the part of directors give the shareholders the opportunity to nominate persons for consider being appointed as a director following company regulation. After that this matter shall be proposed to the shareholders' meeting for further consideration and appointment. Essence of criteria and methods specified by the Company can be summarized as follows:

1. The Company's Board of Directors must consist of at least 5 directors and not less than one half of total directors must reside in the Kingdom of Thailand.
2. The election of the directors shall be made at the shareholders' meeting pursuant to the following criteria and method:
 - (a) Each shareholder shall have a number of votes equal to the number of shares held.
 - (b) Each shareholder may exercise all the votes he/she has under (a) to elect one or several persons as director or directors, but the shareholder may not allot his/her votes to any person in any number.
 - (c) The election of the directors shall be based on the majority votes. In case of a tied vote, the Chairman is entitled to a casting vote.
3. During every annual general meeting, at least one-third of directors shall retire. If the number of directors is not a multiple of three, then the number of directors close to one-third shall retire. The directors who shall retire in the first and the second year after the registration of the Company shall be selected by drawing lot, and for subsequent years, the longest serving directors shall be retired. A retired director may be re-appointed.
4. In case of vacancy of director's position due to reasons other than by retirement in due course, the Board of Directors may appoint a person who is qualified and does not possess any prohibited qualifications specified by the laws to be the director in the next Board of Directors' meeting. Except in a case where the remaining term of a director is less than 2 months, then the term of the newly appointed director shall expire at the same time as the director he/she substitutes. Resolution on the election of the director to replace the vacant position must consist of not less than three-fourth of the total number of the remaining directors.

5. The shareholders' meeting may pass the resolution to dismiss any director from the position before retirement on due course with the majority votes of at least three-fourth of total number of shareholders presented and have the voting rights and the accumulated shares must not less than half of total shares held by the shareholders presented and have the voting rights.

In the case of Independent Director, must possess the qualifications pursuant to the notifications of the Stock Exchange of Thailand and The Securities and Exchange Commission, the Capital Market Supervisory Board RE: Feature of Independent Director with details as follows:

1. Holding shares not exceeding 0.5 percentage of the total number of voting shares of the Company, its parent company, its subsidiary, its associated company or a controlling person of the Company, provided that, the shares held by the related person of such Independent Director shall also be counted for this purpose.
2. Not being or having been a director involved in the management, an employee, a consultant with a monthly wage or a controlling person of the Company, its parent company, its subsidiary, its associated company, a subsidiary in the same level, a major shareholder or a controlling person of the Company, except he/she has resigned from such position at least 2 years prior to the date submitting the approval request to the Office of the Securities and Exchange Commission (SEC), provided such prohibition shall not include the case where the independent Director was once a government official or the advisor of the government agency which is the major shareholder or the controlling person of the Company.
3. Not being related by blood or legal registration as a father, mother, spouse, sibling and child, including as a spouse of the child of an executive officer, a major shareholder, a controlling person or a person who will be nominated to become an executive officer or a controlling person of the Company or its subsidiary.
4. Not having or had a business relationship with the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company in the manner which may interfere the exercise of independent judgment, including not being or having been a major shareholder, or a controlling person of a person having a business relationship

with the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, except where such restriction had passed for not less than 2 years prior to the date submitting the approval request to the SEC.

5. Not being or having been an auditor of the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, and not being a major shareholder, a controlling person or a partner of an audit office for which the auditor of the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company work, except where such restriction had passed for not less than 2 years prior to the date submitting the approval request to the SEC.
6. Not being or having been a professional service provider, including a legal consultant or financial advisor who receives service fees exceeding Baht 2 million from the Company, its parent company, its subsidiary, its associated company, a major shareholder or a controlling person of the Company, and must not be a significant shareholder, a controlling person or a partner of such professional service provider, except where such restriction had passed for not less than 2 years prior to the date submitting the approval request to the SEC.
7. Not being a director appointed to represent the Company's Board of Directors, a major shareholder or a shareholder who is related to the Company's major shareholder.
8. Not being in a business of the same nature as, and of significant competition to that of the Company or its subsidiary or not being a significant partner of a partnership or not being a director who is involved with management tasks, a staff member, an employee, a consultant with a monthly wage or holds shares more than 1.0 percent of total shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the Company or its subsidiary.
9. Not possessing any characteristics which prevent the giving of an independent opinion on operations of the Company.

Independent directors have a term of 3 years, which is rotated according to the terms of 1/3 of the total number of directors. Upon expiration of the term, the directors may be considered for further consideration and nominated to the Annual General Meeting

of Shareholders for re-election as directors. In this regard, the independent directors can hold the position for not more than 3 consecutive terms or not more than 9 years from the date of holding the position. Unless there is a necessary and appropriate reason that is beneficial to the company, allowing the Board of Directors to consider the extension of the term of independent directors.

2) Remunerations for Directors and Executives

The remunerations for the independent directors and non-executive directors are the monthly payment and the meeting allowance per time (without other benefits) which must be in accordance with the average standard of the same industry. The remunerations must match the directors' duties and responsibilities. As for the executive directors, they do not receive the monthly payment and the meeting allowance per time. Instead, they gain the salary and the annual bonus which is largely based on the company's result of operation. The sum of the annual remunerations of the directors and the executives must not be unusually high compared to the average remunerations of registered companies in the Stock Exchange of Thailand. The main consideration will be for the shareholders' maximum benefit. Besides, the directors' remunerations must be approved during the annual general meeting.

3) Independence of the Board of Directors and the Management

The company clearly divides authority, functions, and responsibilities of the board of directors and management. The board of directors has authority and functions in determining the corporate objectives, goals, policies, and directions of the company business operation; supervising the operation of the management; and integrating principles of business responsibilities into the main objectives and goals for sustainable corporate value creation. On the other hand, the management performs duties in determining strategies, business plans, budgets, administrative structure; and controls the company's work management in accordance with the policies prescribed by the board of directors; and reports work performance to the board of directors. Therefore, the chairman of the board of directors is not the same person as the chief executive officer and the managing director. The chairman of the board of directors is not an executive committee member and does not involve with the company's work management.

4) The Development of Directors and Executives

The company has the policy to support the trainings for those who are related to the company's corporate governance system i.e. directors, audit committee, executives and

company secretary etc. for continual improvement of operation and the documents and the plans are systematically prepared to enable the new directors to continue the work smoothly in case there is replacement in the Board.

5) Orientation for the New Director

The company conducted orientation for the new director who take new position under The Board of Directors for acknowledge all information such as the nature of business, policy, target, performance other rules that relate to his position of listed companies etc. Company Secretary have to provide document set, The Annual report and watch Webcast of the Company, including visit the actual work of the company for highly benefit to newcomer.

6) The Self-Evaluation of Directors

The Company has self-assess the performance of the Board of Directors and the Board of Directors for both group and individual, at least once a year, to collect the scores of the directors and sub-committees and summarize the performance of the Board during the year to report to the Board of Directors on the performance and problems for further improvement. Moreover, the rules will be set to compare performance, and the results of the assessment shall be disclosed in the annual report.

Self-assessment of the Committee: The company secretary submits the self-assessment form of the committee for the board of directors and the sub-committees to assess their own work performance. The committee self-assessment form is applied from the example form of Good Governance Development and alliance Department, Stock Exchange of Thailand (SET). The self-assessment form is sent to the board of directors and the subcommittee to assess their work performance in individual and in groups in December. After the committee has assessed their work performance, they returned the forms to the company secretary for collecting the assessing results; concluding the analyzing results from assessing the work performance of the broad of directors and the subcommittee throughout the year; and reporting to the broad of directors for considering about the achievement of the corporate objectives. The evaluation criteria full scores are 4.00 and the details are as follow; 4.00 = very good, 3.00 – 3.99 = good, 2.00 – 2.99 = quite good, 1.00 – 1.99 = fair and lower 1.00 = should improve.

6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders

The company realizes and respects the rights of ownership of its shareholders and has the policy to support and encourage all groups of shareholders to exercise their rights, including the basic rights of shareholders, the right to access information sufficiently and in time as well as the right to attend shareholders' meetings to determine the direction of operation and to decide on the matters which significantly affect the company. The Company has an equitable treatment policy for all shareholders, which include the shareholders who are the minority shareholders and the foreign shareholders, and disclosure policy and guidelines related to shareholders and stakeholders in Good Corporate Governance and Code of Conduct handbook as the details in [Attachment 5](#) Corporate Governance policy and Code of conduct and shown at the company's website www.tmc.co.th.

6.2 Code of Conduct

The Code of Conduct is business ethics or behavioral guidelines with awareness of moral, ethics, and honest in business operation; responsibilities for societies and all groups of the company's stakeholders; respect in dignity and equality of individual people and groups; and not destroying resources and environment. The company sets this good code of conduct or business ethics for the committee, administrators, and employees to be compliant, leading to the company's goals. In business operation, awareness should be raised on environmental friendliness and societies in parallel to the corporate governance for the sustainable development.

The company manages for disseminating the policies of good corporate governance and code of conduct through the company website www.tmc.co.th and communicates to the employees through training and new employee orientation to continuously educate them about the policies of good corporate governance and code of conduct. Moreover, the manual of corporate governance and code of conduct is arranged and distributed to the committee, administrators, and employees to be guidelines in their work operation. In addition, the employees' annual self-assessment includes compliance to the code of conduct in order to use the performance results for improving and correcting weaknesses, and for making understanding about stability of the employees' business ethic which is the basis for driving the business to sustainable and stable development and growth, and there are various policies as follows:

1. Conflict of Interest Policy
2. Maintaining and Using the Corporate Assets Policy
3. Gift Value, Service Charge, and other expenses Policy
4. Company's Securities Trading and Inside Information Policy

5. Internal Controls and Audits systems, and Financial Reporting Policy
6. Responsibilities to Shareholders Policy
7. Customer Relations and Product Quality Policy
8. Suppliers and/or Creditors Policy
9. Treatment of Employees Policy
10. Treatment of Competitors Policy
11. Employee self-practice and treating to other employee Policy
12. Social Responsibility and Community Policy
13. Political Assistance Policy
14. Charity Donation and Financial Support Policy
15. Anti-Corruption Policy

The details of the complete information on each code of conduct policy are shown in Attachment 5 Corporate Governance policy and Code of conduct, and the company's website www.tmc.co.th.

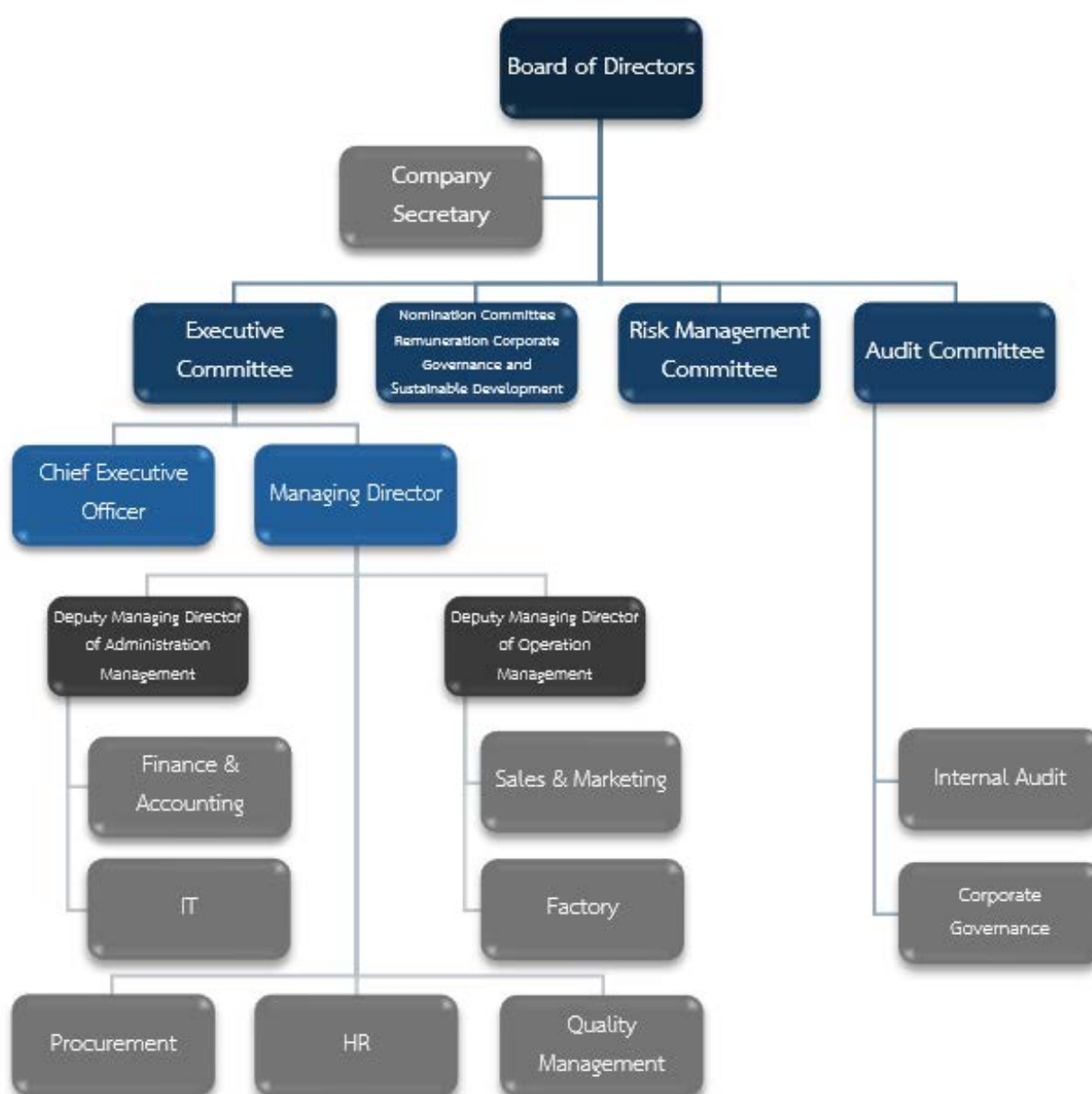
6.3 Changing and Milestone Development on CG Policy, Guideline and System in the Past Year

The Board of Director arranged to review the Good Corporate Governance Policy continuously at least once a year to increase efficiency good corporate governance in line with good corporate governance principle for listed company year 2017 of The Securities and Exchange Commission and suitable for the current operations of the business. In 2023, the Good Corporate Governance Policy and the Code of Conduct were revised during November 2023, then the Board of Director Meeting No.1/2024 dated 22 February 2024 had resolutions approved the revised "Good Corporate Governance and Code of Conduct Manual year 2023" and the details are as the following;

- 1) Added details of the structure and scope of authority and duties of the sub-committees, namely the Nomination Committee Remuneration Corporate Governance and Sustainable Development and the Risk Management Committee
- 2) Added anti-corruption policy and amend and add details of measures and channels for reporting whistleblowing or complaints about corruption in accordance with the operating manual.

7. Corporate Governance Structure and Key Data on the Board of Directors, Sub-committee, Management, Employees and Others

7.1 Corporate Governance Structure as of 31 December 2023



7.2 Information about the Board

7.2.1 Composition of the Board of Directors

The Board of Directors as of 31 December 2023 consisted of 9 directors. All of them are knowledgeable and have experience in the field of the Company's business. There were 4 executive directors, and 5 non-executive director (percentage ratio is 55.55 of all directors) and 4 of non-executive directors were independent directors (which were no less than one third of the whole Board and percentage ratio is 44.44) and were appointed to audit committee to counterbalance the voting on different matters and to review the management's administration for the company's maximum benefit. The Board of Directors were appointing the Company Secretary whose duty was to provide legal advice and other suggestions concerning related regulations that the directors needed to be aware of and also had to oversee the Board's activities and coordinate to implement the Board's decisions.

7.2.2 Information of the Board of Directors

As of 31 December 2023, the Board of Directors composed of 9 members are as follows:

Name	Position
1. Mr. Manu Leopaiprote*	Chairman of the Board of Directors / Member of the Audit Committee / Independent Director
2. Mr. Arthit Wuthikaro	Chairman of the Audit Committee / Chairman of the Risk Management Committee / Independent Director
3. Mr. Mitthong Chulitawong	Member of Audit Committee / Member of the Risk Management Committee / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Independent Director
4. Mr. Wutichai Anantakul**	Chairman of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Member of the Audit Committee / Independent Director
5. Mr. Thaweemit Kamolmongkolsuk	Chairman of the Executive Committee / Director
6. Mr. Nuttapong Panjaworayan**	Director / Executive Director / Member of the Risk Management Committee / Chief Executive Officer
7. Mr. Panom Ratanarat	Director / Executive Director / Member of the Risk Management Committee
8. Mr. Warin Phadungsinth**	Director / Executive Director / Member of the Risk Management Committee / Managing Director
9. Mr. Boonlerd lewporchai	Director / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee

Remark:

* The Company has policy to separate the Chairman of the Board of Directors and the Chief Executive Committee to be different persons to prevent any person from having unlimited power, Mr. Manu Leopaiprote is the Chairman of the Board of Directors and Mr. Nuttapong Panjaworayan, is a Chief Executive Director. The Board of Directors is the person who determines the authority and selects people to take up such a position.

** Mr. Wutichai Anantakul was appointed as Director on 22 April 2023

** Mr. Nuttapong Panjaworayan and Mr. Warin Phadungsinth was appointed as Director on 16 January 2023

Authorized Signatories Director

The authorized signatory's director are Mr. Thaweemit Kamolmongkolsuk Mr. Panom Ratanarat Mr. Nuttapong Panjaworayan Mr. Warin Phadungsinth, two of four directors sign together with the Company's seal affixed.

7.2.3 Roles, Duties, and Responsibilities of the Board**7.2.3.1 Scope of Power and Duties of the Board of Directors**

The Board of Directors has the powers, duties, and responsibilities to manage the Company by realizing the roles and responsibilities as a leader who creates sustainable business value. A summary of the substantial duties and responsibilities of the Board of Directors is set out below:

- 1) To perform duties pursuant to the applicable laws, the Company's objectives, and Article of Association as well as the resolutions of the shareholders' meeting with honesty and prudence in the best interests of the Company and all stakeholders.
- 2) In charge of specifying the objectives and the main target of the business as well as integrating the business responsibility principles into the main objectives and goals to create a sustainable business value along with the business.
- 3) To establish vision, policy and operational directions of the Company including to supervise to ensure that the management team effectively and efficiently conducts operations in accordance with the specified policy and work plan to maximize economic values to the business and for maximum stability for its shareholders.
- 4) The Company had set the Good Corporate Governance Policy and Code of Conducts to guidelines for the operation of the directors, the executives and all employees, and follow up to ensure compliance with the said policy and reviewed its regularly.

- 5) To monitor the performance to ensure that they follow the policy and business operation, provided that, the indices to be used as the practical guidelines must be clearly specified, by taking into consideration the possibility and reasonableness, and such policy including its compliance must be reviewed continually.
- 6) To carefully consider the conflict of interest and the transaction which may cause a conflict of interest by specifying the clear guidelines and they must be for the benefits of the Company and the overall shareholders. The interested person shall not take part in making decisions for such transactions. To supervise the transaction which may have a conflict of interest to ensure that it is correct, complete, and transparent.
- 7) To authorize and specify the approval level on the conduct of any transaction and activity related to the Company's business to the group of persons or a person as appropriated and pursuant to the relevant laws, by preparing as the authority manual and such manual must be reviewed at least once a year.
- 8) Manage the accounting system to arrange reliable finance and audit reports, and disclose important information with accuracy, sufficiently, and in time in accordance to related rules, regulations, standards, and guidelines; and to supervise sufficiency of financial liquidity and ability to repay debts when the business is in suffering financial situations or likely facing problems. The committee should ensure that the business has plans or other mechanisms for solving financial problems under consideration on the stakeholders' rights.
- 9) Manage the control system to supervise the practice in the company and control compliance to rules, regulations, and policies with effects on the company's work performance. Accordingly, an Internal Audit Unit and Compliance Unit have been established to ensure that the company is operated in an effective way. Monitoring and evaluating activities are regularly arranged by independent work units and the reports are submitted directly to the audit committee.
- 10) Set the policies in risk management by determining and assessing risks in coverage of the whole organization. Set preventive and risk management measures to avoid negative effects on the company. The management is assigned for the implementation and report to the auditor committee monthly and to the board of directors quarterly in order to regularly monitoring and

evaluating effectiveness of the risk management. In addition, the board of directors arranges for considering sufficiently of the internal control system and risk management system at least once and year and disclosing the annual reports.

- 11) Supervise for the arrangement of clear policies and guidelines in anti-corruption, and communicate to every level of the organization and to outsiders, leading to real practice. Set the process for receiving complaints and taking actions in whistle-blowing cases.
- 12) Give importance and support on innovation creation for value creation for business together with benefits for customers and related people with responsibilities for societies and environment.
- 13) To appoint the subcommittee or any person to oversee, monitor and control the essential management work of the Company under the supervision of the Board of Directors and to assess the performance and fix the remuneration of such subcommittee or person, or to assign authority to such subcommittee or person as the Board deems appropriated and within the specified time as the Board of Directors may think fit and the Board of Directors may revoke, cancel, change or modify such authority.

For this purpose, the delegation of authority to the subcommittee or person as mentioned above shall not include the delegation of authority which entitled such subcommittee or person to consider and approve the transaction that such person or the person who may have a conflict, interest or may have a conflict of interest in any other manner with the Company or the subsidiaries. In addition, the approval from the shareholders' meeting is required for conducting any connected transaction or acquisition or disposal of the material assets of the Company so as to be compliance with the regulations of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand. In the event when any director or the potential interest person (pursuant to the notification of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand) has interest or conflict of interest, such director or the potential interest person is not entitled to vote or authorize to approve such transaction. Moreover, the Board of Directors may authorize such subcommittee or person as mentioned above to undertake the transaction concerning the operation and the investment under normal course

of business of the Company, provided that, the scope of work and amount of money in each level must be clearly defined. No authorization is granted without limiting any monetary amount.

7.2.3.2 Roles and Duties of the Chairman of the Board of Director

- 1) Take responsibility as the leader of the board of directors in supervising, instructing, monitoring, and supporting the operation of the management and other subcommittee in order to pursue the determined objectives, policy, and strategy.
- 2) Support and encourage the board of director in working tirelessly according to the scope of their responsibility and good business governance.
- 3) Being a person who calls for board of director meeting and acts as a chairman of the meeting. If the request for meeting is proposed by more than 2 directors, the chairman will define the meeting date within 14 days from the request issued date.
- 4) Being a person who holds the adjudge vote for the tie vote in case there's a vote occurs in the board of director meeting.
- 5) Being a person who calls for the shareholders meeting and acts as a chairman of the meeting. Participate in defining the meeting agenda with managing director.
- 6) Efficiently take responsibility in controlling and conducting the board of director meeting and shareholders meetings to follow the company's regulations. Support and give chance for the director or shareholders to independently share their opinions.

7.2.3.3 Roles and duties of the Chief Executive Officer and Managing Director

- 1) Authorized by the company in managing the business in accordance with the objectives, regulations, policy, rules, command, the agreement from shareholder's meeting and/or the agreement from the committee and executives meeting.
- 2) Manage business governance; define strategic plan, and daily administration, as well as command and governing overall operations for the utmost administrative benefits.

- 3) Prepare and present business policy, plan, objectives, operation plan, strategy, funding, business yearly budget, yearly report, and defined administrative power to be proposed to the executives, audit committee, and company committee.
- 4) Constantly follow up and assess the company performance. Report the performance and progression to the executives, audit committee, and company committee.
- 5) Hold the power to direct, contact, command, as well as sign in any contract, letter of command, and announcement as stated in the authorization manual.
- 6) Consider in making contract about normal business operation, new business investment, or business close down according to the authorization manual.
- 7) Consider the company profit and loss. Propose interim or yearly dividend payment to the executive for approval.
- 8) Consider in approving the payment for normal operational expenditure as stated in the approved authorization regulations.
- 9) Define organizational structure, management method which covers the information in recruiting, training, employing, and laying off. Determine wage, salary, compensation, bonus, and other welfares for the employees.
- 10) Scope the duty, appoint, translocate, cut down or reduce wage, relieve, consider meritorious acts, disciplinary punishment, reward the employees from manager downwards.
- 11) Appoint and manage working groups for good and transparent benefits and efficiency. The power of a right of subrogation and /or assign the third party will act for the company for the specific operation. The subrogation rights and/or that kind of assignment must be conducted to its extent according to the power of attorney and/or assignment regulation and the approved command from the committee.
- 12) The power to command the rules, announcement, note for the operation to follow the company's policy and benefits and to maintain the organizational rules and discipline. Duty and responsibility assignment of the committee will neither be the assignment nor the subrogation which authorizes the chief executive officer/managing director or the committee's attorney to approve

the record of conflict (according to the definition of all concerned sectors), the record of interests, or the conflict of interests with subsidiaries, except only it's the regular approval with clear extent.

- 13) Conduct any process as being assigned from the board of executive directors and/or the company board of directors.

7.3 Information about Sub-committees

As of 31 December 2023, sub-committee of the company comprised of 4 groups as follows:

1. Audit Committee

Audit Committee consisted of 4 members as follows:

Name	Position
1. Mr. Arthit Wuthikaro	Chairman of the Audit Committee
2. Mr. Manu Leopairote	Member of the Audit Committee
3. Mr. Mitthong Chulitawong	Member of the Audit Committee
4. Mr. Wutichai Anantakul	Member of the Audit Committee

Mr. Paiboon Rattanasettachai is a Secretary of the Audit Committee

Audit Committee has the complete composition and qualifications in line with the guidelines set forth by the SEC and the SET, consisting of 4 independent non-executive directors, and at least 1 director must be a member of the Audit Committee. The audit committee is responsible for reviewing the reliability of the financial statements. The audit committee has a term of 3 years. However, the committee that retires by rotation according to the company's regulations may be reappointed. And in case that the position of the Audit Committee becomes vacant for any other reason. In case the expiration of the term, the Board of Directors has appointed a fully qualified person as a replacement audit committee. So, the audit committee has the total amount as specified by the board of directors. The newly appointed audit committee will be in the position for the remaining term of the replacement audit committee only.

Audit Committee arranges the meeting for at least once a quarter, with a clearly defined agenda in advance. The meeting documents should be sent to the Audit Committee and the attendees in advance, so that the Audit Committee has time to consider matters or ask for additional information. The agenda covers the topics as assigned by the Board of Directors.

The audit committee were Mr. Arthit Wuthikaro hold a position of the Chairman of the Audit Committee, Mr. Manu Leopairote, Mr. Mitthong Chulitawong, and Mr. Wutichai Anantakul hold a position of member of the Audit Committee. Mr Mitthong Chulitawong was equipped with

enough accounting knowledge and experience to conduct a review of the reliability of the company's financial statements.

Scope of Duties and Responsibilities of the Audit Committee

- 1) To verify that the Company has accurate financial reports and adequate disclosure of information by coordinating with the external auditor and the executives in charge of preparation of the quarterly and annual financial reports before proposal to the Board of Directors.
- 2) To verify that the Company has proper and effective internal control and internal audit system, to verify the independences of internal audit department, and to approve the appointment, removal and dismissal of the head of the internal audit department or any other department in charge of internal audit.
- 3) To verify that the Company conforms with laws regarding securities and securities exchange, regulations of the Stock Exchange of Thailand, as well as other laws, rules, regulations and requirements relevant to the business of the Company.
- 4) To consider, select, propose the appointment and dismissal of an independent person to perform as the auditor of the Company, to propose remuneration for the auditor to the Board of Directors for further appointment by the general shareholders' meeting, to coordinate with the auditor for the audit purpose, scope, guideline, work plan, problems found during the audit and other important issues
- 5) To ensure complete and correct disclosure of information concerning the connected transaction or the transactions that may involve conflict of interest in accordance with the laws and regulations of the Stock Exchange of Thailand, as well as to disclose complete and correct information of such transactions to ensure that they are reasonable and are in the best interest of the Company.
- 6) To verify that the Company's risk management system is appropriate and efficient.
- 7) To prepare the Audit Committee's report for disclosure in the annual report, and such report shall be signed by the Chairman of the Audit Committee and it must at least contain the followings:
 - Opinion on correctness, completeness and reliability of the financial reports of the Company;
 - Opinion on adequacy of the internal control system;

- Opinion on compliance with the laws regarding securities and securities exchange, regulations of the SET, or the laws relevant to the business of the Company;
 - Opinion on appropriateness and remuneration of the auditor;
 - Opinion on transactions that might have conflict of interest;
 - Number of the Audit Committee meetings and attendance of each member;
 - Opinions or observations in overall from the Audit Committee's performance of duty in compliance with the Charter; and
 - Other issues that should be made known to and acknowledged by the shareholders and investors within the scope of duties and responsibilities assigned by the Board of Directors.
- 8) To perform other duties within the scope of its responsibilities as assigned by the Board of Directors and to report directly to the Board of Directors. In the performance of such duties, the Audit Committee must have direct accountability to the Board of Directors and the Board of Directors must have accountability regarding the Company's business operation to external parties.
- 9) If the Audit Committee finds or suspects that any transaction or action may have material impact on the financial position or operation of the Company, e.g. transaction that causes conflict of interest, fraud or unusual transaction or material deficiency in the Company's internal control system, violation or infringement of laws regarding securities and securities exchange, etc. the Audit Committee shall report to the Board of Directors for rectification and improvement in a timely manner as considered appropriate by the Audit Committee. In case the Board of Directors or the Management fails to rectify or improve such issue or incident in a timely manner as considered appropriate by the Audit Committee, any member of the Audit Committee may report such issue or incident to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

2. Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee

Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee consisted of 3 members as follows:

Name	Position
1. Mr. Wutichai Anantakul	Chairman of NR CG and SD Committee
2. Mr. Mitthong Chulitawong	Member of NR CG and SD Committee
3. Mr. Boonlerd lewpornchai	Member of NR CG and SD Committee

Mrs. Aroonroj Kamolmongkolsuk is a Secretary of the Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee

Scope of Duties and Responsibilities of the Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee

1) Nomination

1.1) Director Nomination

- (1) Set policies, criteria, and methods for selecting directors to propose to the Board for approval.
- (2) Select and nominate persons with appropriate qualifications and in accordance with relevant regulations and laws. as well as the company's policy to propose to the committee to consider appointing or propose to the Board of Directors for the shareholders' meeting of the Company consider appointing (as the case may be) to hold the position of director of the company and members of the sub-committees.
- (3) Ensure that the committee and sub-committees have the appropriate size and composition for the organization including adjustments to be in line with the changing environment. The committee must look at and provide mechanisms or tools to support the selection process and nominate individuals to serve as directors, so that the composition of the committee consists of people who have behavior, knowledge, ability, and experience in various fields are beneficial and consistent with the Company's strategy and business operations in the short, medium, and long term.

1.2) Recruitment of the Company's Chief Executive Officer and Advisors

- (1) Set policies, criteria, and methods for recruiting the Chief Executive Officer and consultants of the company to propose to the Board of Directors for consideration and approval.
- (2) Select and nominate persons with appropriate qualifications and in accordance with relevant regulations and laws to propose to the Board of Directors to consider appointing the Chief Executive Officer. or consultants of the company

1.3) Selection of Directors and Executives of Subsidiaries

Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee must supervise and set policies, criteria, and methods for

selecting directors and those with management authority of subsidiaries to get directors and people with management authority that are appropriate to their duties, responsibilities, and nature of work.

Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee is also responsible for ensuring that policies and details of the selection process for directors and chief executive officers are disclosed in the Company's annual report.

2) Remuneration

2.1) Director Remuneration

- (1) Set a policy for paying remuneration and other benefits including the amount of compensation and other benefits which is paid for the performance of duties of directors and sub-committees that reflects the purpose duties, responsibilities, and related risks There must be clear and transparent criteria consistent with the objectives and goals of the company. Including the long-term benefits of the company and presenting it to the board for consideration and approval. before presenting it to the shareholder meeting for approval, as the case may be.
- (2) Supervise directors to receive remuneration appropriate to their duties and responsibilities. Directors who are assigned additional duties and responsibilities should receive remuneration appropriate to their assigned duties and responsibilities.
- (3) Set guidelines and arrange for self-evaluation and/or Annual cross-assessment to consider determining annual compensation. The evaluation results are to be used to develop the performance of duties of the Company's directors.
- (4) Take care of the Company reveal the policy for determining remuneration and compensation in various forms. Including disclosing the compensation paid to individual directors in the annual report.

2.2) Compensation of the Chief Executive Officer

- (1) Set a policy for paying remuneration and other benefits including the amount of compensation and other benefits which is paid for performing the duties of the Chief Executive Officer that reflects the purpose Duties and responsibilities and related risks with clear and transparent criteria Consistent with the objectives and

goals of the Company including the long-term benefits of the Company and presenting it to the Board of Directors for consideration and approval.

- (2) Ensure that the Chief Executive Officer receives compensation appropriate to his duties and responsibilities.
- (3) Set guidelines for evaluating the performance of the Chief Executive Officer to consider determining annual compensation. The duties and responsibilities and risks involved must be considered.
- (4) Take care of the company. Reveal the policy for determining remuneration and compensation in various forms paid to the Chief Executive Officer who receive compensation as an employee. It contains details about the factors used in considering the overall performance evaluation, goals, operations, along with the opinions of the Nomination Committee Remuneration Corporate Governance and Sustainable Development Committee.
- (5) Screen the management's proposals regarding compensation policy that determines compensation and benefits other than wages for employees and present it to the Board of Directors for consideration and approval.

2.3) Remuneration of Directors and Persons with Management Authority of Subsidiaries

Set policies and supervise criteria and methods for paying remuneration and other benefits to directors and persons with management authority of subsidiaries. The compensation criteria are clear, transparent, and consistent with the subsidiaries' important risks and appropriate to the duties, responsibilities, and nature of the work

3) Human Resources and Organizational Culture

- (1) Consider and give opinions on human resource policies to be consistent with the company's business strategy. This includes improving and developing personnel to have the right amount of knowledge, skills, experience, and motivation. Including giving importance to the diversity of personnel in terms of gender, age, race, etc.
- (2) Set policy and supervise the preparation of a succession plan for the Chief Executive Officer by specifying the person who will act on his behalf. Ready to provide a personnel development system to prepare.
- (3) Consider and give opinions on planting plans and developing organizational culture.

4) Corporate Governance

- (1) Set the Company's corporate governance policy to present to the Board of Directors for consideration and approval. and follow up to ensure compliance with corporate governance policies Including regularly reviewing and improving policies to be appropriate.
- (2) Supervise the work of the Company's employees to be consistent with the principles of corporate governance of agencies with legal regulatory authority including principles of good corporate governance with international standards.
- (3) Supervise the Company There is a mechanism to ensure that shareholders receive their rights as provided by law. This includes setting criteria and giving shareholders an opportunity to raise questions agenda and the name of a person who is qualified to be appointed as a director before the general meeting of shareholders and notify the reasons to shareholders in the event that the shareholder's proposal is not considered.

3. Risk Management Committee

Risk Management Committee consisted of 5 members as follows:

Name	Position
1. Mr. Arthit Wuthikaro	Chairman of Risk Management Committee
2. Mr.Mitthong Chulitawong	Member of Risk Management Committee
3. Mr. Nuttapon Panjaworayan	Member of Risk Management Committee
4. Mr. Warin Phadungsinth	Member of Risk Management Committee
5. Mr. Panom Ratanarat	Member of Risk Management Committee

Mr. Naphatra Chatvichian is a Secretary of Risk Management Committee.

Scope of Duties and Responsibilities of the Risk Management Committee

- 1) Establish risk management policy and framework to present to the Board of Directors for consideration and approval.
- 2) Follow up on the identification process Assess risk and approve the risk management plan to ensure that the Group of Companies .There is an appropriate risk management plan.
- 3) Supervise and support successful risk management at the organizational level as well as the project level by focusing on increasing importance and considering risks in each factor to make decisions about resource use and various processes appropriately.

- 4) Promote and develop risk management policies and frameworks by specifying that risk management is a joint responsibility of executives and employees at all levels and has continued to practice.
- 5) Coordinate with the Audit Committee regarding important risks and there is an internal audit unit to review to ensure that the Company. There is an internal control system that is appropriate for risk management including the risk management system being applied appropriately and followed throughout the organization.
- 6) Report on supervision of risk assessment results and operations to reduce risk to the committee, the committee will be informed on a regular basis. In the case of important matters affecting the Company significant matters must be reported to the Board of Directors for consideration as soon as possible.
- 7) Perform any other actions related to risk management as assigned by the Board of Directors.

4. Executive Committee

Executive Committee consisted of 6 members as follows:

Name	Position
1. Mr. Thaweemit Kamolmongkolsuk	Chairman of Executive Committee
2. Mr. Nuttapong Panjaworayan	Member of Executive Committee
3. Mr. Panom Ratanarat	Member of Executive Committee
4. Mr. Warin Phadungsinth	Member of Executive Committee
5. Ms. Sopha Nachunhom	Member of Executive Committee
6. Mrs. Aroonroj Kamolmongkolsuk	Member of Executive Committee

Scope of Duties and Responsibilities of the Executive Committee

- 1) To supervise the management of the Company to ensure the compliance with the policies specified by the Board of Directors and to report the operational results to the Board of Directors.
- 2) To specify strategy and business plan, budget, as well as management structure, so as to comply with the policies and targets set by the Board of Directors, and to present them to the Board for consideration.
- 3) To authorize and specify approval level of each person as appropriated and to segregate the duties which might be favorable for corruption and present to the Board of Directors

for approval as well as to supervise the adherence of the approved principles and requirements.

- 4) To consider the organizational structure, to authorize management power, salary structure of the Company as well as to have power to define scope of duty, assign, appoint, transfer, cut or reduce wage, dismiss, terminate employment, consider benefits, impose disciplinary penalty, reward to Deputy Managing Director and lower. These powers may be assigned to the Managing Director, or the authorized person assigned by the Managing Director, to act on the Company's behalf for signing the employment contract.
- 5) To consider and approve the financial transaction with the bank/financial institutes for supporting the normal business operation, such as opening bank account, providing loan, borrowing money, procurement of credit, pledge, mortgage, guarantee and etc., including purchase and sale and register for any land ownership for normal business operation pursuant to the approval power and order approved by the Board of Directors.
- 6) To consider and approve the investment and define the investment budget pursuant to the power specified in the manual.
- 7) To consider the new business operation or business discontinuation to propose to the Board of Director for further approval.
- 8) To consider other matters assigned by the Board of Directors. However, the delegation of authority as mentioned above shall not be in the manner of delegation of authority or sub-authority which entitled the Executive Committee or the authorized person of the Executive Committee to approve the transaction that the Executive Committee Director or the person who might have conflict of interest, interest or any other benefits as per specified by the SEC with the Company or its subsidiary, except it is the approval of transaction under the criteria approved by the Board of Directors.

However, the approval of such transaction with conflict of interest must be performed pursuant to the notification of the SET, the Capital Market Supervisory Board and/or the Office of the SEC Re: Criteria, method and disclosure of the connected transactions of the listed companies. In addition, the Executive Committee may be appointed or removed by the Board of Directors' meeting or the shareholder's meeting.

7.4 The Management

7.4.1 Name of the Management

As of 31 December 2023, The Company's Management consisted of 5 members as follows:

Name	Position
1. Mr. Thaweemit Kamolmongkolsuk	Chairman of Executive Committee
2. Mr. Nuttapong Panjaworayan	Chief Executive Committee
3. Mr. Warin Phadungsinth	Managing Director
4. Mr. Yotsakorn Bomlai	Deputy Managing Director of Operation Management
5. Mr. Naphatra Chatvichian	Deputy Managing Director of Administration Management

The information and details of management as shown in [Attachment 1](#) (details of Directors, Executives, Controlled Person of the Company, Chief Financial Officer, Chief Accountant and Company Secretary) and the company's website www.tmc.co.th.

7.4.2 Remuneration of the Management

In 2023, the Management of the company has 5 persons. The Company has paid remuneration to the company's management in the total amount Baht 9,983,285.49. This compensation consists of salary Baht 8,641,100.00 and other compensation is contributions to the provident fund Baht 1,342,185.49.

7.5 Employees Information

As of 31 December 2023, the total of employees (exclude management team) are as follows:

Department	Number of Employees (person)
Administration	2
Factory	5
Production	83
Engineering	22
Maintenance	6
Planning and Logistic	20
Preventive Maintenance and Service	25
Quality Control and Quality Management System	6
Sales & Marketing	17

Account & Finance	9
Procurement	7
Personnel Administration	14
Information Technology	2
Internal Audit	1
Total	219

Total Employees Remuneration (Exclude Management Team)

In 2023, the total employee's remuneration is 107,143,092.03 Baht, employee remuneration i.e. salary, wage, overtime, cost of living, special allowance, contribution to the social security fund and provident fund etc.

7.6 Other Important Information

7.6.1 Chief Accountant, Company Secretary, Head of Internal Audit and Head of Compliance Unit

1) Chief Accountant

Mr. Naphatra Chatvichian, Deputy Management Director of Administration Management / CFO, is the person assigned to be responsible in the supervision of accounting and company's financial to be effective in accordance with accounting standards and company regulations. The details of Mr. Naphatra Chatvichian as shown in Attachment 1 (Details of the Directors, Executives, Controlled Person of the Company, Chief Financial Officer, Chief Accountant and Company Secretary) and company's website www.tmc.co.th.

2) Company Secretary

The Board of Directors meeting No.2/2016 on 14 May 2016 resolved to appoint **Mr. Naphatra Chatvichian** the Company Secretary whose duty was to provide legal advice and other suggestions concerning related regulations according to the Securities and Exchange Act that the directors needed to be aware of. The secretary also had to oversee the Board's activities and coordinate to implement the Board's decisions. The details of the Company Secretary as shown in Attachment 1 (Details of the Directors, Executives, Controlled Person of the Company, Chief Financial Officer, Chief Accountant and Company Secretary) and company's website www.tmc.co.th.

3) Head of Internal Audit

The Company hired the outsource called **Professional Internal Audit Service Co., Ltd.**, an experienced and good proficient internal audit company, to work with the head of

company's internal audit is **Mr. Paiboon Rattanasettachai**, to examine and take care of the internal control system and to check important items regularly to make sure that the company had an efficient internal audit system which would enhance the reliability of the financial statements. The details of the Head of Internal Audit as shown in Attachment 3 (Details on the Head of Internal Audit and Head of Compliance Unit of the company) and the Company's website www.tmc.co.th.

3) หัวหน้างานกำกับดูแลการปฏิบัติตามกฎหมาย

The Company appointed **Mr. Paiboon Rattanasettachai** responsible for Head of Compliance Unit to ensure that the company complies with related regulations, disciplines, and laws, both internal and external ones, accurately and efficiently. The regular monitoring and assessment were also arranged. The compliance unit was independent and would directly report the result of the operation to the Audit Committee. The details of the Head of Compliance Unit as shown in Attachment 3 (Details on the Head of Internal Audit and Head of Compliance Unit of the company) and company's website www.tmc.co.th.

7.6.2 Head of Investor Relations

In terms of investor relations, the company assigns the person who will act as the center for the disclosure of important information to the investors and related parties in order to facilitate the stakeholders' access to information through various channels. The contact person is:

Mr. Naphatra Chatvichian

Deputy Managing Director of Administration Management / CFO /

Company Secretary

Telephone: 038-271933 Ext. 411

Fax: 038-276083

Email: naphatra@tmc.co.th

Moreover, the company also sends out information through the news alert system to investors and people who are interested via e-mail. Also, it is possible to leave questions in the system by subscribing and logging in to the IR Services under the topic "Info Request" in the company's website www.tmc.co.th.

7.6.3 Audit Fee

The 2023 Annual General Meeting of Shareholders has a resolution to approved the appointment of Mr. Amphol Jamnongwat Certified Public Accountant No.4663, or Miss

Prapasri Leelasupa Certified Public Accountant No.4664, or Mr. Narit Saowalaksakul Certified Public Accountant No.5369 or Mr. Cherdsakul Onmongkol Certified Public Accountant No.7195 or Ms. Gunyanun Punyaviwat Certified Public Accountant No.12733 or other auditors of the SAM NAK-NGAN A.M.C Company Limited to become auditors of the Company in 2023.


Audit Fee

The company paid the Audit fee in 2023 was Baht 1,030,000. This fee included an audit fee and total accounting review.

Non-Audit Fee

In 2023, the Company paid for auditor allowance and transportation expense were Baht 62,348.00.

8. Corporate Governance Important Performance Report

The Company has participated in the Corporate Governance Report of Thai Listed Companies, prepared by the Stock Exchange of Thailand in association with the Thai Institute of Directors Association. The 2022 score results was 87%, level excellent. 

8.1 Summary of the Board of Director's Performance in the Past Year

Summary of the Board of Director's Performance in 2023 are as follows.

1. The Company organizes the Board of Directors' meetings regularly at least once every 3 months. In 2023, there were 8 meetings of the Board of Directors. The meeting schedules for the whole year are fixed in advance so that the directors can properly allocate time to attend the meetings. In the Board of Directors' meeting, the chairman of the Board gives an opportunity to director for comment and suggestions to review of the company's operations independently, and while the board of directors vote in the meeting the quorum of the directors no less than 2 out of 3 of its members in every meeting.
2. The Board of Directors and the sub-committee are the audit committee and the executive committee to perform duties with full attempt for supervising business operation by setting policies and business strategies to solve the problems from such crises. In addition, they supervise, control, review, and support the management to operate work according to the set policies and plans in an efficient and effective way.
3. Considered and approved to hire internal audit company from outside, that has experience and expertise in good audits to work together with the company's internal audit unit to examine and take care of the internal control system and check important items regularly to make sure that the company had an efficient internal audit system which would enhance the reliability of the financial statements. Afterwards, the Audit Committee would double-check the efficiency of the internal audit system as well which cover operation, compliance control, risk management and attention to unusual item by the audit committee will report directly to the board of director to know and consider further action.
4. The Board of Directors arranges for risk management by establishing and assessing. The Company's risks Defining and managing risks that may affect the company's operations by assigning management to be the operator and report to the Audit Committee by monthly and the Board of Directors by quarter, in order to follow up and evaluate of effectiveness regularly. The Board of Directors arranges to organize a hearing on the sufficiency of the

internal control system and risk management of the company at least once a year. The details are revealed in the annual report. In addition, in 2023, the Board of Directors has appointed Risk Management Committee which is a sub-committee to manage the risk of the organization in 2023. Risk Management plan was prepared and brought to the Risk Management Committee Meeting No. 1/2024 on February 22, 2024

8.11 Nomination, Development and Performance Assessment of the Board

Nomination:

In 2023, the Board of Directors' Meeting No. 1/2023 on 16 January 2023 resolved to consider appointing the following directors:

- | | | |
|-------------------------------|-------------|--|
| 1) Mr. Nuttapong Panjaworayan | as Director | replaced Mrs. Tubtim Kamolmongkolsuk |
| 2) Mr. Warin Phadungsinth | as Director | replaced Ms. Patcharawalai Kamolmongkolsuk |

And the 2023 Annual General Meeting of Shareholders on 22 April 2023 resolved to consider the appointment of Mr. Wuttichai Anantakul to hold the position of Company Director/Independent Director to replace the director position of Ms. Pailin Kamolmongkolsuk, a director whose term will not be extended.

These 3 directors, who were appointed, were considered persons with knowledge, ability, and have high experience in management which will be beneficial to the Company. The Company's Board of Directors considers the selection based on the criteria of knowledge, ability, experience, vision, and reliability including having the correct qualifications according to the Company's regulations, Stock Exchange of Thailand and the Securities and Exchange Commission, complete and without prohibited characteristics as required by laws.

In addition, in 2023, the Board of Directors' Meeting No. 1/2023 on 16 January 2023 also resolved to consider appointing the Chief Executive Officer, Managing Director, and a new Executive Committee as follows:

- | | | |
|-----------------------------------|----|---------------------------------|
| 1) Mr. Nuttapong Panjaworayan | as | Chief Executive Officer |
| 2) Mr. Warin Phadungsinth | as | Managing Director |
| 3) New Executive Committee | | |
| (1) Mr. Thaweemit Kamolmongkolsuk | | Chairman of Executive Committee |
| (2) Mr. Nuttapong Panjaworayan | | Member of Executive Committee |
| (3) Mr. Warin Phadungsinth | | Member of Executive Committee |

(4) Mr. Panom Ratanarat	Member of Executive Committee
(5) Ms. Sopha Nachunhom	Member of Executive Committee
(6)* Mrs. Aroonroj Kamolmongkolsuk	Member of Executive Committee

*(*was appointed by the Board of Directors Meeting No.2/2023 on 22 February 2023)*

Development:

The Company has the policy to support the trainings for those who are related to the company's corporate governance system i.e. the directors, the audit committee, the executives and the company secretary for continual improvement of operation. In 2023, the company encouraged participation in trainings and the seminars organized by the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, the Thai Institute of Directors Association (IOD) and other agencies as follows:

The Self-Evaluation of Directors:

In 2023, the company evaluated the self-assessment of the Board of Directors and Audit Committee by group and individual, and the assessment of the Chief Executive Officer's result of operation (by the directors) The results of the assessment in 2023 are as follows:

1. The self-assessment of the Board of Directors
 - By group = **3.80** (Good)
 - By individual = **3.83** (Good)
2. The self-assessment of the Audit Committee
 - By group = **3.72** (Good)
 - By individual = **3.71** (Good)
3. The self-assessment of the Chief Executive Officer
 - Mr. Nuttapong Panjaworayan = **3.71** (Good)
4. The self-assessment of the Managing Director
 - Mr. Warin Phadungsinth = **3.40** (Good)

The details of Nomination, Development and Self-evaluation of Directors are shown in "6.1.1 Policy and Guideline for the Board of Director"

8.1.2 Meeting Attendance and Remuneration for Individual Directors

Meeting Attendance

The company organizes the Board of Directors' meetings regularly at least once every 3 months. The meeting schedules of the whole year are fixed in advance so that the directors can properly allocate time to join the meetings or may have a special meeting additional as needed. The agenda together with other documents will be sent to every director at least 7 days in advance so that the directors have sufficient time to consider and study the information. The Chairman of the Board encourages every director to attend every meeting or no less than 75% of all meetings of the Board of Directors in a year. It is specified that the minimum number of quorums required by the Board of Directors at the Board of Directors' meeting shall be at least 2/3 of the total number of directors. Moreover, the report of operation is sent to the directors on the months without meeting so that the directors can control and supervise the management's operation continually and in time. The company secretary is in charge of supervising the activities during each meeting of the Board of Directors and preparing the minutes, which must be kept properly and exclusively for easy examination.

In 2023, the Company arranged a meeting of the Board of Directors total 8 times, the total of directors 8 persons were attended the board of directors' meeting 100%, and 62.50% 1 person and arranged the Annual General Meeting of Shareholders 1 time, the total of directors 9 persons were attended the meeting 100%, the details are as follows.

Name	Position	Board of Director Meeting (total 8 times)	Annual General Meeting of Shareholders 2024 (total 1 time)
1. Mr. Manu Leopaiprote*	Chairman of the Board of Directors / Member of the Audit Committee / Independent Director	8/8	1/1
2. Mr. Arthit Wuthikaro	Chairman of the Audit Committee / Chairman of the Risk Management Committee / Independent Director	8/8	1/1
3. Mr. Mitthong Chulitawong	Member of Audit Committee / Member of the Risk Management Committee / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Independent Director	5/8	1/1
4. Mr. Wutichai Anantakul**	Chairman of the Nomination, Remuneration, Corporate Governance and Sustainable	6/6	-

	Development Committee / Member of the Audit Committee / Independent Director		
5. Mr. Thaweemit Kamolmongkol	Chairman of the Executive Committee / Director	8/8	1/1
6. Mr. Nuttapon Panjaworayan*	Director / Executive Director / Member of the Risk Management Committee / Chief Executive Officer	7/7	1/1
7. Mr. Panom Ratanarat	Director / Executive Director / Member of the Risk Management Committee	8/8	1/1
8. Mr. Warin Phadungsinth**	Director / Executive Director / Member of the Risk Management Committee / Managing Director	7/7	1/1
9. Mr. Boonlerd lewporchai	Director / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee	8/8	1/1

Remark:

* Mr. Mitthong Chulitawong and Ms. Pailin Kamolmongkolsuk did not attend the meeting due to having a mission.

** Mr. Wutichai Anantakul was appointed as Director on 22 April 2023

** Mr. Nuttapon Panjaworayan and Mr. Warin Phadungsinth was appointed as Director on 16 January 2023

Remuneration for Individual Directors

The Company has the policy to pay remuneration to the director as the monthly salary and meeting allowance as follows:

Position	Monthly Remuneration (Baht)	Meeting Fees (Baht)
Chairman	50,000	5,000
Director	30,000	5,000
ประธานคณะกรรมการตรวจสอบ	40,000	5,000
กรรมการตรวจสอบ	30,000	5,000

Remark:

1. The Director remuneration in 2023 was specified to be not exceeding Baht 3,000,000 (Three million Baht only)

2. The directors who are the Management and the Executive Director are not entitled to the director remuneration.

In 2023, the Company paid directors' remuneration, namely monthly remuneration and meeting allowance (No other compensation) totaling 2,124,000 baht with no other compensation, as detailed below.

Monthly Remuneration

Name	Position	Monthly Remuneration (Baht)		
		2021	2022	2023
1. Mr. Manu Leopaiprote*	Chairman of the Board of Directors / Member of the Audit Committee / Independent Director	450,000	470,000	560,000
2. Mr. Arthit Wuthikaro	Chairman of the Audit Committee / Chairman of the Risk Management Committee / Independent Director	360,000	376,000	448,000
3. Mr.Mitthong Chulitawong	Member of Audit Committee / Member of the Risk Management Committee / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Independent Director	270,000	282,000	336,000
4. Mr. Wutichai Anantakul**	Chairman of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Member of the Audit Committee / Independent Director	-	-	249,000
5. Mr. Thaweemit Kamolmongkol	Chairman of the Executive Committee / Director	-	-	-
6. Mr. Nuttapon Panjaworayan*	Director / Executive Director / Member of the Risk Management Committee / Chief Executive Officer	-	-	
7. Mr. Panom Ratanarat	Director / Executive Director / Member of the Risk Management Committee	270,000	282,000	15,000
8. Mr. Warin Phadungsinth**	Director / Executive Director / Member of the Risk Management Committee / Managing Director	-	-	-
9. Mr. Boonlerd lewporchai	Director / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee	-	12,000	336,000

Meeting Fees

Name	Position	Meeting Fees (Baht)		
		2021	2565	2566
1. Mr. Manu Leopaiprote*	Chairman of the Board of Directors / Member of the Audit Committee / Independent Director	20,000	30,000	40,000
2. Mr. Arthit Wuthikaro	Chairman of the Audit Committee / Chairman of the Risk Management Committee / Independent Director	20,000	30,000	40,000
3. Mr.Mitthong Chulitawong	Member of Audit Committee / Member of the Risk Management Committee / Member of the	15,000	20,000	25,000

	Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Independent Director			
4. Mr. Wutichai Anantakul**	Chairman of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee / Member of the Audit Committee / Independent Director	-	-	30,000
5. Mr. Thaweemit Kamolmongkol	Chairman of the Executive Committee / Director	-	-	-
6. Mr. Nuttapong Panjaworayan*	Director / Executive Director / Member of the Risk Management Committee / Chief Executive Officer	-	-	-
7. Mr. Panom Ratanarat	Director / Executive Director / Member of the Risk Management Committee	20,000	30,000	5,000
8. Mr. Warin Phadungsinth**	Director / Executive Director / Member of the Risk Management Committee / Managing Director	-	-	-
9. Mr. Boonlerd lewporchai	Director / Member of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee	-	-	40,000

Remark:

* Mr. Wutichai Anantakul was appointed as Director on 22 April 2023

** Mr. Nuttapong Panjaworayan and Mr. Warin Phadungsinth was appointed as Director on 16 January 2023

***Mr. Panom Ratanarat was appointed as Member of Executive Committee on 16 January 2023

8.1.3 Supervision of Subsidiaries and Associated Companies

With a full commitment to protecting the investment and supervising the operations of its subsidiaries and associates to comply with applicable laws, regulations, and procedures fully, efficiently and effectively under Company policies, the following mandatory measures are implemented.

- 1) There shall be representatives from the Company to serve as directors of the boards of all subsidiaries and associates. The qualifications of representatives shall be thoroughly reviewed and approved for appropriateness for each subsidiary and associate by the Company's Board of Directors.
- 2) These representatives in subsidiaries and associates shall take full responsibility on the following:
 - Ensure that their responsible subsidiary and/or associate operates in line with the direction, strategic objectives and operating plan approved by the Company.

- Attend the meetings and exercise voting rights accordingly in all key meetings of subsidiaries and/or associates.
- Ensure that each subsidiary and/or associate has adequate efficiency and stringency of the internal control system and risk management system.
- Make sure that each subsidiary and/or associate executes all activities in full compliance with regulatory controls and announcements of SET and SEC on transactions, acquisition and disposal of assets, and related-party transactions, as well as disclosure of financial positions, statements and performance, particularly on increase and decrease of capital, and liquidation of the subsidiary and/or associate.

3) Notify the Company promptly in case where each subsidiary and/or associate shall disclose any financial transactions to SET in compliance with the regulatory control.

8.1.4 Following up on Compliance with Corporate Governance Policies and Practices

In 2023, the company has implemented about corporate governance on the key of principle 5 sections, the details are as follows;

1. Rights of Shareholders

In 2023, the Company organized the shareholders meeting for 1 time. There is 2023 Annual General Meeting of Shareholders on Saturday, 22 April 2023 at 14.00–15.40 hrs. via teleconferences through an electronic device (E-AGM) and live broadcast from Mongkolsuk Meeting Room, T.M.C. Industrial Public Company Limited, head office, No.125/10 Moo 5, Tambol Bansuan, Amphur Muang, Chonburi 20000.

- The shareholder's meeting will be held online (E-AGM) due to COVID-19 pandemic unrest. This is to keep social distancing in respect to COVID-19 Preventive Measure as advised by World Health Organization. This E-AGM is held via Application IR PLUS AGM under the Emergency Decree on Electronic Meetings, B.E. 2563 (2020). The log files of all meeting attendees will be stored as evidence, such as username of the attendees, date, and time when the meeting is started and dismissed, meeting photos and voice records, voting results of the attendees etc. The meeting is conducted in correspond to the company's regulation and rules regarding Annual General Meeting assigned by the governing bodies of the Thai listed companies, such as Ministry of Commerce, The Stock Exchange of Thailand, The Securities and Exchange Commission, and Information Security Policy which is agree with the Emergency

Decree on Electronic Meetings, B.E. 2563 (2020) and relevant announcement. In addition, the company has formed the meeting guideline and COVID-19 preventive measure for the company's committee, meeting attendees, and the e-meeting liaisons.

- The Company informed the shareholders about the decision of the Board of Directors to organize the shareholders' Annual General Meeting 2023 advance 60 days before the meeting date which was 22 February 2023 via the company's website www.tmc.co.th and via the Stock Exchange of Thailand's system so that the shareholders could arrange time to attend the meeting.
- The Company published the invitation together with the proceedings on the company's website www.tmc.co.th on 17 March 2023 36 days prior to the meeting). The invitation was distributed through the Stock Exchange of Thailand's system. Besides, the Company assigned Thailand Securities Depository (TSD) which was the company's registrar to send out the documents to the shareholders on 31 March 2023 (22 days prior to the meeting), so that the shareholders had time to study the details of the meeting in advance. Moreover, the shareholders could submit the questions that they wanted the company to clarify in the agenda or ask for other important information from the company before the meeting by contacting the Deputy Managing Director of Administration Management at naphatra@tmc.co.th or the Company's website www.tmc.co.th.
- The information in the invitation letter consisted of various data which would be useful for the shareholders' consideration of matters during the meeting such as the date, the time, agenda with facts and reasons, the meeting agenda with the opinions of the Company's Board of Directors as well as the agenda attachments which provided enough information for the shareholders to make decisions.
- The Company supported the voting rights of the shareholders in case that they could not attend the meeting by sending out 2 types of proxies: B and C to be used according to the will of the grantors. The proxies which were in the forms formulated by the Ministry of Commerce were attached to the invitation letter. They could also be downloaded from the company's website.
- The Board of Directors highly emphasizes the importance of the shareholders' meeting since it is their opportunity to answer the shareholders' questions. It is

the Board's duty to attend every meeting. During the shareholders' annual general meeting 2023 on 22 April 2023, the 9 of directors and Audit Committee (from total 9 persons accounted for 100%) attend the meeting. Also, the company's executives, i.e., Deputy Managing Director of Administration Management / CFO, Deputy Managing Director of Operation Management participated in the meeting to explain and answer the shareholders' questions which were related to the meeting's agenda, or which required clarification. The Company's auditor representative Ms. Pimjai Kernkumrai from Sam Nak-Ngan A.M.C Co., Ltd. also attended the meeting.

- Before the meeting started, the master of ceremony was assigned by the chairman to inform the participants about the criteria and the procedure of voting, the method to display the result of voting, the right to vote which was not given to the shareholders who had an interest in the matters under consideration and the shareholders' right to object to the voting on each item on the agenda. Also, the shareholders were allowed to express their opinions and ask questions during the meeting. Ms. Anchisa Inthonglang representative from the company's auditor Sam Nak-Ngan A.M.C Co., Ltd. was the witness of the counting of votes in 2023 AGM. Such information was given to the participants and was recorded in the minute.
- The voting to appoint directors was done individually on the agenda to reappoint 3 directors who had retired by rotation. The basic information of the persons who were nominated for the reappointment was sent to the shareholders in advance together with the invitation letter and was also displayed on the screen in the conference room during live broadcast. Since this matter was associated with the directors', related directors were asked to leave the conference room (off-line) during the consideration.
- The 2023 annual general meeting, one shareholder from the Thai Investors Association was Ms. Chanatip Wittayakul. She attended and vote in the meeting.
- The Company used the IR PLUS AGM application system to facilitate in e-Meeting on the registration, attendance and the counting of votes on each item on the agenda for greater convenience, promptness, accuracy and precision for the shareholders. Additionally, the company installed a screen which displayed the result of the voting on each item on the agenda so that the shareholders

were informed about the result at the same time right after the consideration of each item on the agenda.

- The Company distributed the meeting's resolutions and reported the result of the voting on each item on the agenda of the annual general meeting after finished the meeting (on 27 April 2023) via the stock market's system and the company's website so that the shareholders can examine the information without having to wait for the submission of a minute for approval in the next meeting.
- The Company prepared the minutes of the 2023 annual general meeting by company secretary. The information was completely, accurately and evidently compiled by the company's secretary. The record showed the names of directors who attended the meeting, the questions and answers and the result of the voting on each agenda including the number of shareholders who voted, voted against and abstained from voting. The minute was signed by the company's chairman of the board of directors who was also the chairman of the meeting. The minute of the annual general meeting was submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 14 days (on 28 April 2023). The minute and the photos of both meeting were also published on the company's website.

2. The Equitable Treatment of Shareholders

- The Company sent out the invitation letter to invite the shareholders to attend the annual general meeting and distributed the information concerning the annual general meeting, the agenda and the opinions of the Board of Directors towards the items on the agenda for consideration as well as the meeting's rules to all shareholders equally through the documents, the website and the stock market's system in both Thai and English, and the company has conducted the meeting in accordance with the agendas as the invitation letter without adding any other agendas in the meeting other than invitation letter
- The Company had announced to invite the minority shareholders for agenda and name of the director nominee proposal in advance with the clear criteria for consideration on company's website www.tmc.co.th, during 1 October 2022 to 27 December 2022 to be fair and transparent to consider that to add agenda and nominate persons for consideration as directors of the company as proposed by minority shareholders.

- The Company facilitated the shareholders who could not attend the meeting by allowing them to authorize independent directors or other people to represent them in the meeting. The company sent out 2 types of proxies: B and C to the shareholders together with the invitation letter. They could also be downloaded from the company's website. The B type of proxy, in particular, allows the shareholders to direct the voting of their proxies. Besides, the company provided revenue stamps for the shareholders to put on their proxies.
- For the consideration on the agenda to reappoint directors who had retired by rotation, the company gave the shareholders the right to vote for the directors individually.
- The Board of Directors and management acknowledge to report any changed of shareholding with Securities and Exchange Commission, Thailand, Article 59 an Act of legislation Securities and Exchange Commission, Thailand B.E. 2558 including disclosure in annual report 2023.
- The Board of Directors prohibited the directors, the executives and the employees who were aware of internal information to wrongfully reveal or use such data for their own or other people's benefits. Additionally, the company prohibited the trading of securities 1 month before the financial statement was revealed to the public. Such information was stated in the "Good Corporate Governance and the Code of Conduct Manual" which was given to the directors, the executives and all employees and was published in the company's website, and the company's members strictly followed the guidelines that had been set forth.
- The Company has been operating and developing continuously to apply the good corporate governance principles with the organization of the shareholders' annual general meeting. The company has joined the annual general meeting quality assessment project which adopts the AGM Checklist set up by the Office of the Securities and Exchange Commission (SEC) and the Thai Investors Association since the shareholders' meeting in 2023. The results of the assessments in 2023 was scored 94. The company still has the policy to raise the standard of the company's corporate governance regarding the organization of the annual general meeting in the future.

3. Roles of the Stakeholders

The Company set up the policy regarding practices towards stakeholders i.e. shareholders, customers, business partners, competitors, creditors, employees and communities, society, environment by prepared "Code of Conduct" and contained in the Good Corporate Governance and Code of Conduct manual (the details as shown in [Attachment 5](#) Corporate Governance Policy, Code of Conduct and Anti-Corruption Policy) which was distributed to the directors, the executives and all employees to aware of such practices and adopted them in their work. The company arranged a yearly employee ethical behavior assessment form. This was confirmed by the assessment of the adequacy of the internal control system and company's operations.

The Board of Directors has provided channels for all stakeholders to report complaints or clues in matters involving illegal activities and anything that could cause damage to the company as well as unfair story, violated, or unethical actions of management and employees. In this case, clues, complaints, and suggestions will be investigated by the Audit Committee, and then it will be reported to the Board of Directors. The information provided by the notifying person and the complaint will be kept confidential. There are measures to ensure that they will not be affected, and the safety of the reporter and the complaints from the clerk and the complainant are considered.

Channel of Whistle Blowing or Complaint

Various groups of stakeholders You can contact us to report information and clues or complaint and raise doubts about corruption or make observations or report issues regarding corruption by making a letter sent to Audit Committee by mail or email or telephone to the internal audit department.

<u>By post</u>	Audit Committee	
	125/10 M.5, Ban Suan Sub-District,	
	Muang Chonburi District, Chonburi Province 20000	
<u>By e-mail</u>	Audit Committee	auditcommittee@tmc.co.th
<u>By phone</u>	Tel. 038-271933 ต่อ Internal Audit Department	

4. Disclosure and Transparency

- The Company reveals important information, which is related to the company, including the financial information, i.e., the quarterly financial statements and the annual financial statement 2023 which have been prepared in accordance with the accounting standards and approved by the company's auditor Mr. Naris Saowalaksakul, a certified public accountant no. 5369 from SAM NAK-NGAN A.M.C. Company Limited. The information is presented to the Audit Committee and is approved by the company's Board of Directors. As for the non-financial information, it includes the annual registration statement/annual report Form 56-1 One Report. All these documents have been prepared accurately, completely and on time according to the standards of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The shareholders and people in general can easily access such information via the company's website www.tmc.co.th and the Stock Exchange of Thailand's system. Also, the documents are submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission so that the shareholders can make use of such information to decide on the investment.
- The Company sums up the result of operation according to the good corporate governance and business ethics policies in the company's annual report Form 56-1 One Report, as well as on the Company's website.
- The Company prepares the management's discussion and analysis of the result of operation which changes more than 20% of the financial statement of every quarter via company's website www.tmc.co.th or the Stock Exchange of Thailand's system and send the document to the Office of the Securities and Exchange Commission, so that the investors are informed about the result of operation and understand the company's changes better.
- The Company reveals the audit fee and other fees for the services have been provided by the auditor in the company's annual report Form 56-1 One Report, under the topic of remuneration for auditor.
- The Company reveals the roles and duties of the directors and the sub-directors, the number of meetings and the number of times that each director attended the meetings in the past year as well as the trainings and the continual development of vocational knowledge of the directors in the company's annual report Form 56-1 One Report.

- The Company, by sales and marketing department, has conducted a survey on customer satisfaction. As well as receiving complaints from customers in order to improve the quality and service. By evaluating results from service of delivery and quality with an overall score of 96.37% of the customer's satisfaction survey in 2023.
- In terms of investor relations, the company assigns the person who will act as the center for the disclosure of important information to the investors and related parties in order to facilitate the stakeholders' access to information through various channels. The contact person is:

Mr. Naphatra Chatvichian
DMD of Administration Management / CFO and Company Secretary
Telephone: 038-271933 Ext. 411
Fax: 038-276083
Email: naphatra@tmc.co.th

Moreover, the company also sends out information through the news alert system to investors and people who are interested via e-mail. Also, it is possible to leave questions in the system by subscribing and logging in to the IR Services under the topic "Info Request" in the company's website www.tmc.co.th.

5. Board Responsibilities

- The Board of Directors as of 31 December 2023 consisted of 9 directors which were 4 executive directors, 5 non-executive directors and independent directors which were no less than one third of the whole Board, i.e., 4 independent directors. 4 independent directors were appointed audit directors to counterbalance the voting on different matters and to review the management's administration for the company's maximum benefit. The 4 members of Audit Committee were the Chairman of the Audit Committee Mr. Arthit Wuthikaro and 3 Audit Directors Mr. Manu Leopaiprote, Mr. Mitthong Chulitawong, Mr. Mitthong Chulitawong, and Mr. Wutthichai Anantakul was equipped with enough accounting knowledge and experience to conduct a review of the reliability of the company's financial statements.
- The Company has separated the Chairman of the Board of Directors and the Chief Executive Officer to be different persons to prevent any person from having unlimited power, Mr. Manu Leopaiprote is the Chairman of the Board of Directors and Mr. Nattapong Panjaworayan is a Chief Executive Officer.

- The Board of Directors resolved to appoint Mr.Naphatra Chatvichian the Company Secretary whose duty was to provide legal advice and other suggestions concerning related regulations according to the Securities and Exchange Act that the directors needed to be aware of. The company secretary also had to oversee the Board's activities and coordinate to implement the Board's decisions.
- To considered and approval strategy, business plan and management restructure to be able to run a business under COVID-19 critical economic, supervise and follow up the management to proceed to be in accordance with the policies and plan set to efficiently and effectively for maximize economic value to the company and the shareholders.
- The Company improved the policy of Corporate Governance and Code of Conduct, revision year 2023 which was approved by the Board of Directors meeting No.1/2024 on 22 February 2024 so that the directors, the executives, and all employees could apply it as the guidelines for the operation. Besides, the "Good Corporate Governance and Code of Conduct" manual was prepared and distributed to the directors, the executives, and all employees. It was also published on the company's website www.tmc.co.th.
- Arrange reliable financial and audit reports, and disclose important information with accuracy, sufficiently, and in time in accordance to related rules, regulations, standards, and guidelines. Supervise sufficiency of financial liquidity and ability to repay debts.
- The Board of Directors approved the appointment of the compliance unit to ensure that the company complies with related regulations, disciplines, and laws, both internal and external ones, accurately and efficiently. The regular monitoring and assessment were also arranged. The compliance unit was independent and would directly report the result of the operation to the Audit Committee. The penalties for non-compliance were clearly and strictly determined.
- The Company hired the outsource called Professional Internal Audit Service Co., Ltd., an experienced and proficient internal audit company, to work with the company's internal audit agency to examine and take care of the internal control system and to check important items regularly to make sure that the company had an efficient internal audit system which would enhance the reliability of the financial statements. Afterwards, the Audit Committee would double-check the efficiency of the internal audit system as well.

- The Board of Directors and the Audit Committee organized a hearing on the sufficiency of the company's internal audit system and risk management at least once a year. The details were described in the annual report.
- Supervise the arrangement of clear policies and guidelines in anti-corruption and communicate to every level of the organization and to outsiders, leading to real practice. Set the process for receiving complaints and taking actions in whistle-blowing cases.
- □ Give importance and support on innovation creation for value creation for business together with benefits for customers and related people with responsibilities for societies and environment.

In addition, the company have also practiced the good corporate governance 4 more issues as follows:

1. **1Prevention of Conflict of Interest**

The company set up "the Code of Conducts", Section : Conflict of Interest Policy, for their ethical practices, honesty in doing business and social responsibility include all group of company's stakeholders, and for the directors, the executives and all employees practice as the guidelines for their Conflict of Interest Policy as follows;

- 1) The director and employees of all levels should avoid any acts of conflict of the interests, either from the business communication with, for example, partner, customer, competitor, or use the privilege of being the director or employee for personal benefits. They are expected to avoid owning a competitive business with the company or work other jobs than the company's which undesirably affects their appropriate duties.
- 2) The director and the employees of all levels are not expected to hold any share in the competitors' businesses if that affects their performance and duties. If those shares have been owned before the start working day or from the legacy, the committee must report to the president and to their supervisor for the general staff.

2. **Using Inside Information for Exploitation**

The Company has the policy and the supervision method on usage of the Company's inside information of the directors and management which has not yet been disclosed

to the public for their personal gain as well as the purchase and sale of the securities are as follows:

- 1) To provide information to the directors as well as the executives in various departments on their obligations to report about their securities holdings including the securities holding of their spouse and children under legal age to the Office of the SEC and the Stock Exchange of Thailand pursuant to Section 59 and the penalty clause under Section 275 of the Securities and Exchange Act B.E.2535.
- 2) To specify that the executives are required to file a report on a change of their securities holdings to the Office of the SEC and the Stock Exchange of Thailand pursuant to the Section 59 of the Securities and Exchange Act B.E.2535 and are required to send this report to the Company on the same day they submit to the Office of the SEC and the Stock Exchange of Thailand.
- 3) To inform that the executive who can obtain the material inside information which may impact to the change of the securities prices shall not purchase and sell the Company's securities within 1 month before the financial or such inside information is disclosed to the public and such material information is prohibited to disclose to other third parties.

The Company included such matters in the "Good Corporate Governance and Code of Conduct" manual. Also, the Company has imposed disciplinary actions towards those who try to benefit from using or exposing the company's internal information which might cause damages to the company. The degrees of penalties depend on the cases, including verbal warning, text warning, probation, and termination of employment by dismissal, discharge or furlough, etc.

Shareholding of the Board of Directors and Management

The Board of Directors and Management are responsible for reporting changes in securities holding to the Securities and Exchange Commission (SEC). And the company has a policy that requires directors and management to report changes in the holding of securities of the company through the company secretary on a quarterly basis. Holding securities by the Board and Management as of 31 December 2023 as below;

Name	31 December 2022	31 December 2023	Increase (Decrease)
<u>Directors</u>			
1. Mr. Manu Leoparote	500,000	500,000	-
- Mr. Manu Leoparote	-	-	-
- Mr. Kornkij Leoparote	500,000	500,000	-
2. Mr. Arthit Wuthikaro	-	-	-
3. Mr. Mitthong Chulitawong	-	-	-
4. Mr. Wutichai Anantakul	-	-	-
5. Mr. Thaweemit Kamolmongkols	36,750,000	2,000,000	(34,750,000)
6. Mr. Nuttapong Panjaworayan	-	68,800,000	68,800,000
7. Mr. Panom Ratanarat	-	-	-
8. Mr. Warin Phadungsinth	-	36,000	36,000
9. Mr. Boonlerd lewpornchai	-	-	-
<u>Executives</u>			
1. Mr. Yotsakorn Bomlai	-	-	-
2. Mr. Naphatra Chatvichian	-	-	-

3. Anti-Corruption Policy

The Company has recognized the importance of combining against corruption and has instituted anti-corruption policy to demonstrate its commitment in the private sector to cooperate in preventing and anti-corruption and establishing the standard for higher business ethics together. It also supports and encourages personnel at all levels of the company to have consciousness to fight against corruption in all forms in order to establish standards for good and sustainable business. Therefore, the directors, executives, employees, and related persons are required to hold this anti-corruption policy to operate the business to encourage the company to be a good management organization, effective, ethical, and ethical business practices. The details of the anti-corruption policy and practice guidelines as shown in [Attachment 5](#) Corporate Governance Policy, Code of Conduct and Anti-Corruption Policy.

4. Whistleblowing

Measures and channels for whistleblowing or complaints about corruption

Whistleblowing means the notification to report an information, clues, complaints, or questions related to a suspected action which may violate or not comply with the Code of Ethics and Business Ethics, incorrect financial reporting, or a defective internal control system.

The Company has measures and channels to report any clues, complaints, or concerns about corruption in various channels. The clerk or complainant must provide details of the clues or complaint, along with the name, address, telephone number that can be contacted, and then send to the following channels:

- Channel of communication between employees and the Company

Employees can contact us to report information and clues, make complaints, and ask questions about corruption or make observations or report issues regarding corruption by writing to Audit Committee by mail or email or QR Code or comment/complaint box prepared at the Company. The internal audit staff will inspect the comment/complaint box once a week or call the internal audit department.

- Channel of communication between various groups of stakeholders with the Company

The Stakeholders can contact us to inform the clues or complaints, and doubting about corruption, making observations or raise a corruption issues by writing to the Company at

<u>By post</u>	Audit Committee	
	125/10 M.5, Ban Suan Sub-District,	
	Muang Chonburi District, Chonburi Province 20000	
<u>By e-mail</u>	Audit Committee	auditcommittee@tmc.co.th
<u>By phone</u>	Tel. 038-271933 ต่อ Internal Audit Department	

Protection Measurement and Confidentiality

The Company will provide protection to the complainants, the ones who provide the information with good faith, and witnesses. The company will seal the name, address, or any data that can indicate the complainants, the information provider, or witnesses. Additionally, the data, complaints, and evidence shall be preserved as confidential. Besides, the company holds the policy not to decrease the position, perform punishment, or provide negative result for the employees who perform with good faith to deny performing corruption.

The process carried out when the clue is notified

The Audit Committee and the Internal Audit Department shall be responsible for overseeing and investigating the matter in a timely and appropriate manner by collecting facts, evidence, screening details, and evaluating. If the case is serious or complicated, it may be considered by the committee or the ad hoc committee to carry out the task through the consideration process and screening process as necessary or as appropriate.

Thus, if it is found from the investigation that there is a truth or there is a real corruption, the measures to disciplinary action or the law will be proposed, and the related organizations shall consider for the problem solving together to prevent not to have corruption channel again. Thus, the result of the investigation related to telling clues shall be done within 30 days from the date that the matter has been settled and completely.

In 2023, the Company did not receive a clues and complaints about corruption or violation of policy and practice of corporate governance in anyhow.

8.2 Audit Committee Performance Report in the Past Year

8.2.1 In 2023, the company arranged the Audit Committee's Meeting total 7 times and the Audit Directors are attended the meeting individual as follows;

Name	Position	Attendance (Times)
1. Mr. Arthit Wuthikaro	Chairman of the Audit Committee	7/7
2. Mr. Manu Leopaiprote	Member of the Audit Committee	7/7
3. Mr. Mitthong Chulitawong	Member of the Audit Committee	5/7
4. Mr. Wutichai Anantakul	Member of the Audit Committee	5/5

8.2.2 Audit Committee Performance year 2023

The details in Report of the Audit Committee are as follows.

Report of the Audit Committee

Dear Shareholders

T.M.C. Industrial Public Company Limited

Audit Committee consists of 4 independent directors, who are qualified, knowledgeable, expert and have a variety of experiences including accounting, finance, legal, and industrial business management, also conform to the regulations of the Stock Exchange of Thailand and good practices of the Audit Committee and principles of good corporate governance for listed companies.

In 2023, the Audit Committee has held 7 meetings. The names of the Audit Committee attended the meetings as follows:

Name	Position	Meeting Attendance
1. Mr. Arthit Wuthikaro	Chairman of the Audit Committee	7/7
2. Mr. Manu Leoparote	Member of the Audit Committee	7/7
3. Mr. Mitthong Chulitawong	Member of the Audit Committee	5/7
4. Mr. Wutichai Anantakul	Member of the Audit Committee	5/5

Note: The Board of Directors Meeting on 22 April 2023 considered and passed a majority vote to approve the appointment of Mr. Wutthichai Anantakul, Company Director/Independent Director as member of Audit Committee

The Audit Committee performs its duties independently, objectively, and according to the scope of responsibilities specified in the Audit Committee Charter and as assigned by the Board of Directors. The policy emphasizes compliance with the principles of good corporate governance and aims to create clarity in administration with honesty, transparency, and responsibility as well as taking steps to ensure that the management carry out the Company's policy accurately, completely and with standards. There is a joint meeting between the Audit Committee, internal auditor, and certified public accountants to discuss and ask the auditors about the cooperation of the Company's operating department in auditing and its independence from management's guidance. The auditor explained that he received cooperation from the management in disclosing information completely, adequately, and independently in auditing the Company's financial statements.

The performance of the audit committee examining the key matters can be concluded as follows.

1. Financial statement review

The Audit Committee has reviewed important information, including quarterly financial statements, annual financial statements of the Company, Items that may have conflicts of interest,

important issues, and other important information and listen to clarification from the auditor to ensure that financial reports are accurate, complete, and reliable including the disclosure of notes in the financial statements adequately, beneficial to users of the financial statements. The Audit Committee conforms to financial reporting standards and related laws and has given approval to the financial statement report that the auditor has reviewed and audited and reported opinions unconditionally.

2. Review the related transactions or transaction with conflict of interest

The Audit Committee reviewed the related transaction or the transaction with conflict of interest to make them reasonable and to comply with laws and regulations prescribed by the Stock Exchange of Thailand and The Office of the Securities and Exchange Commission based on the benefits of all stakeholders.

3. Review the risk management

The Audit Committee reviewed its effectiveness and efficiency of risk management. The Company has appointed a Risk Management Committee and Secretary to the Risk Management Committee. The risk management working group monitors and prepares monthly risk monitoring reports (Key Risk Indicators). The company has a summary report on risks that have reached the warning level reported to the Audit Committee every month and every quarter.

4. Review the internal control system and internal audit

The Audit Committee has assessed the adequacy of the internal control system according to guidelines set by the Securities and Exchange Commission, including reviewing the results of the internal control assessment. The entire operating system and information technology systems that the internal auditor from Professional Internal Audit Service Company Limited has reported according to the audit plan and provided suggestions that were beneficial to the internal control system in order to continually take corrective action according to the internal audit report. The internal control system is adequate, appropriate, effective, and efficient consistent with the company's business operations.

5. Review of the Company's internal audit

The Audit Committee has oversight of internal audit work covers the scope of work, duties, and responsibilities together with independence in work, manpower, knowledge, skill development, and expertise of personnel in the internal audit department. The Audit Committee has reviewed and approved the annual internal audit plan, following up on the progress of the work of internal auditors from Professional International Audit Service Company Limited and the internal audit department on a quarterly basis.

6. Review the good governance

The Audit Committee places importance on managing work in accordance with the principles of good corporate governance, supervise the disclosure of information adequately, correctly, in a timely manner, and comply with business ethics with social responsibility and environment. Including promoting the company there is a good governance system, good management to be transparent and have ethics which be able to creates confidence among shareholders, investors, employees, and stakeholders. The Company has provided channels for complaints both internally and outside the Company to promote the prevention of corruption or corruption.

7. Compliance with laws and other regulations

The Audit Committee has reviewed the Company's business operations to be in accordance with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission Laws related to industry, environment, personal data protection and other laws both domestic laws and foreign laws related to the Company's business operations.

8. Consideration on appointing the accounting auditors and determining the annual remuneration for the accounting auditors

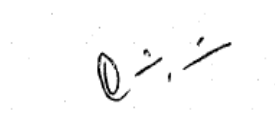
The audit committee think that SAM NAK-NGAN A.M.C. Co., Ltd. is an auditing firm specializing in professions and running business with independence in providing continuous auditing services since SAM NAK-NGAN A.M.C. Co., Ltd. has been corporate auditors for 6 years during 2017 – 2022. Therefore, the audit committee propose the company to appoint SAM NAK-NGAN A.M.C. Co., Ltd. to be the corporate auditor in 2023 with the remuneration of 1,030,000 Baht, excluding other allowance such as for travel and accommodation to perform audit in other provinces etc.

- | | |
|-----------------------------|-----------------------------|
| 1. Mr. Ampol Chamnongwat | C.P.A. License No. 4663, or |
| 2. Ms. Praphasri Leelasupha | C.P.A. License No. 4664, or |
| 3. Mr. Naris Saowalaksakul | C.P.A. License No. 5369, or |
| 4. Mr. Cherdsakul Onmongkol | C.P.A. License No. 7195, or |
| 5. Ms. Gunyanun Punyaviwat | C.P.A. License No. 12733 |

Mr. Naris Saowalaksakul C.P.A. License No. 5369 was the person who signs to review or inspect and express opinions on the Company's financial statements in 2023.

In summary, in 2023, the Audit Committee performs its duties as specified in the Audit Committee Charter and as assigned by the Board of Directors completely by adhering to the principles of fairness independent and take into account all stakeholders equally and had the opinion that the

Company has prepared accurate and reliable financial reports. Sufficient information is disclosed. The Audit Committee conforms to accounting standards and generally accepted financial reporting standards. There is compliance with laws, rules and regulations related to the Company's business operations. There is good corporate governance. There is risk management and adequate and appropriate internal controls. There is a good internal audit. There are independent auditors and internal auditors and have appropriate qualifications that help make the accounting audit and internal control system tight and effective.



(Mr. Arthit Wuthikaro)

Chairman of Audit Committee

8.3 Summary of Other Sub-Committee's Performance

Executive Committee Performance

In 2023, the Executive Committee has a meeting total 28 times and the Executive Directors are attended the meeting individual as follows;

Name	Position	Attendance (Times)
1. Mr. Thaweemit Kamolmongkolsuk	Chairman of Executive Committee	28/28
2. Mr. Nuttapong Panjaworayan	Member of Executive Committee	28/28
3. Mr. Panom Ratanarat	Member of Executive Committee	28/28
4. Mr. Warin Phadungsinth	Member of Executive Committee	28/28
5. Ms. Sopha Nachunhom	Member of Executive Committee	28/28
6. Mrs. Aroonroj Kamolmongkolsuk	Member of Executive Committee	18/18

Executive Committee Performance year 2023 as follows.

- 1) Responsible for overseeing and controlling the management of the Company to be in accordance with the policy set by the Board of Directors and report operating results to the Board of Directors' meeting.
- 2) Set strategies and business operations plans. and adjust the management structure to be able to conduct business and present it to the Board of Directors for consideration and approval and carry out the work according to the set goals.
- 3) Consider and approve financial transactions with banks/financial institutions for supporting normal business operations such as opening accounts, loan processing, procurement of credit lines, pledges, mortgages, guarantees, and others according to approval authority.
- 5) Carry out other matters as assigned by the Board of Directors.

9. Internal Control and Related Transactions

9.1 Internal Control

On the meeting of the Board of Directors No. 1/2024, dated on 22 February 2024, with the Audit Committees participated, the board reviewed internal audit sufficiency in T.M.C. Industrial Public Co., Ltd. by inquiring managing team and concluded that the Internal Audit of the company consists of 5 following elements:

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

The Board regards the internal audit system of the Company as sufficient, appropriate, and conformable to the internal audit assessment of The Securities and Exchange Committee. The company has prepared suitable numbers of personnel to efficiently perform the system and arranged monitoring and control activities system to prevent the use of the company's asset from wrongful or unauthorized act by its management members, any transaction with personally related party who may lead to conflict and other issues. Thus, the Board approved that the arrangement of 5 elements of audit control system of the company is adequate and effectively able to accomplish our objective.

Regarding Internal Audit, the company's policy indicates employing an outsource auditor to audit and evaluate internal control and submit the result to Audit Committee and the Board of Directors. The company has employed Professional Internal Audit Service Co., Ltd. from 2014 to present, the auditor of the said company recommended the improvement of internal audit for our higher efficiency. TMC has continuously followed the suggestions. In addition, TMC appointed an internal audit department to coordinate and collaborate with the independent (outsources) along with monitoring practice in accordance with the recommendation of auditor, after that, propose to Audit Committee.

Audit Committee approved the 2023 audit plan of Professional Internal Audit Service Co., Ltd., on the meeting of the Board of Director No. 4/2022, dated on 7 November 2022. In the annual internal audit for the year 2023 has performed according to the audit plan approved by the Audit Committee for all 6 projects and has presented the audit results to the Audit Committee by

reviewing the operation and evaluating the internal control system of important work systems. The auditor's overall evaluation shows that the result is of good level due to the company's essentially sufficient and appreciate control system setting. Anyhow, it's still needed to adjust the existing controls to the change of operating procedure. Consequently, the executives pay attention to and follow up with the responsible person in acting up to the auditor's entire recommendations. The improvement progress has already been presented to the Audit Committee.

The Company assigned Mr. Paiboon Rattanasattachai to hold the position acting head of the compliance unit to supervise the compliance of company's business rules. The qualification details of a position head of compliance unit as shown in [Attachment 3](#).

9.2 Related Transactions

Transaction between the company and the persons that may have conflict of interest in 2023 were summarized as follows:

Person that may have conflict of interest	Relation
1. TPI Polene Power Public Company Limited	1.1) Mr. Manu Leopaiprote is the Chairman of the Company's Board of Directors and a director of TPI Polene Power Public Company Limited.
2. Praram 3 All Software System Co., Ltd.	2.1) Mr. Panom Ratanarat is the Company's director and holds 99.996% shares of Praram 3 All Software System Co., Ltd 2.2) Ms. Sopha Nachunhom is the Company's executive director and holds 99.996% shares of Praram 3 All Software System Co., Ltd
3. Palmyra Being Co., Ltd.	3.1) The Company's subsidiary which has Mr. Nuttapong Panjawayan, Chief Executive Officer, and Mr. Panom Ratanarat, director, as directors
4. PlanetCloud Co., Ltd.	4.1) Mr. Panom Ratanarat is the Company's director and Planet Communications Asia Public Company Limited which holds 100% shares of PlanetCloud Co., Ltd.
5. Natural Power Energy Co., Ltd.	5.1) Mr. Boonlert lewporchai is the Company's director and Chief Executive Officer at Simat Technology Public Company Limited which holds 84% shares of Natural Power Energy Co., Ltd. 5.2) Mr. Wutthichai Anatakul is the Company's director and independent director / member of audit committee at Simat Technology Public Company Limited which holds 84% shares of Natural Power Energy Co., Ltd. 5.3) Mr. Panom Ratanarat is the Company's director and holds 4% shares of Naturak Power Energy Co., Ltd.

Nature of Related transactions

Party having Conflict of Interest	Description of Transaction	Value of Related Transaction (Baht)	Necessity and Reasonableness of the Related Transaction
1. TPI Polene Power Public Company Limited	<p><u>Income from sales:</u> The company has income from selling a set of 5-prong closed lotus petal clamps, size 1.9 m., a set of lotus petal clamps, size 1.9 m., and MECHANICAL JOYSTICK SPOOL ACTUATOR to TPI Polene Power Public Company Limited, which is the company's normal business and the price that the Company charges with TPI Polene Power Public Company Limited is the same price that the Company charges to general customers.</p> <p><u>Advance income</u></p> <p><u>Outstanding balance</u></p> <p><u>Trade accounts receivable</u></p>	<p>4,980,500.00</p> <p>2,082,000.00</p> <p>0.00</p>	The Audit Committee has the opinion that the said transaction is normal business. There is a policy to set fair prices and are normal trade conditions. Therefore, it is considered that the transaction is appropriate and reasonable.
2. Praram 3 All Software System Co., Ltd.	<p><u>Expenses for installing SAP programs:</u> The Company has expenses for installing SAP programs by hiring Rama 3 All Software System Company Limited. For expenses for installing SAP programs, the Company has recruited 3 companies to compare. It was found that Praram 3 All Software System Co., Ltd. proposed the cheapest price.</p> <p><u>Advance income</u></p> <p><u>Outstanding balance</u></p> <p><u>Trade accounts receivable</u></p>	<p>4,631,989.99</p> <p>0.00</p> <p>501,840.04</p>	The Audit Committee has reviewed and considered the said items and found that the price offered by Praram 3 All Software System Co., Ltd. is a price and normal commercial conditions. It is considered that the said transaction is appropriate and reasonable enough.
3. Palmyra Being Co., Ltd.	<p><u>Expenses for installing SAP programs:</u> The Company's subsidiary has hired Praram 3 All Software System Co., Ltd. to install SAP program which the expenses are on the Company and recorded as account receivable – Palmyra Being</p> <p><u>Outstanding balance</u></p> <p>Debtor – Palmyra Being</p> <p><u>Advance expenses</u></p>	<p>1,045,137.50</p> <p>0.00</p> <p>38,080.00</p>	The Audit Committee has reviewed and considered the said items and found that the price offered by Praram 3 All Software System Co., Ltd. is a price and normal commercial conditions. It is considered that the said transaction is appropriate and reasonable enough.

<p>4. PlanetCloud Co., Ltd.</p>	<p><u>4.1 Expenses on Installation of NETWORK and FIREWALL systems:</u> The Company has hired PlanetCloud Co., Ltd. to install NETWORK and FIREWALL systems. The Company has recruited 3 companies to compare. It was found that PlanetCloud Co., Ltd. proposed the cheapest price.</p> <p><u>Outstanding balance</u> Trade accounts payable</p> <p><u>4.2 Cost of printed stationery and UPS</u></p> <p><u>Outstanding balance</u> Trade accounts payable</p>	<p>1,064,532.20</p> <p>0.00</p> <p>6,750.00</p> <p>0.00</p>	<p>The Audit Committee has the opinion that the said transaction is normal business. There is a policy to set fair prices and are normal trade conditions. Therefore, it is considered that the transaction is appropriate and reasonable.</p>
<p>5. Natural Power Energy Co., Ltd.</p>	<p><u>Electricity expenses from the contract to purchase electricity from rooftop solar energy:</u> The Company has expenses for electricity from entering into a contract to purchase electricity from solar energy with Natural Power Energy Company Limited as an investor. The Company has recruited 3 companies to compare. It was found that Natural Power Energy Co., Ltd. produces electricity exactly as the Company's needs and saves electricity costs by 30%.</p> <p><u>Outstanding balance</u> Trade accounts payable</p>	<p>114,828.69</p> <p>64,432.52</p>	<p>The Audit Committee has reviewed and considered the said items and has the opinion that the price offered by Natural Power Energy Co., Ltd. is a spec for electricity production and Electricity prices and normal commercial conditions. It is considered that the said transaction is appropriate and reasonable enough.</p>

**Statement of Financial Position and Income Statement
for fiscal year ended 31 December 2023**

AUDITOR'S REPORT

To the Shareholders of T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and the separate financial statements of T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED and its subsidiary companies (“The Group”) and also of T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED only (“The Company”) respectively, which comprise the consolidated and separate statements of financial positions as at December 31, 2023, and the related consolidated and separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory notes.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED and its subsidiary companies and also of T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED only respectively, as at December 31, 2023, and of their consolidated and separate 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 and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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

1. Revenue recognition

Revenue from sales and services are the Group's significant accounts because the amounts of revenue recorded would directly affect the Group's profit or loss for the year. There are therefore risks with respect to the amount and timing of revenue recognition. For this reason, I have paid particular attention to the Group's revenue recognition in order to ensure that the revenues are recorded correctly and in accordance with the relevant financial reporting standards, Accounting policies and detail of revenues are disclosed in Notes 5.12 and 28 to the financial statements, respectively.

How my audit addressed the key audit matter

I have examined the Group's revenue recognition by evaluating the effectiveness of the Group's internal controls with respect to revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. On a sampling basis, I also examined supporting documents for revenue transactions occurring during the year and near the end of the accounting period. I reviewed credit notes issued by the Group to its customers after the period-end. In addition, gained an understanding of process to assess the percentage of completion for projects construction, checked appropriate of estimates of project costs to the project budgets, examined actual costs against supporting documents and revenue recognition and including performed analytical review procedures on the revenues account to identify possible irregularities in revenue transactions throughout the period, particularly for accounting entries made through journal vouchers.

2. Inventories

The Group shall report the value of the inventory at the lower of cost or net realizable value. The estimation of the net realizable value of inventory is an area requiring management to exercise judgment for policies on allowance for diminution in value of slow-moving and obsolete inventory. This requires detailed analysis of the aging of inventories, competitive environment, economic circumstances and the situation within the industry. The estimation of net realizable value of inventory thus affects both the allowance of inventory expense recorded in profit and loss and the balance of inventories presented at period-end, this is focus area in my audit. The accounting policies and details of allowance for diminution in value of inventory were disclosed in Notes 5.4 and 9 to the financial statements, respectively.

How my audit addressed the key audit matter

I assessed the method, the assumptions and gaining an understanding of the basis applied by management in determining of the policies on determining allowance for diminution in value of inventories on a basis of aging and reviewing the consistency of the application of that basis. I reviewed the preparation of the inventories aging report and tested the calculation of allowance for diminution in value of inventories in accordance with these policies. Apart from this, my procedures included testing the calculation of the measurement of net realizable value of inventories by reviewed the preparation of the comparison report between net realizable value of inventory and the cost of inventory and examined supporting documents on a sampling basis for actual sales transactions occurring after the period-end.

Other information

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

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company 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's and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that 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 consolidated and separate financial statements of the current period and are therefore

the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is

SAM NAK-NGAN A.M.C. CO., LTD.

(Mr. Naris Saowalagsakul)

Certified Public Accountant Registration No. 5369

Bangkok,

February 22, 2024

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at December 31, 2023

(Unit : Baht)

	Notes	Consolidated	Separate	
		Financial Statements	Financial Statements	
		2023	2023	2022
Assets				
Current assets				
Cash and cash equivalent items	7	86,731,247.26	78,143,988.56	101,549,535.72
Trade and other receivables	6.1 and 8	61,408,894.29	61,368,711.47	48,622,541.56
Inventories	9	81,119,241.57	81,119,241.57	117,907,729.08
Other current financial assets	10	300,000,000.00	300,000,000.00	300,000,000.00
Other current assets		668,312.64	129,360.27	785,993.93
Total current assets		529,927,695.76	520,761,301.87	568,865,800.29
Non-current assets				
Other non-current financial assets	11	37,318,843.21	37,318,843.21	18,364,397.36
Investments in subsidiaries	12	-	14,999,997.50	-
Property, plant and equipment	14	140,609,140.96	133,712,303.43	141,414,834.64
Right of use assets	15	12,720,593.28	629,586.93	738,503.34
Intangible assets	16	7,519,139.67	6,363,126.42	325,060.66
Other non-current assets		7,742,932.46	7,742,932.46	4,824,897.58
Total non-current assets		205,910,649.58	200,766,789.95	165,667,693.58
Total assets		735,838,345.34	721,528,091.82	734,533,493.87

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at December 31, 2023

(Unit : Baht)

	Notes	Consolidated	Separate	
		Financial Statements	Financial Statements	
		2023	2023	2022
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	6.1 and 17	57,335,100.36	54,662,485.53	93,483,935.17
Current portion of lease liabilities	18	1,802,551.05	221,232.34	370,945.84
Provision	19	4,942,872.72	4,942,872.72	6,031,501.71
Current income tax payable		1,638,454.05	1,638,454.05	-
Other current liabilities		1,648,796.14	1,590,810.64	745,696.71
Total current liabilities		67,367,774.32	63,055,855.28	100,632,079.43
Non-current liabilities				
Lease liabilities	18	10,999,703.69	408,354.59	-
Employee benefit obligations	20	40,257,711.62	40,257,711.62	38,552,397.29
Other non-current liabilities		186,915.89	186,915.89	186,915.89
Total non-current liabilities		51,444,331.20	40,852,982.10	38,739,313.18
Total liabilities		118,812,105.52	103,908,837.38	139,371,392.61
Shareholders' equity				
Share capital				
Authorized share capital	21			
543,750,000 ordinary shares @ Baht 1.00 each		-	-	543,750,000.00
611,698,296 ordinary shares @ Baht 1.00 each		611,698,296.00	611,698,296.00	
Issued and paid-up share capital				
458,773,722 ordinary shares @ Baht 1.00 each		458,773,722.00	458,773,722.00	458,773,722.00
Premiums on ordinary shares		1.59	1.59	1.59
Warrants	22	7,128,730.89	7,128,730.89	-
Retained earnings				
Appropriated-Legal reserve	23	7,585,839.79	7,585,839.79	6,819,418.68
Unappropriated		143,537,945.55	144,130,960.17	129,568,958.99
Total shareholders' equity		617,026,239.82	617,619,254.44	595,162,101.26
Total liabilities and shareholders' equity		735,838,345.34	721,528,091.82	734,533,493.87

.....Director

(Mr.Warin Phadungsinth)

.....Director

(Mr.Thaweemit Kamolmongkolsuk)

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2023

(Unit : Baht)

		Consolidated	Separate	
		Financial Statements	Financial Statements	
	Notes	2023	2023	2022
Revenue from sales and service		326,610,930.98	326,610,930.98	334,743,652.65
Cost of sales and service	9	(266,146,677.83)	(266,146,677.83)	(261,824,740.94)
Gross profit		60,464,253.15	60,464,253.15	72,918,911.71
Other income		11,495,448.82	11,453,898.33	29,343,932.12
Profit from sales of assets	13	1,061,975.29	1,061,975.29	171,440,166.44
Reversal allowance for impairment loss on assests	13	-	-	66,793,867.69
Selling expenses		(14,567,909.81)	(14,407,173.34)	(14,404,723.87)
Administrative expenses		(40,805,342.46)	(40,545,046.90)	(42,300,900.85)
Profit from operating activities		17,648,424.99	18,027,906.53	283,791,253.24
Finance cost		(216,917.55)	(3,384.47)	(10,651,606.75)
Profit before income tax		17,431,507.44	18,024,522.06	273,139,646.49
Income tax expense	26	(2,696,099.77)	(2,696,099.77)	(6,500,000.00)
Profit for the year		14,735,407.67	15,328,422.29	266,639,646.49
Other comprehensive income		-	-	-
Total comprehensive income for the year		14,735,407.67	15,328,422.29	266,639,646.49
Basic earnings per share	27	0.032	0.033	0.581
Diluted earnings per share	27	0.030	0.031	0.581

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended December 31, 2023

	Notes	Issued and paid-up share capital	Premiums on ordinary shares	Warrants	Retained earnings (deficit)		Total shareholders' equity
					Appropriated	Unappropriated	
					Legal reserve		
Balance as at January 1, 2023 (previously reported)		458,773,722.00	1.59	-	6,918,282.28	129,470,095.39	595,162,101.26
The affect of correction of errors	4.1				(98,863.60)	98,863.60	-
Balance as of January 1, 2023 (restated)		458,773,722.00	1.59	-	6,819,418.68	129,568,958.99	595,162,101.26
Profit for the year		-	-	-	-	14,735,407.67	14,735,407.67
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	14,735,407.67	14,735,407.67
Cash received from issue stock warrants		-	-	7,128,730.89	-	-	7,128,730.89
Legal reserve	23	-	-	-	766,421.11	(766,421.11)	-
Balance as at December 31, 2023		458,773,722.00	1.59	7,128,730.89	7,585,839.79	143,537,945.55	617,026,239.82

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended December 31, 2023

	Notes	Issued and paid-up share capital	Premiums on ordinary shares	Warrants	Retained earnings		Total shareholders' equity
					Appropriated	Unappropriated	
Balance as at January 1, 2022		458,773,722.00	1.59	-	-	(130,251,268.82)	328,522,454.77
Profit for the year		-	-	-	-	266,639,646.49	266,639,646.49
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	266,639,646.49	266,639,646.49
Legal reserve	23	-	-	-	6,918,282.28	(6,918,282.28)	
Balance as at December 31, 2022 (previously reported)		458,773,722.00	1.59	-	6,918,282.28	129,470,095.39	595,162,101.26
The affect of correction of errors	4.1	-	-	-	(98,863.60)	98,863.60	-
Balance as of January 1, 2023 (restated)		458,773,722.00	1.59	-	6,819,418.68	129,568,958.99	595,162,101.26
Profit for the year		-	-	-	-	15,328,422.29	15,328,422.29
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	15,328,422.29	15,328,422.29
Cash received from issue stock warrants		-	-	7,128,730.89	-	-	7,128,730.89
Legal reserve	23	-	-	-	766,421.11	(766,421.11)	-
Balance as at December 31, 2023		458,773,722.00	1.59	7,128,730.89	7,585,839.79	144,130,960.17	617,619,254.44

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOW

For the year ended December 31, 2023

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	2023	2023	2022
Cash flow from operating activities			
Profit for the year	14,735,407.67	15,328,422.29	266,639,646.49
Adjustments to reconcile profit for cash received (payment) from operations			
Expected credit loss	508,337.04	508,337.04	47,981.15
Reversal for decline in value of inventories	(2,345,923.09)	(2,345,923.09)	(10,463,308.56)
Reversal of allowance for impairment loss on assests	-	-	(66,793,867.69)
Loss from change of fair value of other non-current financial assets	1,045,554.15	1,045,554.15	1,633,602.64
Depreciation - investment property	-	-	8,655,056.46
Depreciation - property, plant and equipment	10,292,335.74	10,235,538.68	12,253,301.70
Depreciation - right of use assets	358,122.25	358,122.25	555,834.08
Amortized intangible assets	152,675.68	151,006.43	281,810.50
Gain from disposal and written-off assets	(1,061,975.29)	(1,061,975.29)	(171,440,166.44)
Increase (decrease) in provision	2,432,060.61	2,432,060.61	(532,074.34)
(Gain) loss from unrealized exchange rate	332,655.62	332,655.62	(18,082.55)
Employee benefits expenses	2,839,158.00	2,839,158.00	2,779,389.24
Interest received	(5,449,719.66)	(5,408,171.67)	(32,583.49)
Interest expenses from lease liabilities	216,330.36	2,797.28	24,181.69
Interest expenses	587.19	587.19	10,627,425.06
Income tax expense	2,696,099.77	2,696,099.77	6,500,000.00
Profit from operation before changes in operating assets and liabilities	26,751,706.04	27,114,269.26	60,718,145.94
Changes in operating assets and liabilities			
Trade and other receivables	(13,026,396.99)	(12,986,214.17)	(10,533,019.33)
Inventories	39,134,410.60	39,134,410.60	(4,814,059.92)
Other current assets	118,096.77	656,633.66	(495,275.63)
Other non-current assets	3,210.00	3,210.00	(110,000.00)
Other non-current financial assets	(20,000,000.00)	(20,000,000.00)	-
Trade and other payables	(36,286,133.86)	(38,958,748.69)	8,875,169.75
Provision	(3,520,689.60)	(3,520,689.60)	(3,502,572.88)
Other current liabilities	903,099.43	845,113.93	(1,365,044.86)
Employee benefits obligations	(1,133,843.67)	(1,133,843.67)	(2,322,048.14)
Cash received (paid) from operating activities	(7,056,541.28)	(8,845,858.68)	46,451,294.93
Cash payment in interest expenses	(587.19)	(587.19)	(10,745,050.81)
Cash received from income tax	2,073,127.93	2,073,127.93	2,021,068.25
Cash payment in income tax	(6,052,434.01)	(6,052,018.53)	(9,035,772.72)
Net cash received from (used in) operating activities	(11,036,434.55)	(12,825,336.47)	28,691,539.65

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOW

For the year ended December 31, 2023

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	2023	2023	2022
Cash flow from investing activities			
Cash received from interest	4,989,837.28	4,948,289.29	32,583.49
Cash paid for purchase plant and equipment	(8,586,664.52)	(2,130,683.37)	(225,477.20)
Cash paid for purchase intangible assets	(7,346,754.69)	(6,189,072.19)	(182,900.00)
Cash paid for investment in subsidiaries	-	(14,999,997.50)	-
Cash received from sales of equipment	1,064,710.28	1,064,710.28	9,059,629.58
Cash received from sales of investment property	-	-	605,948,267.04
Cash paid for purchase right of use	(629,525.06)	-	-
Intersease in other current financial assets	-	-	(300,000,000.00)
Net cash received from (used in) investing activities	(10,508,396.71)	(17,306,753.49)	314,632,102.91
Cash flow from financing activities			
Decrease in short-term loan from financial institutions	-	-	(147,465,646.93)
Cash received for short-term loan from other person	-	-	5,000,000.00
Cash paid for short-term loan from other person	-	-	(63,000,000.00)
Cash paid for long-term loans from financial institutions	-	-	(39,000,000.00)
Cash paid for liabilities under finance lease agreement	(373,743.12)	(373,743.12)	(572,223.12)
Cash received from issue stock warrants	7,128,730.89	7,128,730.89	-
Net cash received from (used in) financing activities	6,754,987.77	6,754,987.77	(245,037,870.05)
Effects of exchange rate on cash and cash equivalents	(28,444.97)	(28,444.97)	56,116.70
Cash and cash equivalent items increase (decrease)-net	(14,818,288.46)	(23,405,547.16)	98,341,889.21
Cash and cash equivalent items at the beginning of the year	101,549,535.72	101,549,535.72	3,207,646.51
Cash and cash equivalent items at the end of the year	86,731,247.26	78,143,988.56	101,549,535.72

Additional disclosure

Significant non-cash items in the financial statements are as follows :-

- Purchases of property, plant and equipment which had not yet been paid	24,678.00	24,678.00	57,164.96
- Transfer of investment property to property, plant and equipment	-	-	1,279,192.03
- Transfer right of use assets to property, plant and equipment	380,381.09	380,381.09	-
- Transfer of depreciation right of use to construction cost	497,653.44	-	-
- Acquisition of rights of assets under lease agreements	11,959,134.73	-	-
- Right of use increased from changes in lease liabilities	629,586.93	629,586.93	-

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

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

1. General information

T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED is a public company incorporated and domiciled in Thailand. The Company listed with the Stock Exchange of Thailand. The registered office is located at 125/10, Moo 5 Ban Saun Subdistrict, Muang Chonburi, Chonburi.

The major shareholder of the Company is Mr. Nuttapong Panjaworayan, which holds 15.00% of the Company's capital.

The principal activities of the Company and subsidiary (collectively called the "the Group") engaged in the manufacture distribution of hydraulic machinery and handling equipment and the provision of machine repair and maintenance and metal machining services and investing in other companies and regenerative medicine and health care business.

2. Basis of financial statements preparation

2.1 The financial statements are issued for reporting purposes to be used in Thailand are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

2.2 The financial statements were prepared in accordance with the generally accepted accounting principles under the Accounting Act B.E. 2543, which include the already announced accounting standards, financial reporting standards and their interpretation including accounting guidance issued by the Federation of Accounting Professionals ("TFAC") established under the Accounting Professions Act B.E. 2547 and regulations in accordance with the determination of the Office of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.

The presentation of financial statements is in accordance with the determination stated in the Notification of the Department of Business Development dated December 26, 2019, issued under the Accounting Act, B.E. 2543.

These financial statements were prepared by using historical cost basis except those disclosed otherwise in the accounting policies.

2.3 Preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are resulted from experience and other factors that the management has reasonably assurance under such circumstance. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected the significant estimates and assumptions are as follows:-

Right-of-use assets and lease liabilities

In estimating the right-of-use assets and lease liabilities, the management needs to make judgement and estimated of the purchase option or renewal option exercised including review estimate useful lives and residual values of underlying asset if any change occurs.

In addition, the management is required to review right-of-use assets for impairment on a periodical basis and record impairment losses in period when it is determined that their recoverable amount is lower then the carrying amount. This requires judgments regarding forecast of future revenues and expanses relating to the assets subject to the review.

Lease

Lease-where the Company is the lessor, in determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding significant risk and rewards of ownership of the leased assets have been transferred, taking into consideration terms and conditions of the arrangements.

Expected credit loss

In determining the expected credit loss, the management needs to use judgment in estimating the expected loss and forecasts for the future about economic factors affecting credit risk of financial assets.

Reduction of inventories to become net realizable value

In estimating the reduction of inventories to become net realizable value, the management uses the discretion in estimating the net realizable value of inventories. The sum of money expected to receive from inventories is considered from the change in selling price or cost directly related to the events occurring after of report period.

Investment property, property, plant and equipment and depreciation

In determining depreciation of investment property, property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment property, property, plant and equipment and to review estimate useful lives and residual values if any change occurs.

In addition, the management is required to review investment property, property, plant and equipment for impairment on a periodical basis and record impairment losses in the period 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.

Estimate on employee benefit obligations

The obligation under the post-employment benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate and staff turnover rate.

Provision for product warranty

In determining provision for product warranty, the management needs to exercise judgement to estimate expenses, with reference to past experience.

Litigation

Contingent liabilities as a result of the litigation, The management has used judgement to assess of the results of the litigation and estimated contingent damage.

3. Basis of consolidation

- a) These consolidated financial statements include the financial statements of T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED and its subsidiary, with the current period the Company established a new subsidiary (as described in Note 12). Therefore this is the first time of preparing the consolidated financial statements which the subsidiary's operations are included the performance of subsidiary in these consolidated financial statements from June 7, 2023 to December 31, 2023.

<u>Company's name</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u>	
			<u>2023</u>	<u>2022</u>
PALMYRA BEING CO., LTD.	Investment in other companies and regenerative medicine and health care business.	Thailand	99.99	-

- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is 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 subsidiary is prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

4. The effect of correction of errors and reclassified

- 4.1 The Company has corrected an error from over recording of legal reserve in the financial statements for the year ended December 31, 2022. The Company corrected an error by restated the financial statement to recognize the legal reserve according to the minutes of the Annual General of Shareholders' Meeting 2023 held on April 22, 2023. The details are as follow :-

	(Unit : Baht)		
	<u>Before</u>	<u>Adjusted</u>	<u>After</u>
	<u>Adjusted</u>	<u>increase (decrease)</u>	<u>Adjusted</u>
<u>Statements of financial position as at December 31, 2022</u>			
Retained earnings-appropriated-legal reserve	6,918,282.28	(98,863.60)	6,819,418.68
Retained earnings-unappropriated	129,470,095.39	98,863.60	129,569,958.99

- 4.2 The Company has reclassified some items in the statements of comprehensive income for the year ended 2022 to accuracy of financial information presentation. The details are as follows:

	(Unit : Baht)		
	<u>Before</u>	<u>Reclassified</u>	<u>After</u>
	<u>Adjusted</u>	<u>increase (decrease)</u>	<u>Adjusted</u>
<u>Statements of comprehensive income for the year ended December 31, 2022</u>			
Administrative expenses	48,800,900.85	(6,500,000.00)	42,300,900.85
Income tax expense	-	6,500,000.00	6,500,000.00

5. Summary of significant accounting policies

5.1 Cash and cash equivalent

Cash and cash equivalent items includes cash, savings account deposits, current account deposits and not exceeding 3 months fixed deposits and all highly liquid investments with an original maturity of three months or less from the date of acquisition and not subject to withdrawal restrictions.

5.2 Trade and other receivables

Trade and other receivables are stated at the net realisable value and recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value of the consideration. However, the consideration of the impairment of trade and other receivables has shown in Note 5.3.

5.3 Financial instruments

Classification and measurement of financial assets

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.

Financial assets - debt securities 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 - equity investments, , the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVTPL.

Financial assets at amortised cost.

Financial assets at amortised cost are subsequently measured at amortised cost 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

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets at FVTPL

Financial assets measured at FVTPL are subsequently measured at fair value with net changes in fair value recognised in profit or loss.

Dividends on 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 Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

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

For trade and other receivables, the Group applies a simplified approach in calculating an allowance for expected credit losses ("ECLs"). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative

Derivative classifies and measured at fair value through profit and loss unless hedge accounting is applied to the derivative contracts.

5.4 Inventory

Inventory are valued at the lower of cost and net realisable value. Cost determined by the moving average method. The costs of inventories comprise of the purchase price, conversion cost and other costs directly attributed to the acquisition of goods. In the case of finished goods, semi-finished goods and work-in-progress, cost includes direct labor, other direct costs and related production overheads, the latter being allocated on the basis of normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Allowance for diminution in value of inventories or slow-moving are recorded by considering obsolete inventories and slow moving inventories.

5.5 Investment property

Investment property is defined as land or a building or part of a building, or both, held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods and services, for administrative purposes, or for making sales in the ordinary course of business.

Investment property of the Company are measured initially at cost. Subsequent to initial recognition, investment property are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

The depreciation of the investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful life as follows :-

- | | |
|---------------------|----------|
| - Factory buildings | 20 Years |
|---------------------|----------|

The depreciation of the investment properties is included in the calculation for the operating result. No depreciation is calculated for investment properties in case of land and construction in progress.

The Group recognizes the difference between the assets' net realizable value and book value in the profit or loss for the period the investment properties are derecognized from the account.

Transfers investment property to property and plant or transfers property and plant to investment property are stated at carrying amount of the property transferred at the date of the change in use and measured in accordance with accounting policy of property and plant and investment property.

5.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Subsequent costs, the cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. The estimated useful lives are as follows:

- Building and improvements	20 years
- Machinery and equipment	5-15 years
- Furniture and office equipment	4-5 years
- Vehicles	5 years

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

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income or other expense in profit or loss.

Transferred from owner-occupied property to investment property is stated at carrying amount of the property transferred at the date of the change in use.

5.7 Intangible assets

Intangible assets are shown at cost less by accumulated amortized expense and allowance for impairment (if any) of that asset. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives are as follows :-

- Computer software	5-10 years
---------------------	------------

5.8 Leases

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

The Group is the lessee

The Group applies a single accounting method for the recognition and measurement of all lease contracts. Except for short-term leases and leases where the underlying asset is of low value at the commencement date of the lease. Right-of-use assets representing the right to use the underlying asset and lease liabilities are recorded as lease payments.

Right-of-use assets

Right-of-use assets are measured at cost less accumulated depreciation. Accumulated impairment loss and adjusted with a new measurement of the lease liability. The cost of a right-of-use asset comprises the amount of the lease liability on initial recognition. Initial direct costs incurred The amount paid under the lease agreement on or before the effective date of the lease and deducted by the lease incentive received.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the lease period, as follows:-

Land	3 years
Building	1-6 years
Vehicles	5 years

If ownership of an underlying asset is transferred to the Company at the end of the lease term or its cost includes the exercise of a purchase option. Depreciation is calculated based on the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments made over the lease term. The lease payments consist of fixed rent less lease incentives, variable rent based on index or rate, the amount expected to be paid under the residual value guarantee including the exercise price of the option, which is reasonably certain that the Group will exercise the option and payment of fines for the termination of the lease if the terms of a lease demonstrate that the Group exercises its right to terminate the lease. The Group recognizes variable rents that are not independent of an index or rate as an expense in the period in which the event or condition relating to the payment occurs.

The Group discounts the present value of the lease payments at the interest rate implied by the lease or the Group's incremental borrowing rate. After the effective date of the lease agreement, the book value of the lease liabilities will increase from the interest on the lease liabilities and decrease from the payment of the lease liabilities. In addition, the carrying amount of the lease liabilities is remeasured whenever there is a change in the lease term, changes in lease payments, or changes in the assessment of options to purchase the underlying assets.

Short-term leases and leases of low-value assets

Leases with a lease term of 12 months or less from the effective date of the lease or leases on which the underlying asset is low value, it will be recorded as expenses on a straight-line basis over the lease term.

The is the lessor

Operating lease

Leases which do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases. The Group recognizes the amount received under operating leases as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred on an acquisition of an operating lease are included in the carrying amount of the underlying asset and recognized as an expense over the lease term on a basis consistent with the lease income.

Finance lease

Leases that transfer to the lessee all or most of the risks and rewards of ownership of an underlying asset are finance leases. The Company recognizes finance lease receivables by the net investment amount of the lease. It comprises the present value of the lease and its unguaranteed residual value, discounted at the interest rate implied by the lease. Interest income on finance leases is allocated each accounting period to reflect the Group's fixed periodic rate of return on the remaining net investment in the lease.

5.9 Impairment – non financial assets

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in. An impairment loss is recognized when the recoverable amount less than the carrying amount of the asset or its cash generating unit.

Other intangible assets with indefinite useful lives, and intangible assets not yet available for use, are tested for impairment annually, even though there is no indicator of impairment are identified.

The recoverable amount is the asset's fair value less costs to sell and its value in use in assessing the value in use of assets. The Group estimates the future cash flows expected to be generated by the asset and is discounted to their present value using a before tax discount rate that reflects current market assessments of the time value of cash and cash flows. The risks that are characteristic of the asset under consideration to determine fair value less costs to sell. The Group uses the best valuation model that is appropriate for the assets. It reflects the amount that the entity can obtain from the disposal of the asset less the cost of disposal by selling, buyers and sellers are knowledgeable and willing to exchange and can freely negotiate prices as those who are not related to each other.

The Group recognizes impairment losses in profit or loss.

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

5.10 Employee benefits

Short-term employee benefits

The Group recognize salaries, wages, bonuses and contributions to Social Security Fund as expense when incurred.

Post-employment benefits (Defined contribution plans)

The Group and 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 recognized as expenses when incurred.

Post-employment benefits (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 treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plans is determined by a professionally qualified actuary based on actuarial techniques, using the projected unit credit method on a regular basis. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in other comprehensive income in the period in which they arise.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment.

5.11 Estimation of liabilities

The Group are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

5.12 Incomes recognition are as follows :-

Revenue are recognized when customer control of the goods and services in an amount that reflects the consideration to which the entity expects to be entitled excludes value added taxes and present net off trade discounts with the following policies:-

- 5.12.1 Revenue from sales and services are recognized at the point in time when control of the goods and services are transferred to the customer, generally on delivery of the goods and services.
- 5.12.2 Revenue from rendering of project construction service is recognized over time when services have been rendered considering the progress of completion by input methods by reference to comparison of actual costs incurred up to the end of the period and total anticipated cost to be incurred to completion. The recognized revenue that is not yet due per the contract has been presented under the caption of “Contractual assets” in the statement of financial position, while revenue received before it is earned or before service is rendered is presented as “Contractual liabilities” in the statement of financial position. When the progress of completion cannot be estimated reliably, revenue from rendering of project construction service is recognized only to the extent of contract costs incurred that are likely to be recoverable.
- 5.12.3 Interest income is recognized on an accrual basis with using the effective interest method.
- 5.12.4 Other income are recognized on an accrual basis.

5.13 Expenses recognition are as follows :-

- 5.13.1 The cost of project construction service related to satisfying performance obligations under the contracts is recognized in the profit and loss when the cost incurred and when it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in profit and loss immediately.
- 5.13.2 Finance costs such as interest expenses and similar costs are charged to profit or loss for the period in which they are incurred with using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.
- 5.13.3 Other expenses are recognized by accrual basis.

5.14 Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

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 tax is provided on temporary differences between the tax bases on assets and liabilities and their carrying amounts at the end of each reporting period by using the tax rates enacted at the end of the reporting period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognize 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 utilized.

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 utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5.15 Basic earning per shares

Basic earnings per share are calculated by dividing the profit for the year attributable to equity holders (excluding other comprehensive income) by the weighted average number of common shares outstanding during the year.

Diluted earnings per share are calculated by net income for the years attributable to ordinary shareholders of the Company, by the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares.

5.16 Foreign currencies

Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities in foreign currency outstanding on the reporting date are translated into Baht at the rates ruling on that date. Exchange gains and losses are included as incomes or expenses in profit or loss.

5.17 The related persons or related companies

The related parties with the Group meant individuals or enterprises which have the controlling power over the Group or are controlled by the Company either directly or indirectly, or under the same control with the Company. Furthermore, the related parties are also meant the associated companies and the parties whose holding the shares with voting rights, either directly or indirectly and have significant influence to the Group, important management, directors or the employees of the Company who have the power to plan and control the operations of the Group including the family members close to the said persons which could persuade or have power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.

5.18 Segment reporting

The sectoral business operation is disclosed under the separate business sectors of the Group, by the business sector that acquires products or provides services which have different risks and return from the risks and return of the products or services provide by other business sectors.

5.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply 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 measure fair value using valuation technique that are appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into three levels based on categorize of input to be used in fair value measurement as follows:-

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

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

6. Related person and parties transactions

The Group incurred business transactions with related parties, which have the same group of shareholders or mutual directors. Such transactions are based on commercial terms and according to criteria agreed between the Company and those companies which are in ordinary course of business. The transactions are summarized as follows: -

6.1 Inter-assets and liabilities

(Unit : Baht)

<u>Type of items/company name</u>	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Prepaid expense			
Praram 3 All Sofeware System Company Limited	539,920.04	501,840.04	-
Trade payable			
Natural Power Energy Company Limited	64,432.52	64,432.52	-
Contractual liability			
TPI Polene Power Public Company Limited	2,082,000.00	2,082,000.00	-

6.2 Inter-revenues and expenses

(Unit : Baht)

Type of items/company name	Transfer pricing policy	Consolidated	Separate		
		financial statements	financial statements		
		For the year ended December 31,			
		2023	2023	2022	
Revenue from sales and service					
TPI Polene Power Public Company Limited	Market prices	4,980,500.00	4,980,500.00	1,075,000.00	
Kang Yong Electric Public Company Limited	Market prices	-	-	158,000.00	
		4,980,500.00	4,980,500.00	1,233,000.00	
Other revenue-Revenue from compensation for damages					
Related Person	Actual damages	5,866,746.20	5,866,746.20	-	
Value of purchase intangible assets					
Praram 3 All Sofeware System Company Limited	Market prices	5,677,127.49	4,631,989.99	-	
Plannet Clound Company Limited	Contract prices	1,064,532.20	1,064,532.20	-	
		6,741,659.69	5,696,522.19	-	

(Unit : Baht)

Type of items/company name	Transfer pricing policy	Consolidated	Separate	
		<u>financial statements</u>	<u>financial statements</u>	
		<u>For the year ended December 31,</u>		
		<u>2023</u>	<u>2023</u>	<u>2022</u>
Other Expense				
Plannet Cloud Company Limited	Market prices	6,750.00	6,750.00	-
Electricity expense				
Natural Power Energy Company Limited	Contract prices	114,828.69	114,828.69	-
Revenue from compensation for damages				

The whole amount is represents compensation for damages incurred as a result of incorrect approval of the corporate income tax for the year 2020-2021 by former director which has made a compromise agreement with the Company on September 13, 2023. The former director compensate the damages by payment the post-dated cheque to the Company which is in accordance with the resolution of the Board of Director's Meeting No.7/2023 held on September 12, 2023. Subsequently, the Company has received the compensation for the damages incurred.

6.3 Obligation

The Company has obligations arising from a contract to purchase electricity from a solar power system installed on the roof with a related company. The contract duration is 15 years commencing from the date of electricity delivery to the commercial system. The electricity seller has installed and started supplying electricity since November 6, 2023. The contract stipulates that electricity seller company has obligation to invest, installs, manages, and maintains the electricity system installed on the roof of the Company's factory. The ownership of the solar energy system belong to the electricity seller throughout the duration of the contract, when the contract expires the ownership of the solar energy system will be transferred to the Company. The seller must continue to sell the electricity from the aforementioned system throughout the contract period, in an amount not less than the guaranteed units. The buyer must purchase all the electricity produced from the electricity system and pay for the electricity fee at the electricity rate of Electricity Authority less discount rates as stipulated in the contract. In case the electricity seller is unable to generate electricity according to the guaranteed electricity units in each year, the electricity seller must compensate the Company for the shortfall at the electricity rate specified in the contract.

6.4 Directors and management's benefits

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>For the year ended December 31,</u>		
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	14,686,740.00	14,686,740.00	13,211,896.00
Post-employment benefits	376,686.54	376,686.54	362,036.43
Total	15,063,426.54	15,063,426.54	13,573,932.43

6.5 The relationship

<u>Company's name</u>	<u>Relationship</u>
PALMYRA BEING COMPANY LIMITED	Subsidiary company
KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED	Common director
KANG YONG ELECTRIC PUBLIC COMPANY LIMITED	Common director
TPI POLENE POWER PUBLIC COMPANY LIMITED	Common director
PRARAM 3 ALL SOFEWARE SYSTEM COMPANY LIMITED	Common director
PLANNET CLOUD COMPANY LIMITED	Common director
NATURAL POWER ENERGY COMPANY LIMITED	Common director
RELATED PERSON	Former director

7. Cash and cash equivalent items

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Cash on hand	307,704.00	307,704.00	310,689.00
Cheque on hand	44,211.00	44,211.00	26,750.00
Bank deposit	86,379,332.26	77,792,073.56	101,212,096.72
Total	86,731,247.26	78,143,988.56	101,549,535.72

8. Trade and other receivables

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Trade receivables-other parties	40,996,644.20	40,996,644.20	30,010,337.22
<u>Less</u> Allowance for expected credit losses	(3,986,101.96)	(3,986,101.96)	(3,477,764.92)
Net	37,010,542.24	37,010,542.24	26,532,572.30
Contractual assets	17,862,533.06	17,862,533.06	14,913,227.89
Total trade receivables-net	54,873,075.30	54,873,075.30	41,445,800.19
Other receivables-other parties	218,438.00	218,438.00	2,306,604.02
Accrued interest	459,882.38	459,882.38	-
Advance payment for inventories	4,187,000.00	4,187,000.00	4,787,663.04
Prepaid expenses-related party	539,920.04	501,840.04	-
Prepaid expenses-other parties	1,718,126.57	1,716,023.75	624,766.31
Advance Payment	98,452.00	98,452.00	143,708.00
Total other receivables	7,221,818.99	7,181,636.17	7,862,741.37
<u>Less</u> Allowance for expected credit losses	(686,000.00)	(686,000.00)	(686,000.00)
Total other receivables-net	6,535,818.99	6,495,636.17	7,176,741.37
Total trade and other receivables	61,408,894.29	61,368,711.47	48,622,541.56

Aging analyzes for trade receivables are as follows :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Trade receivables-other parties			
Not yet due	16,764,218.25	16,764,218.25	12,329,376.00
Overdue not over 3 months	14,929,436.91	14,929,436.91	11,972,051.56
Overdue over 3 months but not over 12 months	5,516,719.97	5,516,719.97	2,331,416.13
Overdue over 12 months	3,786,269.07	3,786,269.07	3,377,493.53
Total	40,996,644.20	40,996,644.20	30,010,337.22
<u>Less</u> Allowance for expected credit losses	(3,986,101.96)	(3,986,101.96)	(3,477,764.92)
Total trade receivables-net	37,010,542.24	37,010,542.24	26,532,572.30

The normal credit term granted by the Company ranges from 7 days to 90 days.

Contractual asset from project construction service has detail as following :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Contract price	39,075,000.00	39,075,000.00	39,075,000.00
Recognized of revenues on percentage of completion basis	38,862,533.06	38,862,533.06	25,413,227.89
<u>Less</u> Amount of total billed	(21,000,000.00)	(21,000,000.00)	(10,500,000.00)
Contractual asset	17,862,533.06	17,862,533.06	14,913,227.89

As at December, 2023 and 2022 Contractual asset, and the Group expects to satisfy these performance obligations within 180 days and 1 year respectively.

Movement of allowance for expected credit loss for the year ended December 31, 2023 and 2022 as follow:-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Beginning balance as at January 1,	(4,163,764.92)	(4,163,764.92)	(4,115,783.77)
Increased allowance for expected credit losses	(508,337.04)	(508,337.04)	(47,981.15)
Ending balance as at December 31,	(4,672,101.96)	(4,672,101.96)	(4,163,764.92)

9. Inventories

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Finished goods	14,078,961.14	14,078,961.14	12,089,748.04
Semi-finished goods	37,382,498.79	37,382,498.79	47,894,254.27
Work in process	58,514,480.07	58,514,480.07	90,648,931.45
Raw materials	15,024,417.00	15,024,417.00	13,856,390.49
Supplies	929,888.47	929,888.47	683,279.32
Goods in transit	107,947.50	107,947.50	-
Total	126,038,192.97	126,038,192.97	165,172,603.57
<u>Less</u> Allowance for decline in value of inventories	(44,918,951.40)	(44,918,951.40)	(47,264,874.49)
Net	81,119,241.57	81,119,241.57	117,907,729.08

Movement of allowance for decline in value of inventories for the year ended December 31, 2023 and 2022 as follow :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Beginning balance	(47,264,874.49)	(47,264,874.49)	(57,728,183.05)
Reversal for decline in value of inventories	2,345,923.09	2,345,923.09	10,463,308.56
Ending balance	(44,918,951.40)	(44,918,951.40)	(47,264,874.49)

Cost of inventory record as expense and include in the cost of good sold were as follow :-

(Unit : Baht))

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>For the year ended December 31,</u>		
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Cost of good sold	268,492,600.92	268,492,600.92	272,288,049.50
Reversal for decline in value of inventories	(2,345,923.09)	(2,345,923.09)	(10,463,308.56)
Total	266,146,677.83	266,146,677.83	261,824,740.94

10. Other current financial assets

As at December 31, 2023 and 2022, the whole amount is fixed deposit for 6-12 months which measured at amortized cost and interest is carried by the rate of 2.66%-2.72% and 1.30%-1.40% per annum respectively.

11. Other non-current financial asset

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Financial asset measured at fair value through Profit or loss			
Investments in Sahapat Amorn Company Limited	19,998,000.00	19,998,000.00	19,998,000.00
Loss from change of fair value	(2,679,156.79)	(2,679,156.79)	(1,633,602.64)
Total	17,318,843.21	17,318,843.21	18,364,397.36
Financial asset measured at amortized cost			
Pledged fixed deposits for guarantee	20,000,000.00	20,000,000.00	-
Total other non-current financial assets	37,318,843.21	37,318,843.21	18,364,397.36

The movement of financial assets measured at fair value through profit and loss are as follows :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>For the year ended December 31,</u>		
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Beginning balance	18,364,397.36	18,364,397.36	19,998,000.00
The change of fair value during the year	(1,045,554.15)	(1,045,554.15)	(1,633,602.64)
Ending balance	17,318,843.21	17,318,843.21	18,364,397.36

Investment in Sahapat Amorn Company Limited is investment in non-marketability security. The Company was determined fair value using net asset value of the financial statement which audited by that company's Certified Public Accountant. Therefore, the fair value using unobservable information and classified as level 3 in fair value hierarchy. As of December 31, 2023 the Company assessed the fair value using financial statements data as of December 31, 2022, because the Company had not yet received the financial statements for the year 2023 from the respective company, which the management expect to be received within the second quarter of 2024.

As at December, 31 2023, according to the consolidated and separate financial statements. Fixed deposits with a collateral obligation measured at amortized cost have a term of 6 months with an interest rate of 1.30%-1.85% per year, used as collateral for bank guarantee.

12. Investments in subsidiary companies

As at December 31, 2023 the Company had invested in subsidiary as follows:-

(Unit : Thousand Baht)

<u>Name of companies</u>	<u>Separate financial statements</u>							
	<u>Paid-up</u>		<u>Percentage of</u>		<u>Investments</u>		<u>Dividend</u>	
	<u>Share capital</u>		<u>Investment (%)</u>		<u>Cost method</u>		<u>For the year</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>Ended December 31,</u>	<u>2022</u>
PALMYRA BEING CO., Ltd.	15,000	-	99.99	-	15,000	-	-	-

In according to minutes of the Board of Management's Meeting No.2/2023 held on February 22, 2023, has resolution to establish a subsidiary company. The registered capital amount of Baht 60.00 million by issuing ordinary share 12 million shares with the par value of Baht 5.00 per share, and call-up amount of Baht 1.25 per share, totaling amount of Baht 15.00 million. The Company hold share 99.99% which registered with the Ministry of Commerce on June 7,2023.

In according to the Board of Director's meeting No.5/2023 held on August 9, 2023, the important resolutions are as follows. :

- Approved to PALMYRA BEING COMPANY LIMITED. (subsidiary) invest in regenerative medicine business.
- Approved to PALMYRA BEING COMPANY LIMITED. (subsidiary) establish a new subsidiary with registered capital amount of Baht 5.00 million.
- Approval in principle to the Company to establish a new subsidiary with a registered capital amount of Baht 5.00 million and the Company shareholding not less than 51.00%. The new entity plan to operate in the environmental management business.

13. Investment property

(Unit : Baht)

	Consolidated and Separate financial statements		
	Land	Buildings and building improvement	Total
Cost :-			
As at January 1, 2022	200,749,306.09	312,108,139.60	512,857,445.69
Transfer to property and plant	-	(1,700,000.00)	(1,700,000.00)
Disposal / written off	(200,749,306.09)	(310,408,139.60)	(511,157,445.69)
As at December 31, 2022	-	-	-
As at December 31, 2023	-	-	-
Accumulated depreciation :-			
As at January 1, 2022	-	(48,747,979.41)	(48,747,979.41)
Depreciation for the year	-	(8,655,056.46)	(8,655,056.46)
Transfer from allowance for impairment loss and plant	-	(22,276,969.59)	(22,276,969.59)
Transfer to property and plant	-	420,807.97	420,807.97
Disposal / written off	-	79,259,197.49	79,259,197.49
As at December 31, 2022	-	-	-
As at December 31, 2023	-	-	-
Allowance for impairment loss :			
As at January 1, 2022	-	(89,070,837.29)	(89,070,837.29)
Transfer from property and plant	-	89,070,837.29	89,070,837.29
As at December 31, 2022	-	-	-
As at December 31, 2023	-	-	-
Net Book Value:			
As at December 31, 2022	-	-	-
As at December 31, 2023	-	-	-

Depreciation was show in profit or loss for the years

Ended December 31, 2022	8,655,056.46
Ended December 31, 2023	-

As at December 31, 2022 investment property contributed rental income which recognized in profit or loss of Baht 13.25 million

Later, the Company's board of executive committee meeting No. 2/2022 held on August 23, 2022, and the Board of Director meeting No. 5/2022 held on October 25, 2022, has resolution to approved sales of Investment property and partial machinery to a company according to the contract at the selling price amount of Baht 660.00 million (excluding related expenses to sales) caused of the Company has assets that exceed company's production capacity. The buyer has already paid a deposit of Baht 40.00 million However, in December 2022, the Company has transferred ownership of land and buildings to the buyer and has completely received the payment according the contract. As a result, the company has a profit from the sale of such assets of 179.11 million baht (net of expenses related to the sale) and reversal allowance for impairment loss which has been recognized in the past as other income in profit and loss in amount of Baht 66.79 million.

14. Property, plant and equipment

(Unit : Baht)

	Consolidated financial statements						Total
	Land	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Assets under construction and installation	
Cost :							
As at January 1, 2023	91,284,782.00	91,596,105.94	252,953,003.50	25,317,896.24	42,523,471.72	-	503,675,259.40
Purchase	-	-	2,236,625.85	1,532,816.67	1,620,000.00	3,221,900.00	8,611,342.52
Transfer from right of use assets	-	-	-	-	1,961,000.00	-	1,961,000.00
Disposal / written off	-	-	(842,443.18)	-	(6,404,180.04)	-	(7,246,623.22)
Transfer in	-	-	-	-	-	497,653.44	497,653.44
As at December 31, 2023	91,284,782.00	91,596,105.94	254,347,186.17	26,850,712.91	39,700,291.68	3,719,553.44	507,498,632.14
Accumulated depreciation :							
As at January 1, 2023	-	(61,430,575.60)	(233,818,195.81)	(25,069,415.33)	(41,942,238.02)	-	(362,260,424.76)
Depreciation for the year	-	(3,222,343.74)	(6,083,869.40)	(156,330.72)	(829,791.88)	-	(10,292,335.74)
Transfer from right of use assets	-	-	-	-	(1,580,618.91)	-	(1,580,618.91)
Disposal / written off	-	-	839,710.19	-	6,404,178.04	-	7,243,888.23
As at December 31, 2023	-	(64,652,919.34)	(239,062,355.02)	(25,225,746.05)	(37,948,470.77)	-	(366,889,491.18)
Net Book Value:							
As at December 31, 2023	91,284,782.00	26,943,186.60	15,284,831.15	1,624,966.86	1,751,820.91	3,719,553.44	140,609,140.96
Depreciation was show in profit or loss for the years							
Ended December 31, 2023							10,292,335.74

(Unit : Baht)

	Separate financial statements						
	Land	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Assets under construction and installation	Total
Cost :							
As at January 1, 2022	91,284,782.00	90,237,427.77	277,588,987.63	25,432,530.63	48,305,505.23	-	532,849,233.26
Purchase	-	-	126,799.40	155,842.76	-	-	282,642.16
Transfer from investment property	-	1,700,000.00	-	-	-	-	1,700,000.00
Disposal / written off	-	(341,321.83)	(24,762,783.53)	(270,477.15)	(5,782,033.51)	-	(31,156,616.02)
As at December 31, 2022	91,284,782.00	91,596,105.94	252,953,003.50	25,317,896.24	42,523,471.72	-	503,675,259.40
Purchase	-	-	186,037.07	334,824.30	1,620,000.00	14,500.00	2,155,361.37
Disposal / written off	-	-	(842,443.18)	-	(6,404,180.04)	-	(7,246,623.22)
Transfer from right of use assets	-	-	-	-	1,961,000.00	-	1,961,000.00
As at December 31, 2023	91,284,782.00	91,596,105.94	252,296,597.39	25,652,720.54	39,700,291.68	14,500.00	500,544,997.55
Accumulated depreciation :							
As at January 1, 2022	-	(57,901,259.59)	(238,707,544.85)	(25,083,083.72)	(47,381,560.96)	-	(369,073,449.12)
Depreciation for the year	-	(3,262,102.25)	(8,391,703.12)	(256,796.76)	(342,699.57)	-	(12,253,301.70)
Transfer from investment property	-	(420,807.97)	-	-	-	-	(420,807.97)
Disposal / written off	-	153,594.21	13,281,052.16	270,465.15	5,782,022.51	-	19,487,134.03
As at December 31, 2022	-	(61,430,575.60)	(233,818,195.81)	(25,069,415.33)	(41,942,238.02)	-	(362,260,424.76)
Depreciation for the year	-	(3,222,343.74)	(6,041,549.24)	(141,853.82)	(829,791.88)	-	(10,235,538.68)
Disposal / written off	-	-	839,710.19	-	6,404,178.04	-	7,243,888.23
Transfer from right of use assets	-	-	-	-	(1,580,618.91)	-	(1,580,618.91)
As at December 31, 2023	-	(64,652,919.34)	(239,020,034.86)	(25,211,269.15)	(37,948,470.77)	-	(366,832,694.12)
Net Book Value:							
As at December 31, 2022	91,284,782.00	30,165,530.34	19,134,807.69	248,480.91	581,233.70	-	141,414,834.64
As at December 31, 2023	91,284,782.00	26,943,186.60	13,276,562.53	441,451.39	1,751,820.91	14,500.00	133,712,303.43
Depreciation was show in profit or loss for the years							
Ended December 31, 2022							12,253,301.70
Ended December 31, 2023							10,235,538.68

As at December 31, 2023 and 2022, the Company had land with premises thereon and machineries at net book value of Baht 114.23 million and Baht 117.64 million respectively are pledged as collateral against credit facilities received from financial institutions as mention in the notes to the financial statements No. 31.1.

As at December 31, 2023 and 2022, the Company had the assets which fully depreciated but still in used. The cost price was Baht 302.44 million and the book value was Baht 2,575.10 and the cost price was Baht 305.88 million and the book value was Baht 2,555.10 respectively.

15. Right of use assets

(Unit : Baht)

	Consolidated financial statements			
	Land	Buildings	Vehicles	Total
Right of use assets:-				
As at January 1, 2023	654,537.02	-	1,961,000.00	2,615,537.02
Increase	-	12,588,659.79	-	12,588,659.79
Changes in lease agreements during the year	629,586.93	-	-	629,586.93
Transfer out	-	-	(1,961,000.00)	(1,961,000.00)
As at December 31, 2023	1,284,123.95	12,588,659.79	-	13,872,783.74
Accumulated depreciation :				
As at January 1, 2023	(490,902.89)	-	(1,386,130.79)	(1,877,033.68)
Depreciation for the year	(163,634.13)	(497,653.44)	(194,488.12)	(855,775.69)
Transfer out	-	-	1,580,618.91	1,580,618.91
As at December 31, 2023	(654,537.02)	(497,653.44)	-	(1,152,190.46)
Net Book Value:				
As at December 31, 2023	629,586.93	12,091,006.35	-	12,720,593.28

Depreciation was show in profit or loss for the years

Ended December 31, 2023	358,122.25
-------------------------	------------

Depreciation was show in assets under construction and installation for the years

Ended December 31, 2023	497,653.44
-------------------------	------------

(Unit : Baht)

	Separate financial statements		
	Land	Vehicles	Total
Right of use assets:-			
As at January 1, 2022	654,537.02	1,961,000.00	2,615,537.02
As at December 31, 2022	654,537.02	1,961,000.00	2,615,537.02
Changes in lease agreements during the year	629,586.93	-	629,586.93
Transfer out	-	(1,961,000.00)	(1,961,000.00)
As at December 31, 2023	1,284,123.95	-	1,284,123.95
Accumulated depreciation			
As at January 1, 2022	(327,268.61)	(993,930.99)	(1,321,199.60)
Depreciation for the year	(163,634.28)	(392,199.80)	(555,834.08)
As at December 31, 2022	(490,902.89)	(1,386,130.79)	(1,877,033.68)
Depreciation for the year	(163,634.13)	(194,488.12)	(358,122.25)
Transfer out	-	1,580,618.91	1,580,618.91
As at December 31, 2023	(654,537.02)	-	(654,537.02)
Net Book Value:-			
As at December 31, 2022	163,634.13	574,869.21	738,503.34
As at December 31, 2023	629,586.93	-	629,586.93

Depreciation was show in profit or loss for the years

Ended December 31, 2022	555,834.08
Ended December 31, 2023	358,122.25

16. Intangible assets

(Unit : Baht)

	Consolidated financial statements		
	Computer software	Software under installation	Total
Cost :			
As at January 1, 2023	24,967,243.35	-	24,967,243.35
Purchase	179,200.00	7,167,554.69	7,346,754.69
As at December 31, 2023	25,146,443.35	7,167,554.69	32,313,998.04
Accumulated amortization :			
As at January 1, 2023	(24,642,182.69)	-	(24,642,182.69)
Amortization for the year	(152,675.68)	-	(152,675.68)
As at December 31, 2023	(24,794,858.37)	-	(24,794,858.37)
Net book value :			
As at December 31, 2023	351,584.98	7,167,554.69	7,519,139.67
Amortization in profit or loss for the years			
Ended at December 31, 2023			152,675.68

(Unit : Baht)

	Separate financial statements		
	Computer software	Software under installation	Total
Cost :			
As at January 1, 2022	24,784,343.35	-	24,784,343.35
Purchase	182,900.00	-	182,900.00
As at December 31, 2022	24,967,243.35	-	24,967,243.35
Purchase	-	6,189,072.19	6,189,072.19
As at December 31, 2023	24,967,243.35	6,189,072.19	31,156,315.54
Accumulated amortization :			
As at January 1, 2022	(24,360,372.19)	-	(24,360,372.19)
Amortization for the year	(281,810.50)	-	(281,810.50)
As at December 31, 2022	(24,642,182.69)	-	(24,642,182.69)
Amortization for the year	(151,006.43)	-	(151,006.43)
As at December 31, 2023	(24,793,189.12)	-	(24,793,189.12)
Net book value :			
As at December 31, 2022	325,060.66	-	325,060.66
As at December 31, 2023	174,054.23	6,189,072.19	6,363,126.42
Amortization in profit or loss for the years			
Ended at December 31, 2022			281,810.50
Ended at December 31, 2023			151,006.43

17. Trade and other payables

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Trade payables-related party	64,432.52	64,432.52	-
Trade payables-other party	25,297,681.26	24,871,286.26	44,763,078.20
Unbilled costs	-	-	258,500.00
Other payables	2,500,031.97	255,259.02	200,655.70
Accrued expenses	2,146,135.95	2,144,689.07	14,100,139.93
Contractual liabilities-related party	2,082,000.00	2,082,000.00	-
Contractual liabilities-other party	25,244,818.66	25,244,818.66	34,161,561.34
Total trade and other payables	57,335,100.36	54,662,485.53	93,483,935.17

18. Lease liabilities

Movement in the lease liabilities for the year ended December 31, 2023 and 2022 follows :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Beginning lease liabilities	370,945.84	370,945.84	918,987.27
Increase	11,959,134.73	-	-
Adjustment from change of lease contract	629,586.93	629,586.93	-
Repaid in the year	(157,412.76)	(370,945.84)	(548,041.43)
Ending lease liabilities	12,802,254.74	629,586.93	370,945.84

Maturity analysis of lease payment, are as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>		
	<u>2023</u>		
	<u>Lease</u>	<u>Deferred</u>	
	<u>liabilities</u>	<u>interest expenses</u>	<u>Net</u>
Within 1 year	2,620,588.43	(818,037.38)	1,802,551.05
Over 1 year but not over 5 years	10,900,069.34	(1,954,293.75)	8,945,775.59
Over 5 years	2,115,168.08	(61,239.98)	2,053,928.10
Total	15,635,825.85	(2,833,571.11)	12,802,254.74

(Unit : Baht)

	<u>Separate financial statements</u>		
	<u>2023</u>		
	<u>Lease</u>	<u>Deferred</u>	
	<u>liabilities</u>	<u>interest expenses</u>	<u>Net</u>
Within 1 year	225,263.12	(4,030.78)	221,232.34
Over 1 year but not over 5 years	450,526.24	(42,171.65)	408,354.59
Total	675,789.36	(46,202.43)	629,586.93

(Unit : Baht)

	<u>Separate financial statements</u>		
	<u>2022</u>		
	<u>Lease</u>	<u>Deferred</u>	
	<u>liabilities</u>	<u>interest expenses</u>	<u>Net</u>
Within 1 year	373,743.12	(2,797.28)	370,945.84

As at December 31, 2023 and 2022, for transactions related to lease are as follows :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Finance cost relating to lease	216,330.36	2,797.28	24,181.69
Expense relating to short term leases	181,514.98	181,514.98	535,176.80
Cash outflow for leases	373,743.12	373,743.12	572,223.12

19. Provision

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
As at January 1,	6,031,501.71	6,031,501.71	10,066,148.93
Increase (decrease) during the year	2,432,060.61	2,432,060.61	(532,074.34)
Utilised	(3,520,689.60)	(3,520,689.60)	(3,502,572.88)
As at December 31,	4,942,872.72	4,942,872.72	6,031,501.71

20. Employee benefit obligation

Movement in the employee benefit obligation are as follows :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Employee benefit obligations as at January 1,	38,552,397.29	38,552,397.29	38,095,056.19
Current service cost	2,095,874.37	2,095,874.37	2,078,919.88
Interest cost	743,283.63	743,283.63	700,469.36
Benefit paid	(1,133,843.67)	(1,133,843.67)	(2,322,048.14)
Employee benefit obligations as at December 31,	40,257,711.62	40,257,711.62	38,552,397.29

Expenses recognized in statement of comprehensive income for the years ended December 31, 2023 and 2022 are as follows :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>For the year ended December 31,</u>		
	<u>2023</u>	<u>2023</u>	<u>2022</u>
<u>Recognized in profit or loss</u>			
Cost of sales and service	1,869,018.60	1,869,018.60	1,810,308.00
Selling expenses	177,950.16	177,950.16	200,666.76
Administrative expenses	415,502.68	415,502.68	406,378.04
Management's benefits	376,686.56	376,686.56	362,036.44
Total	2,839,158.00	2,839,158.00	2,779,389.24

The principal assumptions used for the purposes of the actuarial valuation as at December 31, 2023 and 2022, were as follows :-

Discount rate	2.22%
Salary increase rate	3.00%
Employee turnover rate	1.91-22.92%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Discount increase rate 0.5% movement	(1,612,100.07)	(1,612,100.07)	(1,633,234.68)
Discount decrease rate 0.5% movement	1,728,373.12	1,728,373.12	1,756,006.74
Future salary growth increase 1% movement	4,284,966.46	4,284,966.46	3,946,309.19
Future salary growth decrease 1% movement	(3,755,147.27)	(3,755,147.27)	(3,462,077.89)
Employee turnover increase rate 20% movement	(2,190,907.92)	(2,190,907.92)	(2,011,771.94)
Employee turnover decrease rate 20% movement	2,425,508.89	2,425,508.89	2,224,624.81

21. Share capital

Authorized share capital and paid up share capital are movement as follow :-

		<u>Consolidated/Separate financial statements</u>			
	Value	2023		2022	
	per share	Number of shares	Value	Number of shares	Value
	(Baht)	(Unit : Shares)	(Unit : Baht)	(Unit : Shares)	(Unit : Baht)
Authorized share capital					
Beginning ordinary share	1.00	543,750,000	543,750,000.00	543,750,000	543,750,000.00
<u>Add</u> Increase ordinary share	1.00	152,924,574	152,924,574.00	-	-
<u>Less</u> Decrease ordinary share	1.00	(84,976,278)	(84,976,278.00)	-	-
Ending ordinary share		611,698,296	611,698,296.00	543,750,000	543,750,000.00
Issued and paid-up shares					
Beginning balance	1.00	458,773,722	458,773,722.00	458,773,722	458,773,722.00
<u>Add</u> Increase ordinary share	1.00	-	-	-	-
Ending balance	1.00	458,773,722	458,773,722.00	458,773,722	458,773,722.00

In according to minutes of Annual General of Shareholders' Meeting 2023 held on April 22, 2023, the significant resolutions are as follows: -

- It is approve to decrease of the registered capital and amendment memorandum of the Company's in the amount of Baht 84,976,278 from the former registered capital Baht 543,750,000 to a new registered capital amount of Baht 458,773,722 by eliminating the number of unsold registered shares 84,976,278 shares with a par value of Baht 1.00 per share, which are remaining shares from the allotment reserved for the exercise of TMC warrants No.1 which expired.
- It is approve to increase of the registered capital and amendment memorandum of the Company's in the amount of Baht 152,924,574 from the former registered capital Baht 458,773,722 to new registered capital Baht 611,698,296 by issuing new ordinary shares 152,924,574 shares with a par value of Baht 1.00 per share, to accommodate the exercise of right of warrants of the Company No.2 (TMC-W2) to purchase the Company's ordinary shares in the amount of not more than 152,924,574 shaers.
- It is approve to issuance and allocation of warrants to purchase newly issued ordinary shares of the T.M.C. INDUSTRIAL PUBLIC COMPANY LIMITED No. 2 ("TMC-W2") in proportion to the number of shares held by each shareholder in the allocation ratio of 3 existing ordinary shares per 1 warrant unit. The offering price is Baht 0.05 (5 satang) per unit, 1 unit of warrant is entitled to purchase 1 ordinary share, the exercise price is Baht 2.00 per share.
- It is approve to allocation of newly issued ordinary shares, to accommodate the exercise of the warrants and allocation to the existing shareholders of the Company in proportion to the number of shares held by each person of not more than 152,924,574 shaers in the share allocation ratio 3 existing ordinary shares to 1 unit of warrant.

22. Warrwnts

TMC-W2

Type of warrants	: Warrants to purchase ordinary shares of the Company No. 2 (TMC-W2) allocated to the existing shareholders of the Company
Number of warrants	: 152,921,466 shares
Term of warrants	: 2 years commencing from the issued date (July 10, 2023)
Exercise price	: At Baht 2.00 per share (par value at Baht 1.00)
Warrants price	: At Baht 0.05 per share
First exercise period	: September 29, 2023
Last exercise period	: July 9, 2025

In 2023, the Company received cash from sale of warrants to purchase ordinary shares TMC-W2 in the amount of 152,921,466 units at a price of Baht 0.05 per unit, the Company received cash from the sale of such warrants amount of Baht 7.13 million.

23. Premium on ordinary share

Section 116 of the Public Limited Company Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution. In 2023 and 2022, the Company appropriated the legal reserve amount of Baht 0.77 million and 6.82 million respectively.

24. Capital management

The primary objectives of the Company’s capital management are to maintain its ability to continue as a going concern, to maintain an appropriate capital structure and to maintain financial ratios not exceeding that specified by the covenants of the loan agreements.

As at December 31, 2023, the Consolidated financial statements present debt to equity ratio at 0.19 : 1.00 and As at December 31, 2023 and 2022, the Separate financial statements present debt to equity ratio at 0.17 : 1.00 and 0.23 : 1.00 respectively.

25. Expenses by nature

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Salaries, wages and other employee benefits	106,736,665.30	106,593,058.42	101,243,705.14
Depreciation and amortization	10,803,133.82	10,744,667.51	21,746,002.74
Reversal loss for declining in value of inventories	(2,345,923.09)	(2,345,923.09)	(10,463,308.56)
Raw materials and consumables used	125,944,007.92	125,944,007.92	195,646,519.13
Changes in inventories of finished goods, semi-finished goods and work in process	40,656,993.76	40,656,993.76	(8,796,915.57)
Finance cost	216,917.55	3,384.47	10,651,606.75
Other expenses	39,725,052.39	39,506,093.55	19,154,362.78
Total	321,736,847.65	321,102,282.54	329,181,972.41

26. Income tax expenses

Income tax recognized in profit or loss for the years ended December 31, 2023 and 2022 with the following details :-

(Unit : Baht)

	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statements</u>	<u>financial statements</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	17,431,507.44	18,024,522.06	273,139,646.49
Applicable tax rate	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	3,486,301.49	3,604,904.41	54,627,929.30
Tax effect of income and expenses that are not considered			
As taxable income or expense as follows:-			
- Provision	(417,725.80)	(417,725.80)	(806,929.44)
- Reversal allowance for impairment loss on assests	-	-	(13,358,773.54)
- Reversal for decline in value of inventories	(469,184.62)	(469,184.62)	(2,092,661.71)
- Loss from fair value measurement of investments	209,110.83	209,110.83	-
- Tax losses unrecognized as deferred tax assets	75,896.81	-	-
- Tax losses carry forwards	-	-	(38,991,951.50)
- Others	1,974,646.39	1,931,940.28	7,122,386.89
Income tax expenses reported in profit or loss current year	4,859,045.10	4,859,045.10	6,500,000.00
Adjustments to prior year income tax expenses	(2,162,945.33)	(2,162,945.33)	-
Income tax expenses reported in profit or loss	2,696,099.77	2,696,099.77	6,500,000.00

As at December 31, 2023 and 2022, the Group had deductible temporary differences and tax losses carries forward totaling amount of Baht 98.43 million and amount of Baht 115.13 million respectively, which have not been recognized as deferred tax assets in the statements of financial position. Because it is not probable that it will be able to utilize the tax benefit in the foreseeable future.

Adjusting Income tax expense from the preceding year caused by during 2023, the Company received an inspection of income tax refund of previous years by the revenue department officials which in May 2023, the Company filed a corporate income tax form for 2022 with tax expenses payable in the amount of Baht 11.87 million, which was recognized tax expenses in the financial statements for the year 2022 amount of Baht 6.50 million. However, the Company's Board of Directors Meeting No. 6/2023 and No. 7/2023 resolved to approve the amendment of the corporate income tax filing for the year 2022 and request a refund of the tax that the Company had paid in excess. The revision income tax form submitted on October 6, 2023 has tax expenses for 2022 in the amount of Baht 4.34 million. Consequently, the Company reverse an overstated tax expenses to revenue income tax in the statement of comprehensive income for the year ended December 31, 2023 amount of Baht 2.16 million

27. Earnings per share

Basic earning per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares.

Diluted earning per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares in issue during the period plus the weighted average number of common shares which would need to be issued to convert all dilutive potential common shares into common shares. The calculation assumes that such conversion took place either at beginning of the year or on the date the potential common shares were issued.

Profit per share for the year ended December 31, 2023 and 2022 are calculated as follows:-

	Consolidated financial statement					
	For the year ended December 31,					
	Profit for the year (Unit : Thousand Baht)		Weighted average number of common shares (Unit : Thousand Baht)		Earnings per share (Baht)	
	2023		2023		2023	
Basic profit per share						
Profit attributable to equity holders of the Company	14,736		458,774		0.032	
Effect of dilutive potential common shares	-		33,143			
Diluted earnings per share						
Profit of common shareholders assuming						
the conversion of dilutive potential common shares	14,736		491,917		0.030	
	Separate financial statements					
	For the year ended December 31,					
	Profit for the year (Unit : Thousand Baht)		Weighted average number of common shares (Unit : Thousand Baht)		Earnings per share (Baht)	
	2023	2022	2023	2022	2023	2022
Basic profit per share						
Profit attributable to equity holders of the Company	15,328	266,640	458,774	458,774	0.033	0.581
Effect of dilutive potential common shares	-	-	33,143	-		
Diluted earnings per share						
Profit of common shareholders assuming						
the conversion of dilutive potential common shares	15,328	266,640	491,917	458,774	0.031	0.581

28. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company are organised into business units based on their products and services, and have four reportable segments, as follows:-

- Manufacture and distribution of machinery segment, which engages in the manufacture and distribution of hydraulic machines such as press machines, cranes, and handling equipment.
- Services segment, which is engaged in the provision of machine repair and maintenance and metal machining services.
- Project construction service segment, which is engaged in the project construction service by supply machines and installation according to the contract.
- Investing in other companies and regenerative medicine and health care business (not yet operated).

Financial information is presented as the segment for the year ended December 31, 2023 and 2022 are as follows : -

(Unit : Thousand Baht)

<u>Consolidated financial statement</u>				
For the year ended December 31,2023				
	Manufacture and distribution of machineries	Project construction service	Services	Total
Revenue from sales and services income	254,305	13,449	58,857	326,611
Segment profit (loss)	47,251	(4,720)	17,933	60,464
Other income				11,495
Profit from sales invesment property				1,062
Selling expenses				(14,568)
Administrative expenses				(40,805)
Profit from sales invesment property				17,648
Finance cost				(216)
Profit before income tax				17,432
Income tax expense				(2,696)
Profit for the year				14,736
Other comprehensive income for the year				-
Total comprehensive income for the year				14,736

(Unit : Thousand Baht)

<u>Separate financial statement</u>								
For the year ended December 31,								
	Manufacture and distribution of machineries		Project construction service		Services		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from sales and services income	254,305	238,576	13,449	25,413	58,857	70,755	326,611	334,744
Segment profit (loss)	47,251	49,132	(4,720)	5,417	17,933	18,370	60,464	72,919
Other income							11,454	29,344
Profit from sales investment property							1,062	171,440
Reversal of allowance for impairment loss on assets							-	66,794
Selling expenses							(14,407)	(14,405)
Administrative expenses							(40,545)	(42,301)
Profit from operating activities							18,028	283,791
Finance cost							(3)	(10,651)
Profit before income tax							18,025	273,140
Income tax expense							(2,696)	(6,500)
Profit for the year							15,329	266,640
Other comprehensive income for the year							-	-
Total comprehensive income for the year							15,329	266,640

Revenue from external customer is based on locations of the customers for the years ended December 31, 2023 and 2022 as follows :-

(Unit : Baht)

	<u>Consolidated</u> <u>financial statement</u>	<u>Separate</u> <u>financial statement</u>
	<u>For the year ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Revenue from external customer		
Thailand	323,593,059.84	298,275,828.20
Others	3,017,871.14	36,467,824.45
Total	326,610,930.98	334,743,652.65

For the year ended December 31, 2023, the Group has one major customer, whose revenue from sales and service based on revenue from manufacturing and distribution of machine in local totaling amount of Baht 60.06 million and for the year ended December 31, 2022, the Group has no major customer are worth higher than 10% of the revenue from sale.

29. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rates depending on the working life of the employees. A local financial institution is managing the provident fund and will be paid to the employees upon termination in accordance with the fund rules. For the year ended December 31, 2023 and 2022, the Group has provident fund expense in amount of Baht 1.47 million for both years.

30. Financial instrument

Financial risk management objectives and policies

The Group financial instruments principally comprise cash and cash equivalents, trade and other receivables, trade and other payables, loans and other financial liabilities. The financial risks associated with these financial instruments and how the Group managed is described below.

30.1 Credit risk

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

- Trade and other receivables and contract asset

The Group manages the risks by adopting appropriate credit control policies including credit limit approval, analysis customer's financial status and collection management. Therefore the Group does not expect any material financial losses from credit risk. The Group does not have high concentrations of credit risk since it has a large and diverse customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses for groups of receivables with similar credit risk characteristics, with the rate of provision for expected credit losses used in the calculation based on age of the outstanding receivables for each group. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables and contract asset are written-off in accordance with the Group's policy, when appropriate.

- Deposits and other financial instruments with financial institutions

The Group manages the credit risks regarding deposits and other financial instruments with financial institutions by controlling in place to create an acceptable balance between the cost of risks and the cost of risk management. The credit risk on deposits and financial instrument with financial institutions are limited because the counterparties are banks with high credit-ratings.

30.2 Foreign currency risk

The Group is exposed to foreign currency risk mainly in respect of purchase or sales of goods, which are denominated in foreign currencies.

As at December 31, 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarized below.

<u>Consolidated financial statement</u>			
<u>December 31, 2023</u>			
<u>Foreign currency</u>	<u>Financial assets</u>	<u>Financial liabilities</u>	<u>Average exchange rate</u>
			(Baht per 1 foreign currency unit)
USD	117,824.00	41,000.00	34.22
CNY	-	127,450.00	4.87

<u>Separate financial statement</u>					
<u>Foreign currency</u>	<u>Financial assets</u>		<u>Financial liabilities</u>		<u>Average exchange rate</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u> <u>2022</u>
					(Baht per 1 foreign currency unit)
USD	117,824.00	61,809.00	41,000.00	-	34.22 34.39
EUR	-	-	-	293,010.92	- 37.21
CNY	-	-	127,450.00	1,736,000.00	4.87 5.04

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Company's profit before tax to a reasonably possible change in US dollar and Euro exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at December 31, 2023 and 2022.

Currency	Change in FX rate		Effect on profit before tax increase (decrease)		
			Consolidated	Separate	
			financial statement	financial statement	
	2023	2022	2023	2023	2022
	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
USD	+3.0	+3.0	78	78	64
	-3.0	-3.0	(78)	(78)	(64)
EUR	+3.0	+3.0	-	-	(327)
	-3.0	-3.0	-	-	327
CNY	+3.0	+3.0	(19)	(19)	(262)
	-3.0	-3.0	19	19	262

30.3 Interest rate risk

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

As at December 31, 2023 and 2022, significant financial assets and liabilities classified by type of interest rate, 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 are summarized in the table below.

(Unit: : Baht)

	Consolidated financial statement						
	2023						
	Fixed interest rate			Floating	Non-	Total	Effective interest rate
	Within 1 year	1-5 years	Over 5 years	Interest rate	Interest bearing		
Financial assets							
Cash and cash equivalent items	20,237,366.85	-	-	54,875,359.67	11,618,520.74	86,731,247.26	0.15-2.10%
Trade and other receivable	-	-	-	-	61,408,894.29	61,408,894.29	-
Other current financial assets	300,000,000.00	-	-	-	-	300,000,000.00	2.66-2.72%
Other non-current financial assets	20,000,000.00	-	-	-	-	20,000,000.00	1.30-1.85%
	340,237,366.85	-	-	54,875,359.67	73,027,415.03	468,140,141.55	
Financial liabilities							
Trade and other payables	-	-	-	-	57,335,100.36	57,335,100.36	-
Lease liabilities	1,802,551.05	8,945,775.59	2,053,928.10	-	-	12,802,254.74	7.10
	1,802,551.05	8,945,775.59	2,053,928.10	-	57,335,100.36	70,137,355.10	

(Unit: : Baht)

Separate financial statement

2023

	Fixed interest rate			Floating Interest rate	Non- Interest bearing	Total	Effective interest rate (% per annum)
	Within	1-5	Over				
	1 year	years	5 years				
<u>Financial assets</u>							
Cash and cash equivalent items	20,237,366.85	-	-	54,855,359.67	3,051,262.04	78,143,988.56	0.15-2.10
Trade and other receivable	-	-	-	-	61,368,711.47	61,368,711.47	-
Other current financial assets	300,000,000.00	-	-	-	-	300,000,000.00	2.66-2.72
Other non-current financial assets	20,000,000.00	-	-	-	-	20,000,000.00	1.30-1.85
	340,237,366.85	-	-	54,855,359.67	64,419,973.51	459,512,700.03	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	54,662,485.53	54,662,485.53	-
Lease liabilities	221,232.34	408,354.59	-	-	-	629,586.93	7.10
	221,232.34	408,354.59	-	-	54,662,485.53	55,292,072.46	

(Unit: : Baht)

Separate financial statement

2022

	Fixed interest rate			Floating Interest rate	Non- Interest bearing	Total	Effective interest rate (% per annum)
	Within	1-5	Over				
	1 year	years	5 years				
<u>Financial assets</u>							
Cash and cash equivalent items	35,000,000.00	-	-	63,720,529.51	2,829,006.21	101,549,535.72	0.15-1.15
Trade and other receivable	-	-	-	-	48,622,541.56	48,622,541.56	-
Other current financial assets	300,000,000.00	-	-	-	-	300,000,000.00	1.30-1.40
	335,000,000.00	-	-	63,720,529.51	51,451,547.77	450,172,077.28	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	93,483,935.17	93,483,935.17	-
Lease liabilities	370,945.84	-	-	-	-	370,945.84	4.55
	370,945.84	-	-	-	93,483,935.17	93,854,881.01	

Interest rate sensitivity

The Group does not have any significant impact on profit before tax from changes in interest rates on contingent financial assets and liabilities.

30.4 Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of short-term loans from financial institutions, short-term loans from related person and lease liabilities. 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 variety of sources of funding and sufficient available credit lines.

The table below summarizes the maturity profile of the Group's non-derivative financial liabilities as at December 31, 2023 and 2022 based on contractual undiscounted cash flows:

(Unit : Baht)

<u>Consolidated financial statement</u>					
2023					
	On demand	Less than 1 year	1 – 5 years	Over 5 years	Total
<u>Non-derivatives</u>					
Trade and other payables	-	57,335,100.36	-	-	57,335,100.36
Lease liabilities	-	1,802,551.05	8,945,775.59	2,053,928.10	12,802,254.74
Total non-derivatives	-	59,137,651.41	8,945,775.59	2,053,928.10	70,137,355.10

(Unit : Baht)

<u>Separate financial statement</u>					
2023					
	On demand	Less than 1 year	1 – 5 years	Over 5 years	Total
<u>Non-derivatives</u>					
Trade and other payables	-	54,662,485.53	-	-	54,662,485.53
Lease liabilities	-	221,232.34	408,354.59	-	629,586.93
Total non-derivatives	-	54,883,717.87	408,354.59	-	55,292,072.46

(Unit : Baht)

<u>Separate financial statement</u>					
2022					
	On demand	Less than 1 year	1 – 5 years	Over 5 years	Total
<u>Non-derivatives</u>					
Trade and other payables	-	93,483,935.17	-	-	93,483,935.17
Lease liabilities	-	370,945.84	-	-	370,945.84
Total non-derivatives	-	93,854,881.01	-	-	93,854,881.01

30.5 Fair values of financial instruments

Given that some financial assets and financial liabilities are short-term and long term loans or bear interest at rates close to market rates, and Long-term loans denominated in Thai Baht carry interest at market rates, the Group management believes that the fair values of those financial assets and financial liabilities closely approximate their carrying values in the statement of financial position.

31. Obligation and contingent liabilities

31.1 Obligation of credit lines for loans from financial institutions :-

<u>Consolidated financial statement</u>				
<u>December 31, 2023</u>				
	(Unit : Million)	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Bank overdrafts	Baht	25.00	-	25.00
Letters of guarantee	Baht	26.00	7.72	18.28
Trust receipts and letters of credit	Baht	26.00	3.13	22.87
Short-term loan	Baht	110.00	-	110.00
Forward foreign exchange contract	USD	1.00	-	1.00
Fleet card	Baht	2.00	0.24	1.76

<u>Separate financial statement</u>							
<u>2023</u>							
<u>2022</u>							
	(Unit : Million)	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Bank overdrafts	Baht	25.00	-	25.00	25.00	-	25.00
Letters of guarantee	Baht	26.00	7.72	18.28	10.00	5.16	4.84
Trust receipts and letters of credit	Baht	26.00	3.13	22.87	22.00	21.76	0.24
Short-term loan	Baht	110.00	-	110.00	110.00	-	110.00
Forward foreign exchange contract	USD	1.00	-	1.00	1.00	-	1.00
Fleet card	Baht	2.00	0.24	1.76	2.00	0.28	1.72

The above credit facilities are guaranteed by the collaterals as mentioned in the notes to financial statements No.13 and 14

In January 2024, the Company receive a letter guarantee credit facility amount of Baht 6.50 million which pledge bank deposits as collateral. In February 2024, the Company has release the assets with pledge for collateral, as stated in Note 14 of the financial statements, by canceled the credit facilities for short-term loans, trust receipts, letters of credit, forward foreign exchange contracts, and letters of guarantee.

31.2 As at December 31, 2023 and 2022, the Group has obligations as a lessee regarding operational lease contracts and other services. Future minimum lease payments required under these service contracts and leases contracts were as follows.

	(Unit : Baht)		
	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statement</u>	<u>financial statement</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Payable within 1 year	1,878,722.50	1,811,560.00	1,420,080.00

31.3 The Group has obligation of capital expenditure as follows :-

	(Unit : Baht)		
	<u>Consolidated</u>	<u>Separate</u>	
	<u>financial statement</u>	<u>financial statement</u>	
	<u>2023</u>	<u>2023</u>	<u>2022</u>
Obligation of capital expenditure	5,838,273.52	-	-

32. Approval of financial statements

These financial statements have been approved for issuance by the Company's board of directors on February 22, 2024.

Details of the Directors, Executives, Controlled Person of the Company, Chief Financial Officer, Chief Accountant and Company Secretary

Name	Mr. Manu Leoparote	
Position	Chairman of the Board of Directors / Member of the Audit Committee / Independent Director	
Date of to be Director	7 March 2011	
Age (Year)	80	
Education Background	<p>Honorary Doctorate Degree in Business Administration, Thammasat University</p> <p>Master of Science in Economics, University of Kentucky, U.S.A.</p> <p>Bachelor Science in Economics (honors) Thammasat University</p>	
Training with Thai Institute of Directors (IOD)	<p>The Role of Chairman Program 3/2001</p> <p>Directors Certification Program (DCP) 30/2003</p> <p>Directors Accreditation Program (DAP) 2003</p>	
Other Training	<p>Certificate of Industrial Development, Nagoya Training Center, Japan</p> <p>Degree of National Defence College of Thailand – 34</p>	
Share Possession (Percent)	0.11* (Son's possession)	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2018 – Present	Member of the Audit Committee	T.M.C. Industrial Public Co., Ltd.
2011 – Present	Chairman of the Board of Directors / Independent Director	T.M.C. Industrial Public Co., Ltd.
1999 – 2004	Permanent Secretary	Ministry of Industry

Position taking on other companies last year

Listed Company

2016 – Present	Chairman of the Audit Committee	TPI Polene Power PCL.
2016 – Present	Chairman of the Board of Directors	SVOA PCL.
2010 – Present	Independent Director / Chairman of Nomination and Remuneration Committee	Kang Yong Electric PCL.
2010 – Present	Chairman of the Board of Directors	ARIP PCL.
2010 – Present	Chairman of the Board of Directors	Jubilee Enterprise PCL.
2006 – Present	Chairman of the Audit Committee	Siam Steel International PCL.
2006 – Present	Chairman of the Board of Directors	Asia Precision PCL.
2004 – Present	Chairman of the Board of Directors	Bangkok Union Insurance PCL.
2004 – Present	Chairman of the Board of Directors	Polyplex (Thailand) PCL.
2004 – Present	Chairman of the Board of Directors	Khon Kaen Sugar Industry PCL.
2004 – Present	Director / Member of the Audit Committee	Thai Beverage PCL.

Other Organizations (Non-Listed)

-N/A-

Name Mr. Arthit Wuthikaro

Position Director / Independent Director / Chairman of Audit Committee

**Date of to be
Director** 7 March 2011

Age (Year) 67

Education Background

Master's Degree in Economics Development, National Institute of Development
Administration

Bachelor's Degree in Economics (honors), Ramkhumhaeng University

Training with Thai Institute of Directors (IOD)

Director Certification Program (DCP) 118/2009

Director Accreditation Program (DAP) 27

Other Training

Degree of National Defence College of Thailand – 18/2548

Share Possession (Percent) –N/A–

Family Relation among Directors and Executives –N/A–

Work Experience

2011 – Present	Director / Independent Director / Chairman of Audit Committee	T.M.C. Industrial Public Company Limited
2016 – 2020	Director	Thai Cane and Sugar Corporation Limited
2016 – 2019	Director	S.R.T. Electrified Train Company Limited
2015 – 2017	President	The Association of QC headquarters of Thailand
2015 – 2016	Permanent Secretary	Ministry of Industry
2014 – 2015	Director General	Department of Industrial Promotion
2012 – 2014	Deputy Permanent Secretary	Office of the Permanent Secretary, Ministry of Industry
2011 – 2012	Director General	Industrial Works Department
2009 – 2011	Director General	Department of Industrial Promotion
2008 – 2009	Director	The Office of Industrial Economics

2005 – 2008	Inspector	Office of the Permanent Secretary, Ministry of Industry
Position taking on other companies last year		
Listed Company		-N/A-
Other Organizations (Non-Listed)		-N/A-

Name	Mr.Thaweemit Kamolmongkolsuk	
Position	Director / Chairman of Executive Committee / Company's Authorized Directors	
Date of to be Director	7 March 2011	
Age (Year)	74	
Education Background	Honorary Degree in Engineering, Rajamangala University of Technology Thanyaburi	
Training with Thai Institute of Directors (IOD)	Director Accreditation Program (DAP) 89/2011	
Other Training	-N/A-	
Share Possession (Percent)	0.44	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2011 – Present	Director / Chairman of Executive Committee	T.M.C. Industrial Public Company Limited
2021 – 2023	Chief Executive Officer	T.M.C. Industrial Public Company Limited
2005 – 2010	Chairman of the Board of Directors	T.M.C. Manufacturing Co., Ltd.
1982 – 2011	Chairman of the Board of Directors	T.M.C. Industrial Co., Ltd.
1972 – 1982	Business Owner	Thaweemit Karnchang Machine Shop
Position taking on other companies last year		
Listed Company	-N/A-	
Other Organizations (Non-Listed)	-N/A-	

Name	Mr. Mitthong Chulitawong	
Position	Director / Independent Director / Audit Committee	
Date of to be Director	25 April 2014	
Age (Year)	57	
Education Background	<p>Master's Degree in Finance, Siam University</p> <p>Bachelor's Degree in Management, Ramkhamhaeng University</p> <p>Bachelor's Degree in Accounting, Sukhothai Thammathirat Open University</p>	
Training with Thai Institute of Directors (IOD)	Director Certification Program (DCP) 194/2014	
Other Training	-N/A-	
Share Possession (Percent)	-N/A-	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2014 – Present	Director / Independent Director / Audit Committee	T.M.C. Industrial Public Company Limited
2000 – 2019	Executive Director	Tax Accounting House Co., Ltd.
1996 – 2001	Assistant Manager of the Stock Exchange	Eakthamrong KGI Securities (Thailand) Public Company Limited, Pinklao Branch
Position taking on other companies last year		
Listed Company	-N/A-	
Other Organizations (Non-Listed)		
2019 – Present	Director	Sumrej Consultant Co., Ltd.
2019 – Present	Managing Director	Fitway Co., Ltd.
2000 – Present	Managing Director	MSG Consultant Co., Ltd.
2000 – Present	Executive Director	FPM Consultant Co., Ltd.

Name	Mr. Panom Ratanarat	
Position	Director / Member of Executive Committee / Company's Authorized Directors	
Date of to be Director	1 June 2018	
Age (Year)	48	
Education Background	<p>Master's Degree in Business Administration, Ramkhumhaeng University</p> <p>Bachelor's Degree in Business Administration, Banking and Finance, Ramkhumhaeng University</p>	
Training with Thai Institute of Directors (IOD)	Director Accreditation Program (DAP) 151/2018	
Other Training	-N/A-	
Share Possession (Percent)	-N/A-	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2018 – Present	Director	T.M.C. Industrial Public Company Limited
2020 – 2023	Director	One To One Contacts PCL.
2019 – 2020	Director	Ubis (Asia) PCL.
2014 – 2017	Director of Debt Securities	RHB Securities (Thailand) PCL.
2002 – 2014	Business Relationship Manager	Bank of Ayudhya PCL
Position taking on other companies last year		
Listed Company		
2021 – Present	Independent Director / Member of Audit Committee	Health Empire Corporation PCL.
2021 – Present	Director	Planet Communications Asia PCL.
Other Organizations (Non-Listed)		
2023 – Present	Director	Palmyra Being Co., Ltd.
2023 – Present	Director	EEC Global Cloud Co., Ltd.
2022 – Present	Director	MBR Pattalung Co., Ltd.
2022 – Present	Director	Mitrbumrung Co., Ltd.

Name	Mr. Wuthichai Anantakul	
Position	Director / Independent Director / Audit Committee	
Date of to be Director	22 April 2023	
Age (Year)	52	
Education Background	Master's Degree Master of Engineering (Industrial Engineering), Chulalongkorn University Bachelor's Degree, Bachelor of Engineering (Industrial Engineering), King Mongkut's University of Technology Thonburi	
Training with Thai Institute of Directors (IOD)	Director Accreditation Program (DAP) 159/2019 Director Certification Program (DCP) 307/2021	
Other Training	-N/A-	
Share Possession (Percent)	-N/A-	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2023 – Present	Director / Independent Director / Audit Committee	T.M.C. Industrial Public Company Limited
2019 – 2022	Director / Managing Director	Siam Herbal Tech Co., Ltd.
2018 – 2022	Director / Executive Director / Chief Project Officer	DOD Biotech Public Company Limited
2015 – 2018	Chief Operation Officer	Equator Capital Solar Co., Ltd.
2012 – 2013	General Manager	Chai Explosives Co., Ltd.
Position taking on other companies last year		
Listed Company		
2022 – Present	Independent Director / Audit Committee	Simat Technologies Public Company Limited
Other Organizations (Non-Listed)		
2022 – Present	Deputy Chief Executive Officer	Eastern Spectrum Group Co., Ltd.

2013 – Present

Independent Director / Audit
Committee

Lamair Palm Oil Co., Ltd.

Name Mr. Boonlerd lewpornchai

Position Director

**Date of to be
Director** 14 December 2022

Age (Year) 53

Education Background

Master's Degree in Engineering (Industrial Engineering), Chulalongkorn University

Master's Degree in Business Administration (Finance), Kasetsart University

Bachelor's Degree in Jurisprudence, Thammasart University

Bachelor's Degree in Engineering (Industrial Engineering), Kasetsart University

Training with Thai Institute of Directors (IOD)

Director Accreditation Program (DAP) 86/2011

Other Training -N/A-

Share Possession (Percent) -N/A-

Family Relation among Directors and Executives -N/A-

Work Experience

2022 – Present	Director	T.M.C. Industrial Public Company Limited
2020 – 2021	Executive Director / Deputy Chief Executive Officer	One To One Contacts PCL.
2019 – 2020	Executive Director / Chief Financial Officer	Inter Far East Energy Corporation PCL.
2018 – 2023	Director / Member of Audit Committee	Alpha Divisions PCL.
2016 – 2017	Chief Financial Officer	Equator Solar Co., Ltd.
2010 – 2020	Member of Audit Committee	Sky ICT PCL.

Position taking on other companies last year

Listed Company

2022 – Present	Director	Hinsitsu (Thailand) PCL.
----------------	----------	--------------------------

2019 – 2020 Executive Director /
Chief Financial Officer

Simat Technologies PCL.

Other Organizations (Non-Listed)

2022 – Present Director

Digital Cable Communication CO., Ltd.

2022 – Present Director

Natural Power Energy Co., Ltd.

2021 – Present Director

Simat Telecom Co., Ltd.

Name	Mr. Nuttapong Panjaworayan	
Position	Director / Chief Executive Officer / Company's Authorized Directors	
Date of to be Director	16 January 2023	
Age (Year)	51	
Education Background	Master's Degree in Finance and Banking, Ramkhamhaeng University	
Training with Thai Institute of Directors (IOD)	Director Accreditation Program (DAP)	
Other Training	-N/A-	
Share Possession (Percent)	15	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2023 – Present	Director / Chief Executive Officer	T.M.C. Industrial Public Company Limited
2017 – 2020	Director	Global Service Center Public Company Limited
Position taking on other companies last year		
Listed Company		
2016 – Present	President / Chief Executive Officer	Tapaco Public Company Limited
2018 – Present	Director / Audit Committee	Alpha Divisions Public Company Limited
Other Organizations (Non-Listed)		
2023 – Present	Director	Palmyra Being Co., Ltd.
2021 – Present	Managing Director	Siam Pannarak Holdings Co., Ltd.
2021 – Present	Managing Director	Siam Pannarak Co., Ltd.
2021 – Present	Director	Britzcoil Co., Ltd.
2017 – Present	President	Tapaco Mold Co., Ltd.

Name	Mr. Warin Phadungsinth	
Position	Director / Managing Director / Company's Authorized Directors	
Date of to be Director	16 January 2023	
Age (Year)	49	
Education Background	Master's degree, Master of Business Administration, Ramkhamhaeng University Bachelor's degree, Bachelor of Business Administration (Finance and Banking), Bangkok University	
Training with Thai Institute of Directors (IOD)	Director Accreditation Program (DAP) 20/2023	
Other Training	-N/A-	
Share Possession (Percent)	0.0078	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2023 – Present	Director / Managing Director	T.M.C. Industrial Public Company Limited
2021 – 2023	Director	TIM Energy Co., Ltd.
2021 – 2022	General Manager	TOM Retail Co., Ltd.
2020 – 2022	General Manager	TTI Retail Co., Ltd.
2019 – 2021	General Manager	D.D. Retail Management Business Co., Ltd.
2016 – 2019	Assistant Director of Credit	ICBC Thai Commercial Bank Public Company Limited
2014 – 2016	Assistant Director of Credit	RHB Bank (Thailand)
2012 – 2014	Assistant Director of Credit	TMB Bank Public Company Limited
2000 – 2012	Credit Manager	Export-Import Bank of Thailand
Position taking on other companies last year		
Listed Company	-N/A-	
Other Organizations (Non-Listed)		
2021 – Present	Director	N&M Retail Co., Ltd.
2020 – Present	Director	A.T. Power Energy Co., Ltd.

Name	Mr. Yossakorn Bomlai	
Position	Deputy Managing Director of Operation Management	
Age (Year)	53	
Education Background	<p>Doctor of Industrial Business Administration, King Mongkut's University of Technology North Bangkok</p> <p>Master's Degree in Education Administration, Ramkhumhaeng University</p> <p>Bachelor's Degree in Industrial Engineering, Rajamangala University of Technology Thanyaburi</p>	
Training with Thai Institute of Directors (IOD)	-	
Other Training	Industry 4.0 and Technology Trends	
Share Possession (Percent)	-N/A-	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2021 – Present	Deputy Managing Director of Operation Management	T.M.C. Industrial Public Company Limited
2016 – 2021	Deputy Managing Director of Factory	T.M.C. Industrial Public Company Limited
2009 – 2011	Assistant General Manager	Thai Summit PKK Co., Ltd.
2004 – 2009	General Manager	T.M.C. Industrial Co., Ltd.
1999 – 2004	Assistant Plant manager	Summit Advanced Material Co., Ltd.
Position taking on other companies last year		
Listed Company	-N/A-	
Other Organizations (Non-Listed)	-N/A-	

Name	Mr. Naphatra Chatvichian	
Position	Deputy Managing Director of Administration Management	
Age (Year)	55	
Education Background	Bachelor Degree in Accounting at Ramkhumhaeng University	
Training with Thai Institute of Directors (IOD)	Company Secretary Program 73/2016	
Other Training	-N/A-	
Share Possession (Percent)	-N/A-	
Family Relation among Directors and Executives	-N/A-	
Work Experience		
2021 – Present	Deputy Managing Director of Administration Management	T.M.C. Industrial Public Company Limited
2016 – Present	Company Secretary	T.M.C. Industrial Public Company Limited
2015 – 2021	Deputy Managing Director of Finance and Accounting	T.M.C. Industrial Public Company Limited
2013 – 2015	Consultant to BSC, KL	Glaxo Smith Kline (Thailand) Co., Ltd.
2001 – 2013	Assistant Account & Finance Manager	Glaxo Smith Kline (Thailand) Co., Ltd.
1997 – 2001	Assistant Account & Finance Manager	Smith Kline Beecham (Thailand) Co., Ltd.
1992 – 1997	Auditor	SGV Na Thalang Co., Ltd.
Position taking on other companies last year		
Listed Company	-N/A-	
Other Organizations (Non-Listed)	-N/A-	

Roles and responsibilities of company secretary

1. Prepare and store the company documents which are director registration, invitation letter and Board of Director Meeting minutes, and annual report.
2. Store the report of interest reported by the directors or the executives of the company and submit the copy of report to the Chief Executive Officer and Chairman of Audit Committee within 7 days after receiving the report.
3. Give advice on relevant laws and regulations, and the procedure of activity operation of the directors to comply with laws, objectives, and regulations of the Company.
4. Arrange the Board of Directors meeting and the Shareholders' meeting. Coordinate with the internal divisions to follow the resolution of Board of Directors meeting and the Shareholders' meeting.
5. Coordinate with the governance divisions such as SEC and responsible for the information disclosure and report to the governance division and public according to laws.
6. Organize the orientation for the newly appointed directors.
7. Other responsibilities assigned by the Board of Directors.

Details on Directors of Subsidiaries

1. Palmyra Being Co., Ltd.

Consists of 2 directors who are

- Mr. Panom Ratanarat
- Mr. Nuttapong Panjaworayan

Details on the Head of Internal Audit and Head of Compliance Unit of the Company

1. 1. Details on the Head of Internal Audit

1.1 In the case of using outsource

In the audit committee meeting No. 4/2021 on 9 November 2021, the company extended the contract with Professional Internal Audit Service Co. Ltd. to be the company's internal auditors during 1 January – 31 December 2023. Professional Internal Audit Service Co. Ltd. assigned Mr. Suraphong Churangsarit, the managing director, to perform work as the company's internal audit, and Mr. Suraphong Churangsarit is suitable for such responsibility due to his independence and internal audit experience for 8 years. Therefore, he perceived the company's strengths and weaknesses. To enable the internal audit to be implemented continuously, the company set the Internal Audit Unit for coordinating with the outsourcing auditors. However, consideration and approval on appointment, withdrawal, and transfer the head of the company's internal audit unit need to be approved by the audit committee.

Details on the Head of Internal Audit from outsource

Company name	: Professional Internal Audit Service Co., Ltd.
Address	: No. 299/354 Chaeng Watthana Road, Thung Song Hong Subdistrict, Lak Si District, Bangkok 10210
Responsible Person	: Mr. Surapong Churangsarit
Position	: Management Director
Education	: Master of Business Administration, Ramkhamhaeng University Bachelor of Business Administration, General Administration, Ramkhamhaeng University
Diploma of the profession	: Certified Internal Auditor, CIA Certified Professional Internal Auditor, CPIA
IOD Training	: Director Accreditation Program (DAP) 52/2549
Current Position	: – Managing Director, Professional Internal Audit Service Co., Ltd. (PIAS)

	<p>Audit Committee, Saint Louis College, Yala Rajabhat University and Nakhon Si Thammarat Rajabhat University</p> <ul style="list-style-type: none"> - Director, Certified Anti-Corruption (CAC), Thai Institute of Directors Association (IOD) - Director, Integrity & Transparency Assessment of Private sector operations, by National Anti-Corruption Commission - Internal Audit Subcommittee, Thai Media Fund - Consultant, Internal Audit, Equitable Education Fund - Consultant, Risk Management, Office of Trade Competition Commission
Working Experience	<p>: – 1979 – 2014, Executive of Internal Audit, Operations Supervision</p> <ul style="list-style-type: none"> - Vice President and Chairman of Audit Committee, Rich Asia Corporation Public Co., Ltd. - Chairman of Risk Management Committee and Audit Committee, Chaopraya Mahanakorn Public Co., Ltd. - 2014 – 2015, Association President, The Institute of Internal Auditors of Thailand - Special Instructor, public and private universities - Risk Management Textbook's Writer Team, Sukhothai Thammathirat Open University - The Committee investigates the facts according to the report of Thai Health Promotion Foundation

1.2 Internal Audit of the Company

The company has formed an internal audit department to co-ordinate with internal auditor from outsource, the details on the head of internal audit of the company are as follows.

Details on the Head of Internal Audit of the company

Responsible Person	: Mr. Paiboon Rattanasattachai
Position	: Internal Audit Officer and Head of Compliance Unit (acting)
Education	: Bachelor of Accounting, Dhurakij Pundit University
Working Experience	: – 2011 – Present Internal Audit Officer, T.M.C. Industrial Public Co., Ltd.
	: – 2014 – Present Head of Compliance Unit (acting), T.M.C. Industrial Public Co., Ltd.

Training

– 2003 – 2011 General Accountant Officer, Royal Porcelain Public Co., Ltd.

1. Company Secretary Program 40/2011
2. Effective Minute Taking 19/2011
3. Board Reporting Program 6/2011
4. Company Reporting Program 4/2012
5. IIA – Tools & Technic for Beginning Auditors
6. IIAT – Audit Working Paper & Audit Evidence
7. Adding Value Using Risk-Based Auditing
8. Internal Audit for new Auditor
9. Technique for Audit
10. Annual General Meeting and Board Meeting Guideline
11. Management of CSR for Sustainable Development
12. CSR Report Writing
13. The 2015 CSR Reporting
14. Audit Program Workshop
15. Systematic Audit
16. Audit Report Workshop
17. Fraud and Fraud Investigations
18. Internal Control and Internal Control Assessment
19. Analytical Thinking and Troubleshooting for Auditor

2. Details on the Head of Compliance Unit

The company assigned Mr. Paiboon Rattanasattachai to be an acting head of the Compliance Unit for supervising compliance according to regulations of the official agencies overseeing the company business operation. The Head of Compliance Unit is responsible for being a center to make the company business' operation compliant to laws, rules, regulations, requirements, and policies of related agencies such as The Stock Exchange of Thailand (SET), and The Securities and Exchange Commission, Thailand (SEC). In addition, the Board of Directors approved the Compliance Manual by prescribing the Board of Directors, the audit committee, top executives, divisions or departments, and employees to be compliant to law. They communicated to employees to be aware that every employee has duties and responsibilities in studying and understanding laws and regulations related to their work responsibilities and being strictly compliant to such rules and regulations.

Details on the Head of Compliance Unit

Responsible Person : Mr. Paiboon Rattanasattachai

Business Assets and Details on Property Appraisal List

1. Business Assets

As of 31 December 2023, the details of business assets are as follows.

1.1 Main Business Asset

Asset Type	Proprietary Type	Net worth	Asset Type
1. Land and Building			
1.1 Head Office			
Location : 125/10 Moo.5, Tambon Bansuan, Amphoe Muang Chonburi, Chonburi			
- Area size 15 Rai 1 Ngan 74 Square Wa	Owner	86.04	Land and buildings are mortgaged as collateral for the overdraft, promissory note and bank guarantee at Baht 167 million. Lease term 3 years.
- Office Building and Factory	Owner	26.94	
- Car park area	Rent	-	
1.2 Branch Office 1 (Showroom – Chonburi)			
Location : 8/42 Moo.6, Sai Om Muang Chonburi Road, Tambon Bansuan, Amphoe Muang Chonburi, Chonburi			
- Area size 1 Ngan 31 Square Wa	Owner	5.24	Land and buildings are mortgaged as collateral for the overdraft, promissory note and bank guarantee at Baht 167 million. Lease term 3 years.
- Showroom Building	Owner	-	
- Sales Office area	Rent	-	
2. Machinery	Owner	15.28	10 machines with a net book value at Baht 1.18 million were mortgaged for overdraft, promissory note and bank guarantee at Baht 167 million.
3. Tooling and Equipment	Owner	162	-N/A-
4. Decoration and Office Supplies	Owner	0.00	-N/A-
5. Vehicles	Owner	1.75	-N/A-
6. Intangible Assets			
- Computer Software	Owner	6.36	-N/A-

Remarks: The company has made the insurance to the fix assets i.e. factory building, office building, Showroom building, machinery and vehicle

1.2 Trademarks

T.M.C. Industrial Public Company Limited registered the trademarks “TMC” with Department of Intellectual Property, the details are as follows.

Trademarks	Registration No.	Registration Date
	171122329	25 March 2011 *
	๙298491	4 June 2008

Remarks: The company received a certificate of trademark registration, service mark from the Trademark Office Department of Intellectual Property on July 18, 2017.

1.3 Benefits from the Investment Promotion

–N/A–

1.4 Important Contracts

As of 31 December 2023, the company lease space and buildings for use in its business. All contracts are transactions with persons who are not related parties.

Counterparties	Period	Details
Mr. Worathep Paiboonrattanakorn	3 years (1 January 2024 – 31 December 2026)	The rental contract at soi Bansuan 1, Tambon Bansuan, Amphoe Muang Chonburi, Chonburi, which is opposite of the factory and head office to use as an office car park at rental rate Baht 2,105.26 per month.
Mrs. Wilai Thongkhamtae	3 years (1 January 2024 – 31 December 2026)	The land lease agreement, Title Deed No. 48737 and 107333, total area size 71 Square Wa, at Tambon Bansuan, Amphoe Muang Chonburi, Chonburi, next to the company's showroom at rental rate Baht 200,000 per annum.

1.5 Policy of Investment in Subsidiaries and Administration in Subsidiaries and Associated Companies

With a full commitment to protecting the investment and supervising the operations of its subsidiaries and associates to comply with applicable laws, regulations, and procedures fully, efficiently and effectively under Company policies, the following mandatory measures are implemented.

- 1) There shall be representatives from the Company to serve as directors of the boards of all subsidiaries and associates. The qualifications of representatives shall be thoroughly reviewed and approved for appropriateness for each subsidiary and associate by the Company's Board of Directors.
- 2) These representatives in subsidiaries and associates shall take full responsibility on the following:
 - Ensure that their responsible subsidiary and/or associate operates in line with the direction, strategic objectives and operating plan approved by the Company.
 - Attend the meetings and exercise voting rights accordingly in all key meetings of subsidiaries and/or associates.
 - Ensure that each subsidiary and/or associate has adequate efficiency and stringency of the internal control system and risk management system.
 - Make sure that each subsidiary and/or associate executes all activities in full compliance with regulatory controls and announcements of SET and SEC on transactions, acquisition and disposal of assets, and related-party transactions, as well as disclosure of financial positions, statements and performance, particularly on increase and decrease of capital, and liquidation of the subsidiary and/or associate.
- 3) Notify the Company promptly in case where each subsidiary and/or associate shall disclose any financial transactions to SET in compliance with the regulatory control.

2. Details of Property Appraisal List

-N/A-

Corporate Governance Policy, Code of Conduct and Anti-Corruption Policy

For the details of content, please go to www.tmc.co.th

Page – Investor Relations / Shareholders Information / Corporate Governance

or at the link below

<https://irplus.in.th/ir/listed/tmc/corporate.asp>

Sustainability Report

2023



T.M.C. Industrial Public Company Limited



Message from the Chairman of Executive Committee

In 2023, the Company has prepared a sustainability report in the same volume as the annual report, Form 56-1 One Report, for the year 2023 of the Company. We realized the importance of development for the sustainability of the business and the committee has agreed with the management to consider appointing the Nomination Remuneration Corporate Governance and Sustainable Development Committee. The objective is to enhance corporate governance guidelines and social and environmental responsibility of the company by giving importance to the analysis of all groups of stakeholders of the Company and carry out various steps of sustainability to cover all 3 dimensions: economic, social, and environmental and consider important issues in order to formulate policies and goals for further sustainable development of the Company.

On behalf of the management team, T.M.C. Industry Public Company Limited would like to pledge that we will conduct our business to achieve sustainable development goals For the benefit and maximum satisfaction of all groups of stakeholders of the Company.

A handwritten signature in black ink, appearing to read 'Thaweemit Kamolmongkolsuk'.

(Mr. Thaweemit Kamolmongkolsuk)
Chairman of Executive Committee

Scope

T.M.C. Industry Public Company Limited has prepared a sustainability report for the year 2023, reporting according to the scope of key sustainability indicators (Basic level) SET ESG Metrics. The information presented in this report covers the scope of reporting on sustainable development performance only at the head office and manufacturing plants which is located in the same place, number 125/10 Moo 5, Ban Suan Subdistrict, Mueang Chonburi District, Chonburi Province which is in the business of producing and distributing products in the group of machinery for use as the main machinery to support production in various industries, both as a normal operating system with an operator controlling the machinery and automation machinery in the production of lifting machines with lifting end equipment for installation inside trucks and within industrial plants energy-saving machines for lifting and moving things within industrial factories and warehouses, etc.

Sustainability strategy

- Economic

Improve and develop the quality of products and services Promote innovation to increase the company's business operations ability to grow continuously and sustainably and create maximum satisfaction for all groups of stakeholders.

- Social

Committed to conducting business with ethics Covers 4 main issues: treatment of employees; Responsibility to customers Partner management and community and social development.

- Environmental

Aiming to create knowledge and understanding among employees about the relationship between business and the environment. Reduce the use of resources and energy and use resources wisely including managing the production process that does not affect the environment.

Identifying key sustainability issues

The Company has compiled important issues regarding sustainability by considering the issues according to the company's operating framework and related to the organization's business operations and stakeholders, both internal and external factors affecting the company's business operations that cover economic, social, and environmental dimensions at the basic level and according to industrial product groups.

Materiality Assessment

Once the above important sustainability issues have been identified, the company has taken these issues to evaluate the importance of each important issue or Materiality Matrix by considering the importance of sustainability issues in 2 dimensions:





1. Importance/impact on business operations – X-axis

It can be considered from many aspects such as finance, operations, strategy, and the image and reputation of the organization legal or regulatory matters

2. Importance/impact on stakeholders – Y axis

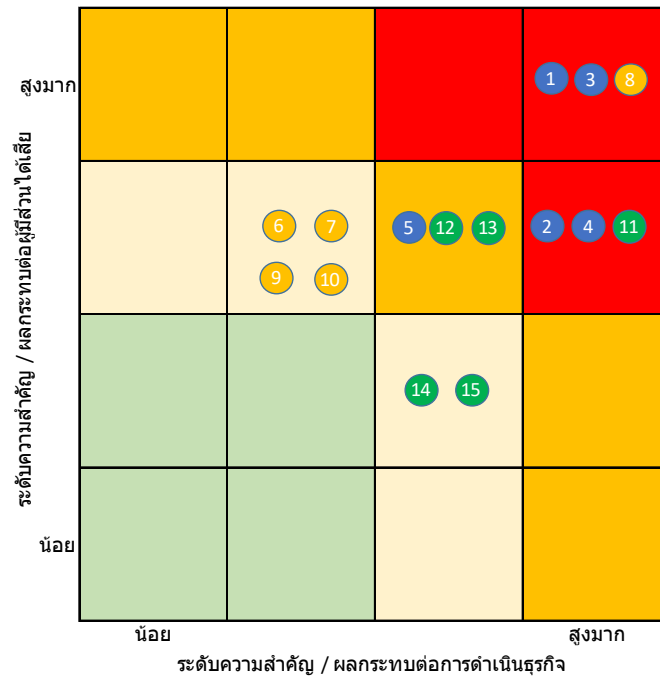
It can be considered from Number of stakeholder groups affected or the level of interest that stakeholder groups have in that issue Including how the issue affects stakeholder decision-making.

Colors' Meaning

	Important issues / very high impact on the business and stakeholders
	Important issues / high impact on the business and stakeholders
	Important issues / medium impact on the business and stakeholders
	Important issues / low impact on the business and stakeholders

In evaluating the impact, the Company used a meeting of the management team and those involved with those issues to analyze the data and vote in order to rank (vote) the importance and take the results of the evaluation to be further verified and was presented for approval from the top management. Details as follows:

Issues in each ESG Dimensions		
Economic / Governance	Social	Environmental
1. Corporate governance	6. Respect for human rights	11. Policy and compliance with environmental management standards
2. Sustainability policy and strategy	7. Treat labor fairly	12. Energy Management
3. Risk and crisis management	8. Responsibility to customers	13. Water Management
4. Sustainable supply chain management	9. Community/Social Responsibility	14. Waste Management
5. Product development and innovation	10. Local employment	15. CO2 Management



In 2023, there are important issues that can be reported to management as follows:

Management of Key Economic / Governance

1. Corporate Governance

The Company places importance on following the principles of good corporate governance for listed companies according to the principles of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC), the Company has adopted such principles as a policy for corporate governance and business ethics in order to It is a guideline for the Company's operations. (Details appear in Form 56-1 one report for the year 2023, section 2, topic of corporate governance) and prepared a manual on corporate governance and business ethics for directors, executives, and employees to adhere to as a practice guideline. In addition, details have been published on the company's website. www.tmc.co.th as well

The Company has arranged for regular reviews of the policy, principles of corporate governance and business ethics in order to be current, appropriate and consistent with business operations conditions each year. This revised version for 2023 was approved by the Board of Directors' Meeting No. 1/2024 on 22 February 2024 (details appear in [Attachment 5](#), Policy and Guidelines for Corporate Governance and Business Ethics, full version). The Company has policies and goals for implementing corporate governance for sustainability as follows:

- **Project to survey corporate governance of Thai listed companies of the Thai Institute of Directors (IOD)**

T.M.C. Industry Public Company Limited has participated in the project to survey corporate governance of Thai listed companies. of the Thai Institute of Directors (IOD) by carrying out corporate governance, submitting information, and creating data displays according to the annual CGR criteria (CGR Checklist) to evaluate compliance with the corporate governance criteria each year by the company. has participated in the project since 2014 until the current year. Throughout the past period, the company Has committed and given importance to developing the company's operating guidelines for good corporate governance. and can develop the rating level from "Good enough 2 stars" in 2014 to reach "Excellent 5 stars" in 2023, with details as follows.

Year	TMC Score (%)	Level
2023	87	Excellent 
2022	82	Very Good 
2021	82	Very Good 
2020	82	Very Good 
2019	82	Very Good 
2018	82	Very Good 
2017	80	Very Good 
2016	80	Very Good 
2015	75	Good 
2014	66	Fair 

The company has a long-term goal in 2026, which is to score an evaluation of compliance with corporate governance principles according to the annual CGR criteria data display form (CGR Checklist), received a score of more than 90 percent, excellent level.

- **Evaluation of the performance of individual directors and the Chief Executive Officer.**

From the principles of good corporate governance, the Board of Directors, who is the leader or the most responsible person of the organization, has a duty to oversee and ensure good long-term business performance to build confidence and credibility among investors and the public.

For the benefit of creating sustainable value for the business, the Company has been determined that there will be a self-assessment of the performance of the Board of Directors and sub-committees both as a group and as an individual and evaluating the performance of the Chief Executive Officer (CEO) at least once a year in order to compile the scores and summarize the results of the analysis of the performance of the Board of Directors and the Chief Executive Officer during the year to reflect on work and problems for further improvement.

The evaluation criteria full scores are 4.00 and the details are as follow; 4.00 = very good, 3.00 – 3.99 = good, 2.00 – 2.99 = quite good, 1.00 – 1.99 = fair and lower 1.00 = should improve.

In evaluating the performance of the individual Board of Directors, 3 different areas will be evaluated.

- 1) Structure and qualifications of the committee
- 2) Committee meeting
- 3) Roles, duties and responsibilities of the committee

In 2023, the company evaluated the self-assessment of the Board of Directors and Audit Committee by group and individual, and the assessment of the Chief Executive Officer's result of operation (by the directors) The results of the assessment in 2023 are as follows:

1. The self-assessment of the Board of Directors
By group = **3.80** (Good)
By individual = **3.83** (Good)
2. The self-assessment of the Audit Committee
By group = **3.72** (Good)
By individual = **3.71** (Good)
3. The self-assessment of the Chief Executive Officer
Mr. Nuttapong Panjaworayan = **3.71** (Good)
4. The self-assessment of the Managing Director
Mr. Warin Phadungsinth = **3.40** (Good)

- **Anti-corruption policy and practice guidelines**

Principle

T.M.C. Industry Public Company Limited has seen the importance of participating in the fight against corruption and has established an anti-corruption policy to show its intention of the private sector to cooperate in preventing and combating corruption and jointly create higher standards of business ethics as well as supporting and encouraging personnel at all levels of

the company to have awareness of resisting corruption in all forms to create standards for good and sustainable business operations. The company has therefore designated company directors, executives, employees, and related persons to adhere to this anti-corruption policy in conducting business to promote the company to be an organization with good management. effective Have ethics and ethics in doing business.

Definition

Corruption means acting or refraining from performing one's duties or the improper use of authority to seek undue benefits both to the organization to yourself or your family including friends and acquaintances in various forms such as promising, accepting, requesting, or demanding whether it is property, money, things, rights, or any other benefits. That would be an offense against the principles of morality, ethics, policies, regulations, and laws against government officials, government agency, private agency, or any other person who conducts business with the Company whether in the country or abroad, except in cases where the laws, regulations, announcements, customs, local traditions, or trade customs can be done.

Scope of Application and Compliance with the Law

Implementation of this guideline for combating corruption, the Company aims for this to be effective for those who will abide by it, including directors, executives, employees, agents, intermediaries, consultants, or those who work for the Company and business associates which will consider taking appropriate action in accordance with relevant laws. There will also be appropriate communication and adherence to guidelines for anti-corruption.

Those who violate or do not comply with these anti-corruption guidelines may receive the highest punishment which is termination of employment or termination of the contract. However, if the relevant case is a violation of the law, those who violate or fail to comply with the law may be subject to enforcement action.

Anti-Corruption Policy

Board of Directors, executives and employees of the Company must strictly comply with the anti-corruption policy as follows:

- 1) The Company aims to be a transparent and corruption-free organization including not being involved in corruption.
- 2) The Company prohibits directors, executives, and employees from commit corruption in all forms, whether directly or indirectly.
- 3) The Company promotes values regarding honesty, integrity, and being responsible in performing duties.
- 4) The Company encourages those involved in the Company to have understanding, awareness, and cooperation in every way it will be benefits in fighting corruption.

-
- 5) The Company sets guidelines for combating corruption appropriate and consistent with relevant circumstances and laws.
 - 6) The Company will treat and protect those involved in this policy fairly, such as those who report clues, employees who refuse to commit corruption, or those who cooperate in reporting corruption, including those who commit corruption. There will also be a process for investigating and considering punishment fairly.
 - 7) The Company will regularly review operational practices and measures to comply with changes in the law and business operations conditions.

Guidelines for Following the Anti-Corruption Policy

Board of Directors, executives, and employees of the Company must strictly comply with the Company's anti-corruption policy by prohibiting all forms of corruption, whether direct or indirect. The Company has guidelines for following the anti-corruption policy as follows:

- 1) Perform your duties with honesty, transparency, and do not engage in any behavior that indicates an intention to commit corruption in giving or receiving bribes both to government and private officials or any other person involved in conducting business with the Company to gain business advantages or for the benefit of oneself and those involved.
- 2) The Company has organized a training process and provided information, knowledge, and understanding to employees on matters that employees must comply with in accordance with the anti-corruption policy including promoting good values regarding morality Business Ethics and honesty and integrity in performing the duties of employees. The Company has specified in "Code of Conduct" of the Company.
- 3) Make employees aware and do not ignore or be negligent when you see actions that are considered corruption related to the Company. It is considered a duty to inform the Audit Committee and cooperate in investigating the facts.
- 4) Directors, executives, and employees who commit corruption, the Company will have a fair investigation process and in the case of an actual offense, punishment will be considered according to the regulations regarding discipline of employees of the Company that have been set forth and may be punished according to law if the action is illegal.
- 5) The Company will be fair and protect those who refuse to commit corruption or report information about corruption to the Company as specified in the measures to protect complainants or those who cooperate in reporting corruption.
- 6) Board of Directors and executives will supervise compliance with the established anti-corruption guidelines including providing an internal control system and an appropriate and efficient inspection process regularly to prevent corruption.

-
- 7) The Company will cooperate with the government and private sectors in exchanging knowledge, experiences or participating in activities that are beneficial in combating corruption.

Measures and Channels for Whistleblowing or Complaints about Corruption

Whistleblowing means the notification to report an information, clues, complaints, or questions related to a suspected action which may violate or not comply with the Code of Ethics and Business Ethics, incorrect financial reporting, or a defective internal control system.

The Company has measures and channels to report any clues, complaints, or concerns about corruption in various channels. The clerk or complainant must provide details of the clues or complaint, along with the name, address, telephone number that can be contacted, and then send to the following channels:

- Channel of communication between employees and the Company

Employees can contact us to report information and clues, make complaints, and ask questions about corruption or make observations or report issues regarding corruption by writing to Audit Committee by mail or email or QR Code or comment/complaint box prepared at the Company. The internal audit staff will inspect the comment/complaint box once a week or call the internal audit department.

- Channel of communication between various groups of stakeholders with the Company

The Stakeholders can contact us to inform the clues or complaints, and doubting about corruption, making observations or raise a corruption issue by writing to the Company at

<u>By post</u>	Audit Committee	
	125/10 M.5, Ban Suan Sub-District,	
	Muang Chonburi District, Chonburi Province 20000	
<u>By e-mail</u>	Audit Committee	auditcommittee@tmc.co.th
<u>By phone</u>	Tel. 038-271933 ต่อ Internal Audit Department	

Protection Measurement and Confidentiality

The Company will provide protection to the complainants, the ones who provide the information with good faith, and witnesses. The company will seal the name, address, or any data that can indicate the complainants, the information provider, or witnesses. Additionally, the data, complaints, and evidence shall be preserved as confidential. Besides, the company holds the policy not to decrease the position, perform punishment, or provide negative result for the employees who perform with good faith to deny performing corruption.

The Process Carried Out when the Clue is Notified

The Audit Committee and the Internal Audit Department shall be responsible for overseeing and investigating the matter in a timely and appropriate manner by collecting facts, evidence, screening details, and evaluating. If the case is serious or complicated, it may be considered by the committee or the ad hoc committee to carry out the task through the consideration process and screening process as necessary or as appropriate.

Thus, if it is found from the investigation that there is a truth or there is a real corruption, the measures to disciplinary action or the law will be proposed, and the related organizations shall consider for the problem solving together to prevent not to have corruption channel again.

Thus, the result of the investigation related to telling clues shall be done within 30 days from the date that the matter has been settled and completely.

2. Product Development and Innovation

For global warming in the year 2023, the world's average temperature is increasing due to the Greenhouse Effect which is caused by humans increasing the amount of carbon dioxide from the combustion of various fuels transportation and industrial production. From the issues that have arisen, the Company has seen the impact and has applied the knowledge that the Company has to create commercial design to reduce the amount of carbon dioxide from the combustion of waste materials from households, industry, and agriculture, such as designing and producing machinery for integrated waste management from the community to be used as fuel or brought back for remelting, designing machinery to manage waste materials from the industrial sector for use as fuel, such as leather, various car carpets. For agricultural images, there has been a design Wood Pellet Machinery and Biomass Briquette Machine.

Management of Important Social Issues

1. Responsibility to Customers

The Company places great importance on both customers and the products that must be delivered to them. Taking into account the quality of products and services that will be provided to customers as the Company's quality policy states: "We will continuously improve and develop in producing quality products with excellent services including pollution prevention by taking care of the environmental management system to strictly comply with the laws and regulations to create maximum satisfaction for both domestic and international customers" including the Company have also implemented the business ethics in the topic of customers, which is that the Company takes care of and is responsible for all customers equally. The quality and standards of products are regularly maintained. Conduct business operations to respond to customer needs as completely and comprehensively as possible including providing care services and guaranteeing product quality after sales according to the warranty period. All of this is to focus on creating maximum customer satisfaction in the long run. This is to give customers confidence in the quality of the Company's products and services and come back to order and use services again in the future

to ensure business sustainability. The management process is ensuring employees comply with specified work standards which consists of organizing regular training and skill development, checking quality in every work step, and bringing new technology to help in work. There is good after-sales service and monitoring of product usage by meeting and visiting customers to inquire about usage and problems. The goal is in 2025 is the customer satisfaction evaluation value must be at least 98 percent. The Company has evaluated customer satisfaction in detail in all 3 areas as follows.

1. Service

- 1.1. Consulting and solving problems for customers
- 1.2. Speed of response
- 1.3. Easy communication
- 1.4. After-sales service

2. Delivery

- 2.1 Set the delivery period to meet the expectation
- 2.2 Etiquette of the shipper
- 2.3 Product integrity during delivery

3. Quality

- 3.1 Responsibility when there is a problem
- 3.2 Products delivered correctly according to the order
- 3.3 Product quality and price

Evaluation	2020	2021	2022	2023
Service	92.80	97.25	96.55	96.73
Delivery	93.26	97.41	96.28	95.46
Quality	93.06	97.41	96.36	96.80
Summary	93.04	97.35	96.39	96.37

The Company has channels for customers to report various complaints. You can contact the sales department and sales staff directly by email, telephone, or the Company website www.tmc.co.th. In 2023, the Company had 1 complaint, which was a quality problem, and the Company has already resolved the problem for customers according to the complaint.

Management of Important Environmental Issues

The Company is aware of the importance of caring for and managing the environment. The work has been carried out in accordance with the Company's environmental policy, which was announced the Announcement No. 3/2019 on 8 March 2019 as a guideline for environmental operations. Details are as follows:

1. Comply with laws, regulations, and other requirements. Environmental aspects at the Company strictly related to controlling environmental impacts.
2. Committed to improving the environment by purchasing environmentally friendly products.
3. Committed to managing various hazardous wastes correctly and efficiently.
4. Committed to cleanliness orderliness in the office.
5. Reduce electricity and water by using it economically and most effectively.
6. Participate in environmental conservation activities and regularly and continuously restore the environment of nearby communities.

- **Electricity Management**

The Company values and supports continuous energy conservation operations with budget support from the Company including allowing employees to participate in saving energy and work together to use energy efficiently with measures to conserve electrical energy. The results of electrical energy management for 2023 are as follows:

- 1) Campaign to turn off light switches electrical appliances that are not in use
- 2) Turn off electric lights during the night. in an unused area
- 3) Control the air conditioner at 25 degrees and use an automatic shutdown system before lunch time
- 4) Maintain the electrical system regularly
- 5) Choose equipment Energy saving electricity
- 6) Install solar panels on the roof to produce electricity from solar energy. The installation was completed in November 2023.

- **Water Management**

Water is an essential resource for life. The Company recognizes and places importance on the valuable use of water resources. In 2023, the Company has created a water saving project which has the following control measures.

- 1) Survey the area that uses tap water within the factory. Take photos to mark water usage inspection points.
- 2) Divide zones and determine who is responsible for inspection.

- 3) Create a leak inspection point form and maintain the water supply system within the factory to reduce costs.
- 4) Set up a Line group in the group of maids to report leaks in water pipes, bidet hoses, and toilet bowls so that immediate repairs can be taken.
- 5) Collect data on water usage in 2023, which has an average monthly rate of 50.25 baht/person/month to set a goal of reducing the average cost by 3% per month in 2024.

- **Waste Management**

The Company takes into account the environmental impacts that may occur from waste generated from production and business operations including paying attention to the environment inside and outside surrounding the factory to have a pleasant, clean, and germ-free condition and dangers caused by hazardous waste and various solid wastes by providing receptacles to separate waste and unusable materials according to the type of waste, such as yellow trash cans for recyclable waste, Green trash cans for solid waste, etc., as well as a building to store leftover materials and hazardous waste and properly dispose of waste or unused materials according to the waste management guidelines according to the laws of the Department of Industrial Works. It has continued operations and management as follows:

- 1) Request permission to take outside the factory area by sending it to a disposer authorized by the Department of Industrial Works to dispose, treat or recycle according to the methods specified by law.
- 2) Annual waste volume reporting

Type of waste	Waste generated from business operations	Management
Garbage	General garbage, food scraps, food containers plastic drinking glasses	Separated, disposed, and stored by the local municipality
Non-hazardous waste from the factory	Scrap of paper, plastic, wood, and metal	Separate, eliminate, reuse, or recycle
Hazardous waste from the factory	Contaminated material, contaminated packaging, used coolant, light bulb	Dispose of according to the method specified by law.

2.1) Quantity of hazardous waste, comparison results made

No.	Details	Quantity of Waste			
		2020	2021	2022	2023
Hazardous Waste		Weight (Ton)	Weight (Ton)	Weight (Ton)	Weight (Ton)
1	Contaminated material	13.780	15.037	11.9	10.310
2	Contaminated packaging	0.205	0.124	0.25	0.162
3	Coolant oil	5.880	11.370	8.46	8.770
4	Flux sand dust	0.680	1.430	1.480	1.540
5	Used light bulbs	0.007	0.210	0.010	0.030
6	Used grindstone	0	0	0.020	0

2.2) Quantity of non-hazardous waste, comparison results made

No.	Details	Quantity of Waste			
		2020	2021	2022	2023
Non-Hazardous Waste		Weight (Ton)	Weight (Ton)	Weight (Ton)	Weight (Ton)
1	Scrap iron	92.455	116.765	16.020	43.220
2	Iron shavings	92.455	116.765	29.665	83.455
3	Non-ferrous metal shavings	0	0.029	0	0
4	Scrap welding wire	0.044	0.058	0	0.071
5	Scrap paper	1.629	3.935	0	3.051
6	Paper packaging (paper box)	0.6449	1.146	0	0.475
7	Plastic	0.370	0.391	0	0

2.3) The amount of used fuel and the resulting comparison results

No.	Details	Quantity of Waste			
		2020	2021	2022	2023
Used Fuel		Weight (Ton)	Weight (Ton)	Weight (Ton)	Weight (Ton)
1	Used fuel	0.800	5.620	2.160	3.200