

# Form 56-1 One Report 2023



PIONEER  
MOTOR

# PIMO

Pioneer Motor Public Company Limited

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This Annual Report (56-1 One Report) referred to the information disclosed on the Company's website, which is an integral part of the 56-1 One Report. The Board of Directors certifies the correctness and completeness of such referred information.

## Messages from Managing Director



Dear All Shareholders

In 2023, even though the COVID-19 virus outbreak situation in Thailand and around the world gradually relieve violence but it has been a year that has had various challenges in terms of finances, the world economy, and global geopolitical conflicts since the beginning of the year from the war crisis in Ukraine Conflict between Israel and Hamas. It inevitably affects the overall economy, if the conflict continues to drag on it will have an impact on the world economy and the Thai economy. Many central banks around the world have responded by raising interest rates to curb rising inflation and has become another borrowing problem for households and businesses. However, amidst these challenges The Thai economy is gradually recovering from various economic and social activities returning to normal after the COVID outbreak period.

The Company is well aware that challenging crises come with new business opportunities, so it hastened to increase its competitiveness and become a leader in the country's private sector in the business of producing various motor products and adhere to sustainable development guidelines Taking into account the environment, society and governance (Environmental, Social and Governance: ESG) throughout the value chain Efficient use of resources Restoring the natural environment affected by business operations Human resource management is fair and equitable Well-being of society both inside and outside the organization Including operating under the principles of good governance.

In addition, the company also places importance on operating under good corporate governance management with honesty and focus on sustainable business operations, paying attention to every element in order to create balance for all stakeholders whether it is shareholders, partners, allies, society, communities, the environment, employees, and to increase the potential of work and service, the company is therefore committed to setting policies to have operations in the areas of quality management, environment, occupational health and safety to achieve continuous development to create customer satisfaction both in terms of caring for the environment and preventing pollution to Reduce the amount of waste Promotion and sustainable use of resources Including reducing and controlling safety risks.

On behalf of the board of directors, executives and employees, I would like to thank all stakeholders that have been trusted confidence and always support the Company's business operations. The Company remains committed to creating continuous growth on the principles of good corporate governance along with caring for society and the environment to aim for an organization that conducts business sustainably to respond to expectations and create sustainability for all stakeholders equally.

Sincerely Yours,

Wasun Itthirojanakul

Managing Director



## Board of directors



- |  |  |
|--|--|
| 1. Mr. Satian Pooprasert                 | Chairman of the Board  |
| 2. Miss Jirayong Anuman-rajadhon         | Chairman of Audit Committee / Independent Director / Chairman of the Risk Management Committee / Nomination and Remuneration Committee     |
| 3. Mrs. Pennapha Dhanasarnsilp           | Audit Committee Director / Independent Director / Chairman of the Nomination and Remuneration Committee                                    |
| 4. Police general. Sakda TechaKriengkrai | Audit Committee Director / Independent Director / Chairman of the Corporate Governance and Sustainability Committee                        |
| 5. Mr. Wasun Itthirojanakul              | Board of Directors / Risk Management Committee / Nomination and Remuneration Committee / Corporate Governance and Sustainability Committee |
| 6. Mr. Christopher Robert Tape           | Board of Directors / Risk Management Committee   |
| 7. Mrs. Podjamarn Wongsuwan              | Board of Directors   |
| 8. Miss Sirirat Itthirojanakul           | Board of Directors / Company secretary/ Corporate Governance and Sustainability Committee  |

## Management Team



- |                                 |  |
|---------------------------------|--|
| 1. Mr. Wasun Itthirojanakul     | Managing Director                                  |
| 2. Mr. Christopher Robert Tape  | Deputy managing director                           |
| 3. Mrs.Nutcharat Itthirojanakul | Deputy Managing Director in Logistics              |
| 4. Mrs.Podjamarn Wongsuwan      | Deputy Managing Director in Accounting and Finance |
| 5. Miss Sirirat Itthirojanakul  | Assistant Managing Director in Marketing           |
| 6. Miss Narerat Itthirojanakul  | Assistant Managing Director in Corporate Support   |
| 7. Mr.Papat Itthirojanakul      | Production Manager                                 |



## Part 1

### Business Operations and Performance

#### 1. Structure and Operations of the Group

##### 1.1. Policy and business overview

Pioneer Motor Public Company Limited (“Company” or “PIMO”) was registered as a limited company on September 12, 2001 with a registered capital of 1,000,000 baht. It was registered with the Stock Exchange of Thailand on August 13, 2015. Currently, the company has a registered capital. 213,149,676.75 baht, paid-up registered capital 189,408,817.25 baht, to operate the business of producing motors for air conditioners. Power motors for the industrial sector Pumps, centrifugal pumps and motors for pools and spas.

The company is one of the factories that produce high quality motors. Modern technology is used in the production of motors and motor equipment. The production line is fully automated combined with computer-controlled wire wrapping machines. Use coil insertion technology and production equipment for coils and cores controlled by a Computer Numerical Control (CNC) system to obtain quality products. Its aim is to be a factory that produces motors for use with air conditioners. Motor power used in the industrial sector Manufacturing highly efficient pumps, centrifugal pumps and motors for pools and spas, under the brand “Pioneer Motor” to increase our ability to compete with products from abroad. Substitute imports from abroad and expand the customer base to various countries

The company consists of a board of directors and various executives who is knowledgeable Expertise and has good experience in this business throughout nearly 20 year the Company has never stopped developing a variety of products. Emphasis is placed on quality and safety in use. There are international inspection standards that the company received from leading organizations both product standards CE (standards according to health, safety and environmental protection requirements in accordance with relevant laws and regulations of the European Union) and ISO 9001:2015, international quality management system certification.

In addition, the company it also received the Vendor Performance Award, which is an award given by leading customers in the country. which shows that the company Produce quality products High security and providing excellent service To deliver maximum satisfaction to customers and able to meet customer needs exactly as intended Throughout the past, the company has gained the trust of customers in the country and abroad, such as Australia, New Zealand, the Netherlands, the Czech Republic, Iran, Middle Eastern countries, and Japan. As a result, the company Able to continuously expand the new customer base and has operating results growing every year

#### **Vision, Missions, Common values or Main strategies for the Company's operations**

<b>Vision</b>	<b>“To be a leading manufacturer in Thailand and a factory chosen by customers to be the supplier of air conditioner motor, industrial motor, submersible pump and pools and spas pump motors with quality products, favorable price and on time delivery for sustainable growth”</b>
<b>Mission</b>	<b>1. Commit to developing quality products that meet the needs of both domestic and international customers.</b> <b>2. Upgrade the knowledge and abilities of employees in the organization</b> <b>3. Manage under the principles of good governance and ethics</b> <b>4. Create the highest satisfaction for the stakeholders</b>

## Common values

- P: PERFORMANCE**      The Company is committed to producing products with efficiency.
- I: INTEGRITY**              All employees are honest with themselves and the community.
- M: MANUFACTURING WORLD CLASS**      The Company has an excellent production process.
- O: OPERATIONAL EXCELLENCE**      The Company operates at an excellent level.

## Goals or strategies for operating the company

The company has business goals by setting strategies for products, prices, and distribution channels. Marketing promotion both domestically and abroad to become a leader in the production and distribution of motors for air conditioners and power motors for industry as well as other products As mentioned above By building confidence in quality, price and maximum satisfaction for customers.

## Main strategies for doing business

1. **Develop a variety of products with quality that are reliable, accepted and able to meet the needs of consumers.**
2. **Invest in new businesses that can promote the company's future business in order for the organization to have the potential to be ready to change and compete.**
3. **Develop technology and information to strengthen market leadership. and quickly respond to customer needs**

In 2023, the Board of Directors held a total of 5 meetings to consider and review various policies and company strategy In the Board of Directors' meeting, the management reports on the performance according to the strategy every quarter. Various strategies, plans and budgets are set, including monitoring and supervision to ensure that the company conducts business according to the specified goals.

### 1.1.1. Important changes and developments of the company during the past 5 years

Year	Important events
<b>Year 2019</b>	- The company received a promotional certificate (BOI) in the motor manufacturing business for electrical appliances. This is to change machines to increase production efficiency and improve production efficiency for renewable energy.
<b>Year 2020</b>	- Proceed with notification of change of new address Formerly No. 78 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom Province New address No. 78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom Province with the Department of Business Development Ministry of Commerce
<b>Year 2021</b>	<ul style="list-style-type: none"><li>- Offer for sale of warrants to purchase ordinary shares of the Company (PIMO-W2) in the amount not exceeding 176,133,046 units, free of charge, in the ratio of 7 existing ordinary shares per 2 warrants (calculated at a par value of 0.25 baht per share). The exercise ratio is 1 unit of warrant per 1 common share and the exercise price is 1.75 baht per share.</li><li>- The company purchased land and buildings on the land of Saint-Gobain Abrasive (Thailand) Co., Ltd. at the price of 40,000,000 baht, totaling a total of 4 rai 3 ngan 84 square wa.</li><li>- At present, the company has completed the construction of a ready-made warehouse in December with a value of 21,000,000 baht.</li></ul>

Year	Important events
	<ul style="list-style-type: none"> <li>- The company invests in an additional solar rooftop project in the amount of 7,740,000 baht and receives 50% corporate income tax exemption benefits from the investment for a period of 3 years from BOI.</li> <li>- The company has signed a Memorandum of Understanding (MOU) for the development of hub motors for electric motorcycles or EV Hub Motor with E-Tran (Thailand) Co., Ltd.</li> <li>- The company has signed a contract to jointly fund the project. Design and development of permanent magnet brushless electric motors for electric motorcycles with the National Science and Technology Development Agency.</li> <li>- The company has invested in shares of VSM (Thailand) Co., Ltd. by paying 1,100,000 baht to repay the loan debt. Subsequently, in July 2021, the subsidiary company registered for dissolution with the Ministry of Commerce. And in August the subsidiary has completed the liquidation process.</li> <li>- The company received investment promotion certificates (BOI) for 100% of the capital in the production of motors for electrical appliances of size Lam 72, Lam 74, Lam 85, excluding the value of land and working capital, for a period of 3 years.</li> </ul>
<b>Year 2022</b>	<ul style="list-style-type: none"> <li>- On December 31, 2022, the company has been certified by the Private Sector Collective Action Coalition against Corruption (CAC) (Thai Private Sector Collective Action against Corruption).</li> <li>- The Company received a promotion certificate (BOI) for 100% of the capital in the production of motors for electric motorcycles, namely the production of TRACTION MOTOR, excluding the value of land and working capital, for a period of 8 years.</li> </ul>
<b>Year 2023</b>	<ul style="list-style-type: none"> <li>- The company has installed solar rooftops throughout the production building and parking lot in order to use renewable energy to produce electricity. A total of 12,000 square meters has been installed, counting the amount of factory space.</li> </ul>

#### 1.1.2. Name Head office location

Pioneer Motor Public Company Limited ("the Company") engages in the business of manufacturing motors for air conditioners. Industrial power motors Pumps, centrifugal pumps and motors for pools and spas. Using the abbreviation on the Stock Exchange of Thailand that "PIMO" was registered as a juristic person under the law on public limited companies on April 10, 2015, registration no. 0107558000164

Location of head office at No. 78, 78/4, 78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom Province Telephone number 034- 265111-8 Fax 034- 265119 Website [www.pioneermotor.th.com](http://www.pioneermotor.th.com)

As of May 22, 2023, the company has total registered capital. 213,149,676.75 baht is 757,635,269 ordinary shares with a par value of 0.25 baht per share, with paid-up capital of 757,635,269 shares 189,408,817.25 baht. The company has only one type of common stock.

#### 1.2. Nature of business

##### Company's business and income structure

The company's income structure for the 3 years ending 31 December 2021 to 31 December 2023 can be summarized as follows.



Sales revenue by product group	Year 2021		Year 2022		Year 2023	
	THB mil	%	THB mil	%	THB mil	%
1. Air conditioner electric motors	270.30	27.28	348.17	29.12	291.01	30.35
2. Pumps, centrifugal pumps and motors for pools and spas and other motor components	622.53	62.82	751.47	62.86	574.73	59.94
3. Industrial motors	90.66	9.15	88.52	7.41	85.43	8.91
4. Other sales income <sup>1/</sup>	7.42	0.75	7.34	0.61	7.71	0.80
<b>Total sales revenue</b>	<b>990.91</b>	<b>100.00</b>	<b>1,195.50</b>	<b>100.00</b>	<b>958.88</b>	<b>100.00</b>

**Remark:** <sup>1/</sup> other sales revenues include raw material sales, revenue from selling mold and other sales income

### 1.2.1 Product information

#### Product or service characteristics and business innovation development

Pioneer Motor Public Company Limited operates as a manufacturer and distributor of motors for air conditioners. Power motors for the industrial sector Pumps, centrifugal pumps and motors for pools and spas under the brand "PioneerMotor" and production to order or Made to order from employers therefore distributed throughout the country and abroad All types of products of the company there is a similar production process which is the heart of the main product which is the "motor". The motor is considered the main component of the machine and Various Electrical equipment used in both industrial and industrial sectors and household sector there will be a variety depending on the type of use. Therefore, it must be chosen appropriately and correctly in order to receive the highest efficiency with international inspection standards which has been received from leading organizations, including CE standards (standards according to health, safety and environmental protection requirements According to relevant laws and regulations of the European Union) and ISO 9001:2015 International Quality Management System Certificate, Product Safety Standards Certificate, Underwriters' laboratories Inc. UL, which is a safety standard accepted throughout the world. In addition, the company it also received the Vendor Performance Award, which is an award given by leading customers in the country.





At present, the company has developed motors for swimming pools from AC motors to DC motors that can be applied to both small and large swimming pools. To support future changes and customer needs that emphasize energy-saving use, DC motors are motors that can reduce electrical energy consumption by 20% - 40%.

Product groups that the company is a manufacturer and distributor can be divided into 4 main types as follows:

#### 1. Product group of motors for air conditioners (Air Conditioner Motors)

An air conditioner is an electrical appliance inside the home that is used to stabilize the air condition and adjusting the temperature in residences so that people can live in them Not too hot or too cold. One air conditioner set consists of 2 large machines: Condensing unit (Condensing unit) is a refrigeration system. What is called "hot coil" or "Outdoor unit" is a machine cabinet located outside of the building. Acts as a heat sink inside the machine consists of a compressor, hot coil panel, fan motor set. And the air conditioner refrigerant acts as a cooling agent in the air compressor system. Another component is the fan coil unit (Fan coil unit), also known as "cooling coil" or "Indoor unit", which is an air conditioner type that is installed inside a room or building to absorb heat in the room and provide wind. Cold came out. The main components are the cooling coil panel and the fan motor set.


### Example picture of an air conditioner motor



Model	Descriptions
<b><u>Series 52</u></b> 	Cooling air ventilation motor or cooling coil (Fan Coil) for wall-mounted air conditioners (Wall Type) inside the room or building. The structure is completely closed. Electrical system is 1 phase, 220-240 volts, 50 hertz (electrical system, speed level according to customer needs)
<b><u>Series 62</u></b> 	Motor for air curtain work installed along entrance doors to prevent cold air from air conditioning from coming outside the building. The structure is both open and closed. Electrical system 1 phase 220 - 240 volts 50/60 hertz (system speed level light according to customer needs)
<b><u>Series 74</u></b> 	Hot air ventilation motor or single-axis condensing coil For medium sized air conditioners The structure is both open and closed. Electrical system is 1 phase, 220-240 volts, 50/60 hertz (electrical system, speed level according to customer needs)
<b><u>Series 85</u></b> 	Motors for venting cold air or cooling coils (Fan coil) and venting hot air or hot coils (Condensing coil). There are both single-sided cores and two-sided cores. For medium and large air conditioners The structure is both open and closed. Electrical system 1 phase 220-240 volts 50/60 hertz 3 phase 220/380 volts 50/60 hertz (electrical system, speed level according to customer needs)

## **2. Power motor product group for the industrial sector (Induction Motors)**

Power motors for the industrial sector Company's customers Most of them are bought for use in agriculture. This is because most agricultural machinery uses induction motors as a component in making agricultural machinery, such as industrial fans, pumps, air tanks, and coconut scrapers, etc.

### Example pictures of motor power for the industrial sector

Model	Descriptions
<b><u>Single phase power motor (Single Phase)</u></b> <b><u>Single Phase – (1/4 HP, 1/3 HP)</u></b> 	Motor for small industrial fan small air tank Reciprocating water pump (pump), coconut scraper Small agricultural machinery, etc. Electrical system 1 phase 220 volts 50/60 hertz, motor power 1/4, 1/3 horsepower.
<b><u>Three-phase power motor (Three Phase)</u></b>	

Model	Descriptions
<b><u>3 Phase – (1 HP, 2 HP, 3HP)</u></b> 	Motors for medium to large agricultural machines, medium to large air tanks, water pumps (Naga pipes), belt drives, etc. 3-phase power system 220/380 volts, 50/60 Hertz, motor power 1, 2, 3 horsepower.
<b><u>single phase motor power (Single Phase)</u></b> <b><u>Single Phase – (3HP)</u></b> 	Fast speed motor for agriculture Rice milling machine, electrical system 1 phase, 2 poles, 220 volts, 50 hertz, motor power 3 horsepower.

#### Examples motor usages



Industrial fan



Wall-attached / 3-leg stand fans



Farm fan



Air compressor



Water Pump



Coconut grater



Plastering machine



Grinding machine



Chemical Spraying machine



Large Water Pipe ("Naga")



Citrus Fruit washing machine



Ice Crusher



Hot air blower  
(Brooding of Chicks)



Factory fan



Rice milling machine




### 3. Water pumps product group, centrifugal pumps and motors for pools and spas (Submersible Pumps and Pool & Spa Pump Motors) and other motor components.

Water pump and water pump it is a device that helps transfer energy from the source to the liquid to make liquid to move from one higher position to another or over a greater distance, pumps are now used. Water pumps to save energy in delivering water for consumption, agriculture, transportation, industry, as well as wastewater treatment to meet the needs of consumers in terms of greater convenience.



Water pumps and water pumps at the company Production can be divided into 2 types: pumps for reducing water levels (Dewatering) and pumps for draining waste water (Sewage). The details of each type of pump are as follows:


**Sample picture of lead pump (Submersible Pumps)**

Model	Descriptions
<p><b><u>For reducing water level (Dewatering)</u></b></p> <p><b>Model PM-100</b></p> 	<p>Pump for pumping water with little suspended solids. For small ponds, fish tanks, small drainage ponds or general agricultural work etc. The structure is plastic. Water outlet pipe size ¾ inch, 1 inch. Electrical system 1 phase 220 volts 50 hertz, power 100 watts.</p>
<p><b><u>For reducing the level of clean water (Dewatering)</u></b></p> <p><b>Model PM-400, PM-400AUTO</b></p> 	<p>Pump for pumping water containing moderately suspended solids. For medium sized ponds Drainage ponds or general agricultural work, etc. The structure is aluminum + plastic. Water outlet pipe size 2 inches, electrical system 1 phase, 220 volts, 50 hertz, power 400 watts.</p>
<p><b><u>For reducing wastewater levels (Sewage)</u></b></p> <p><b>Model PMU-400, PMU-400AUTO</b></p> 	<p>Pump for pumping water containing moderately suspended solids. For medium sized ponds Drainage ponds or general agricultural work, etc. The structure is aluminum + cast iron. Water outlet pipe size 2 inches, electrical system 1 phase, 220 volts, 50 hertz, power 400 watts.</p>
<p><b><u>For reducing wastewater levels (Sewage)</u></b></p> <p><b>Model PMU-7501, PMU-7501AUTO</b></p> 	<p>Pump for pumping water containing moderately suspended solids. For medium sized ponds Drainage ponds or general agricultural work, etc. The structure is cast iron. Water outlet pipe size 2.3 inches, 1 phase electrical system, 220 volts, 50 hertz, power 750 watts.</p>
<p><b><u>Centrifugal pump</u></b></p> <p><b>PMC-22 (Brass, Sus) , PMC-100(Sus)</b></p> 	<p>Pump for general agricultural work Can be sent to distant areas or used with sprinkler heads for vegetable plots or an area with a wide area, etc. The structure is Aluminum/Cast Iron Brass impeller, stainless steel, water inlet/outlet pipe size 1 inch/1 inch, 1 phase power system 220 volts, 50 hertz, power 400 watts and power 750 watts.</p>


#### 4. Pool Pump Motors product Group

Swimming pool and spa system that requires a water pump to circulate the water inside and filter the water in the swimming pool the water pump must be suitable for use in a swimming pool circulating filtration system. As for the spa bath system there will be different formats and uses. Pump for lowering the water level and a pump for draining waste it has a motor which is one important component which at present the company has produced and sold such motors for customers in Australia, New Zealand and Malaysia, which are countries with the highest population of swimming pools in the world. For examples of motors for pools and spas at the company Production is as follows



##### Sample pictures of motors for pools and spas (Pool & Spa Pump Motors)

Model	Descriptions
<u>Series 72</u> 	Motors for pools and spas with pump flanges Standard type (small size) and special pump flange (Large size) Electrical system, 1 phase, 240 volts, 50 hertz, size 550, 750 watts.

##### Sample pictures of motors for swimming pools (Pool Pump Motors)

Model	Descriptions
<u>Series 7A, 8A</u> 	Motor for swimming pool There is a standard pump flange (small size) and a special pump flange (large size). The speed can be adjusted according to the needs of use, called Variable speed. Average usage per day is 8 - 10 hours. Saves energy up to 60. % Electrical system, 1 phase, 230-240 volts, 50-60 hertz, sizes from 750 watts to 2100 watts.

##### Example picture of a motor for an automatic water pump

Model	Descriptions
<u>Series 60 (220V)</u> 	Motor for installation with automatic water pump. Used to pump water from a tank or Water reservoirs in residences such as large houses and dormitories with many rooms. Two-story office building, etc. The structure is aluminum. Electrical system is 1 phase, 220 volts, 50 hertz, power is 200 watts.
<u>Series 72 (220V)</u> 	Motor for installation with automatic water pump. Used to pump water from a tank or Water reservoirs in residences such as large houses and dormitories with many rooms. Two-story office building, etc. The structure is aluminum. Electrical system is 1 phase, 220 volts, 50 hertz, power is 200 watts.

### 1.2.2 Research and development

The Company realizes the importance of continuous research and development to meet future needs. The company has therefore developed the production of BLDC (Brushless DC) Pool Pump motor products of 750-1100 watts and developed up to 2100 watts that are suitable for small and large swimming pools. And there are ways to develop the product to reduce the weak points of competitors' motors that customers in the market have informed about, such as adding the Rotor Balance sensitivity control function to make the motor more stable, increase its take-off range and support a market that is trending. Change from AC Pool Pump to BLDC (Brushless DC) Pool Pump to reduce electricity usage.

#### The strengths of BLDC (Brushless DC) motors are:

- Users can choose to adjust the working level at many levels according to their needs.
- The rotational speed of the motor is highly stable in cases where the operating load is not constant at the level of 5%-10%.
- Has high work efficiency. As a result, motor users can save up to approximately 40% on electrical energy costs when compared to traditional AC motors.
- The motor is lightweight. This is due to the low consumption of silicon steel and copper wire.
- A single motor model can be used comprehensively instead of many motor models.

#### The manufacturing advantages of BLDC motors are:

- It is economical in the area used in the production process. For example, the use of a small silicon steel pump can produce work in a closed work room size of only 6 sq m, while the use of a traditional AC motor pump requires a work area of no less than 30 sq m. The hotel and there are machines that will make noise during work that is very loud.
- There is economy in the number of work steps. For example, there is no aluminum injection process for rotor making. Thus allowing the company to save on investment in aluminum injection machines. And there is no aluminum injection process. While producing a traditional AC motor requires an aluminum injection process.
- It is economical in using the amount of copper coil. This is because BLDC motors use approximately 1/3 the amount of copper wire of traditional AC motors.
- It is economical in the process of shaping copper wire forms and rope tying machines. Because the BLDC motor does not require a shaping machine and a tying machine. Therefore, there is no such production process.
- The production process is very economical in using electricity.

#### Electric motor comparison table AC Pool Motor and brushless electric motor for swimming pools (BLDC Pool Motor)

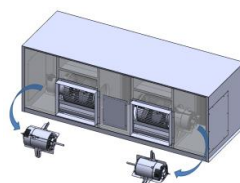
Type 1: AC Pool Motor	Type 2: BLDC Pool Motor
1. It requires high power consumption at 8-12 hours average daily usage time.	1. The power consumption is about 30% -50% lower than Type 1 at the average daily usage time of 8-12 hours.



Type 1: AC Pool Motor	Type 2: BLDC Pool Motor
<p>2. It requires numerous machines and complex manufacturing processes such as wire stranding machines, coiling machines, coil formers, bindings, and aluminum rotor injection machines.</p> <p>3. The amount of raw material such as silicon steel and copper wire used per motor is high resulting in heavy weight.</p> <p>4. The selling price per motor is not high and there are many competitors.</p> <p>5. User cannot set the motor speed.</p> <p>6. The water flow rate is not stable.</p> <p>7. The product design is ordinary.</p> <p>8. The design and development period of the motor are easily done as the raw materials required are common.</p> <p>9. The standard testing procedure can be done easily.</p>	<p>2. It requires fewer machines than motor type 1. Some of the machines that are no longer require are coil down machine, coil form fitting, rope binding machine, aluminum rotor injection machine. It also reduces the pollution in the factory due to the lack of aluminum rotor injection process.</p> <p>3. It consumes approximately 30% -40% less silicon steel and copper wire making the motor lighter and easier to transport.</p> <p>4. The selling price per motor is high and there are fewer competitors.</p> <p>5. Users can set the motor speed as required.</p> <p>6. The water flow rate is stable as the motor can adjust its own variable speed.</p> <p>7. The product's design is better as there is a control box showing the operating light on top of the motor.</p> <p>8. The design and development period of the new motor takes some time it requires a special magnet as a raw material.</p> <p>9. The standard testing procedures has many test topics causing it to take about 1 time more testing time than type 1.</p>

During 2021 - 2022, the Company has developed high efficiency motor products. To support market demand for energy saving in the medium to large sized air conditioners. This newly developed motor will have a 5-speed function. Customers can set the operating speed and direction of rotation as desired and the power of the motor will range from 250 watts, 500 watts, and 750 watts, respectively.

#### Example images of high efficiency motors for medium to large air conditioners (Air Conditioner Motors)



During 2023-2024, the company has developed a Dual Volatges Pool Pump for customers in the American market. The customer wants to use a motor with two voltages, 230 volts and 115 volts, which the company Has developed to have a function of working as a schedule and can be controlled remotely, including being able to set the rotation speed to 4 speeds with needs in 3 horsepower sizes: 1.25hp, 1.65hp and 2.25hp and It can also be used with the customer's original control unit via RS-485 signals.



## Policies and procedures to promote the potential and abilities of suppliers

The company sees the importance of working together to develop products and innovations that are beneficial to the business of the company and its partners. As at present, the trend of energy saving tends to grow rapidly. The company wants to develop products that can save energy and meet the needs of future users. Therefore, during 2021-2022, the company has developed EV motors for electric motorcycles (Electric Motorcycles) together with government agencies or the National Science and Technology Development Agency (National Science and Technology Development Agency). Royal Thai Navy)

The company also has a plan to develop and raise the potential of the motor industry. Therefore, there has been a collaboration in the project to develop motors for electric motorcycles with GP Motor (Thailand), the manufacturer and distributor of motorcycles under the GPX brand, in order to jointly develop electric motorcycles with stability and good quality at a competitive price. This project has already been completed in phase one and has received satisfactory results from the National Science and Technology Development Agency. (NSTDA) has already concluded the work and is starting the second phase for continued development in order to get the best test results. The motor looks like the picture below.



Currently, trends in the automotive world are starting to change. New alternative energy vehicles are gaining popularity especially electric cars or EVs (Electrical Vehicle) because they are pure energy vehicles. Does not cause pollution Reduce air pollution help make the world cleaner and a better place to live it also uses electricity from batteries instead of gasoline, which is increasingly expensive, making electric cars more desirable in the market. The same is true for motorcycles that use electrical energy to drive. By calling it Electric motorcycles or EV Bikes, today there are many types to choose from just like cars. Both scooters big bike motorcycle or will it be a sports bike type?

**Electric Motorcycles** are vehicles that use a motor to drive instead of an engine. Does not use fuel no internal combustion it uses only the electricity stored in the battery to supply power to the motor. As for the batteries and electric motors, they will have different sizes depending on each model the car manufacturer will produce.

### Features of electric motorcycles

- Electrical energy can be transferred immediately to the motor.
- Because it does not use a combustion engine. Resulting in no use of oil as fuel this reduces the creation of pollution from exhaust pipes, noise pollution, as well as reducing the impact on the health of surrounding drivers as well.
- The engine is not using oil. It doesn't create heat. It is not dangerous and safe to touch the machine.
- Save more money than using gas.
- Equipment is stronger and more durable. Easier to repair Reduce maintenance costs
- Can wade through flood waters. There is no problem of flooding in the exhaust pipe.

How are electric motorcycles better and more economical than petrol cars? If the company can produce EV motors for sale in the domestic market Consumers will be able to save money as follows.

petrol motorcycle	electric motorcycle
1.1 baht/km.	5 baht/charge, can run 40 km. = 0.125 baht/km.
44 baht/day	5 baht/day
1,320 baht/month	150 baht/month
15,840 baht/year	1,800 baht/year
23,760 baht/half year	2,700 baht/half year
Engine oil 500 baht.	change battery 4,800 baht
<b>Total 24,260 baht</b>	<b>Total 7,500 baht</b>

Therefore, within 1.5 years, save  $24,260 - 7,500 = 16,760$  baht, saving both money and energy as well.

The results of operations from promoting the potential and ability to conduct sustainable business of the company are still in the process of testing the efficiency of the motors at this time.



## Program for research and development of technology and innovation of the National Science and Technology Development Agency (NSTDA)

### Product development policy

The Company has continuously developed and improved its production processes. In 2019, it designed handling equipment and control systems to work with robots in 2 production lines to increase production efficiency and Controlling quality to be higher includes: Aluminum injection department and motor parts welding department with the skill of the company's own internal personnel And the company received a budget to support the ITAP (Innovation and Technologic Assistance Program) project in the amount of 0.4 million baht from the National Science and Technology Development Agency. Later in 2021, the Capital Administration and Management Unit for increasing the country's competitiveness (B.P.K.) which is an agency that allocates research funds and creates innovations to increase the competitiveness of the production and service sectors. Including supporting technology transfer creating an innovation market Promoting commercial use of research results and innovations has joined with the company signed a co-funding contract with the National Science and Technology Development Agency for the project design and development of a permanent magnet brushless electric motor for electric motorcycles. In 2023, the company has expenses for research and development of technology and innovation according to recommendations or additional explanations regarding expenses for research and development of technology and innovation total amount 0.20 million baht (year 2021: 0.71 million baht, year 2022: 1.47 million baht)

In addition to the robots that have already been installed, in 2022 the company has installed 3 more robots and plans to install many more robots in the production process.





Picture of a robot installed in the motor parts welding production line.



Picture of robots installed at 2 points in the aluminum injection production line.



## Work that has not yet been delivered

- Do not have -

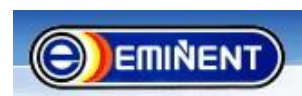
### 1.2.3 Marketing and Competition

The company's customer groups can be divided into 5 channels as follows:

#### 1. Customer group: entrepreneurs, manufacturers of electrical appliances

Customers of electrical appliance manufacturers, all customers in this group are customers of the company will produce according to production orders for various brands or brands (OEM) under the format desired by customers. Customers can take the products produced by the company and sell them under their brand or brand immediately or can be used as a component of the customer's finished product. In the past, the customer group that the company mostly produced to order. It is a customer who wants a ready-made motor as a part for assembling an air conditioner. Water pump used within the home and sold under the brand or brand of the manufacturer or assembler of that electrical appliance.

#### Example of OEM customer group: electrical appliance manufacturers



#### 2. International Customers

Foreign customer groups (International Customers) is a group of customers that the company Produce products for export to sell to various countries. It is produced both under the customer brand (OEM) and sold under the Pioneer Motor brand with products that the company Sold to foreign countries, mainly air conditioner motor products,

and motors for pools and spas. In the past, the company has exported to more than 30 countries around the world, including Australia, Dubai, Egypt, Czech Republic, Japan, Hong Kong, Iran, Malaysia, Philippines, Bangladesh, Sri Lanka, Kuwait, Vietnam, United States, Pakistan, Singapore, New Zealand, the Netherlands. South Africa, Germany, Bahrain, Qatar, Panama, Tanzania, Greece, Portugal, Turkey, Kosovo, Mauritius, Myanmar, Vietnam and Cambodia etc. especially Australia This is a major customer country where the company exports the most motors for air conditioners and motors for spas.

In addition to large customers in Australia, The Company plans to develop market share in the United States in the high-efficiency swimming pool motor segment. This is because it is a market with high potential and is almost 10 times larger than the market in Australia. The strategic plan is to send new products to the market every year.

Currently, products are exported to foreign countries. It is one of the main incomes of the company. The company's income from exports in 2021 - 2023 is 53%, 54%, and 46%, respectively, or valued at 520.78 million baht, 645.51 million baht, and 436.99 million baht, respectively.

#### Examples of foreign customer groups



IR Products USA



The company recognizes the importance of developing innovative products and technology as well as saving energy. And has introduced new products to the market as follows

1. Pool pump 3 phase IE3 (Hi eff.)
2. Pool pump 1Phase 60Hz UL standard (gold color)
3. Air motor 1phase 60Hz UL standard 2 models

1. Pool pump 3 phase IE3 (Hi eff.)



2. Pool pump 1Phase 60Hz UL standard (gold color)



3. Air motor 1phase 60Hz UL standard 2 models



### 3. Group of dealer shops (Agents) and group of wholesale shops (Dealers)

Customers from the dealer group (Agents) are customers who order products from the Company in large order quantities at a time in order to have power in trade negotiations. This will result in these customer groups purchasing products at satisfactory prices or receive better trade conditions. Then sold to wholesale stores or small retail stores. The company will benefit greatly from this group of customers. This is because this group of customers will have many channels to distribute products to a variety of consumers. This makes it possible to distribute products to consumers covering all areas.

Wholesale store customers (Dealers) are a group of customers that are similar to customers from the distributor store group (Agents) due to the way they order products from the company in large quantities at a time as well, but customers in the wholesale store group (Dealers) will have a smaller order quantity compared to customers in the group of distributors (Agents). Customers in the wholesale store group (Dealers) will purchase products from Company. Then it will be sold to small retailers. This group of customers will have channels to distribute products to retail consumers, such as general retail stores, etc.

Products that the company sold to groups of shops, distributors (Agents) and groups of wholesale shops (Dealers), it is a motor power product for the industrial sector and water pumps under the brand Pioneer Motor, mostly

### 4. Group of small retail stores (Retailers) and other small customers (Customers)

Small retail stores (Retailers) are a group of customers with many forms. But most of them have similar characteristics. Small retail stores (Retailers) purchase products in small quantities. Each customer has different purchasing objectives. They can be classified as follows:

1. **Small retail stores** Is a group of customers who order products to be sold to final consumers. General companies are a group of customers who order in small quantities at a time. But it is an order to compensate for the shortage of raw materials that are components in the production of that company's products.
2. **General retail customer group** It is a group of customers who purchase products from the company. To be used as spare parts for repairing and replacing damaged electrical appliances, such as replacing air conditioner motors in air conditioners, etc.

Products that the company sold to retail customers (Retailers) and other small customers (Customers) as air conditioner motor, products power motors for the industrial sector and water pumps under the brand Pioneer Motor, mostly

### 5. Modern Traders and Department Stores

Customers in the group of modern retail stores (Modern Traders) and department stores (Department Stores) are stores that have a trading format with a distribution management system. A variety of products are offered to provide convenience to customers. Modern retail stores will continuously expand their branches to meet the needs of consumers in every area. Which nowadays modern retail stores and department stores. For the most part, technology has been used as a medium of communication. To help build relationships between customers and retail stores, so that the company's products there is a comprehensive distribution channel for customers. The company therefore places great emphasis on modern retail customers because they tend to expand more than department stores. This will help increase channels for distributing products to retail customers in a comprehensive manner across branches of modern retail stores.

Products that the company sold to modern retail stores (Modern Traders) and department stores (Department Stores) as power motor products for the industrial sector mostly under the customer's brand (OEM).

#### 1.2.4 Competition

Considering the product group that the company Produce and sell The domestic market can be divided into 3 market groups: the motor market for air conditioners; Industrial power motor market and the water pump and submersible pump market As for the air conditioner motor market, the company produces motors according to OEM orders, which most employers is the leading manufacturer and distributor of air conditioners in the country, so the quality of the products considered important Because it will affect the image and reputation of the employer as well. In the past, the company has been continuously trusted as a manufacturer of motors for air conditioners by many leading customers in the country.

Industrial power motor market this type of motor is mostly used in agricultural industries and general equipment such as industrial fans, pumps, air pumps, and coconut scrapers. Plaster grinder, grinder, sprayer, Naga pipe, lime fruit cleaning machine Ice crusher, dryer, machinery tools and tools and household appliances, etc. The motor power market in the industrial sector is considered to be highly competitive. The main competitors in the industrial power motor market come from domestic and international markets with low production costs. Especially China At present, the company Sold through the company's distribution agents. This makes it possible to distribute such products to small retailers and final consumers throughout the country. In 2022-2023, the company's sales amounted to 88.52 million baht and 85.43 million baht, respectively, or a slight decrease of 3.49% compared to 2022.

For products such as pumps and water pumps despite the high competition and although there are many manufacturers, the company is still able to compete and sales volumes are continually increasing. As can be seen from sales in 2021-2023, the company had sales of 622.53 million baht, 751.47 million baht, and 574.73 million baht, respectively, in selling this group of products. It will be sold to one of the company's major customers. Under the customer's own brand, the company also distributes such products through distributors makes it possible to distribute products in every area in Thailand. Because in addition to being able to replace imports from abroad Thai manufacturers can also send products to sell abroad. Although competition in the international market is quite high, because it was affected by manufacturers in China that have lower production costs. However, the company does not have a policy of emphasizing price competition. But will focus on the quality of the product. On time delivery and providing excellent service including setting product prices within the criteria that customers can accept.

#### Competitive strategy

##### 1. Product strategy

The company places great importance on the quality of its products, emphasizing the reduction of energy losses. In order to produce motors with high efficiency (Efficiency) and the company Give importance to customer satisfaction realize the importance of inspection and testing of raw materials. Parts for all types of production To ensure that the raw materials And parts are not put into production until they have passed a complete inspection and testing process including every step of the manufacturing process for motors, water pumps, motors for pools and spas will go through a production process that meets the requirements according to industrial product production standards to control the quality of the production process for maximum efficiency and effectiveness.

The company has focused on quality development that meets standards and create maximum satisfaction for customers To meet the needs of customers according to the quality system standards ISO 9001 : 2015, CE standards, UL standards and ETL standards according to the set goals:

- Producing quality motors according to specified standards and meeting customer needs.
- Delivering motors to customers on time with the best service.
- When there is a complaint from a customer Customers will receive an immediate response.



ISO9001: 2015 is the standard of Quality Management System (QMS) which is accepted internationally. It is a system used for Manage the process to get quality products or services. Consistently meets customer needs Created and announced by International Organization for Standardization (at Geneva Switzerland)

Having the CE symbol (CE Marking) attached to the symbol that represents the announcement that the product meets important requirements of health and safety legislation and environmental protection The European Union has launched the CE standard to make international trade between member countries easier facilitates the free flow of goods in EFTA & European Union (EU).

Underwriters' Laboratories Inc. (UL) is an organization recognized internationally for verifying and certifying product safety standards. Established in the United States in 1894, UL is trusted as an international leader in safety inspections in product development, testing, and certification. UL evaluates products, parts, and equipment and systems to comply with specific regulations and requirements it uses standards auditing to drive product safety regulation at the federal, state, and local government safety standards initiatives.

ETL Intertek: is a leading company in testing and has a laboratory for testing products that meet international standards, accepted internationally and globally. With more than 130 years of experience, focusing on performance and safety testing of various products, the ETL mark is an indicator that Electrical and electronic appliances comply with all relevant electrical regulations.

Although motor production Water pump and water pump although there is a production technology that is not very complicated, the company still gives importance to the continuous development of product quality, with a department that is always responsible for developing and testing new products. in order to be more efficient It is highly safe to use and meets the needs of customers In addition, the quality of raw materials is checked various parts Inspection during the production process and guarantee the quality of the finished product. As well as checking storage conditions before delivering to customers.

## **2. Selling price determination**

Product Pricing Policy the Company has created a pricing policy based on product type to be consistent with the product and type of customer. The bid will be determined accordingly which is calculated from all costs incurred plus profit margin (Mark Up Cost) in the past of the company will not focus on price competition or cutting the selling price to compete with competitors too much the selling price will vary depending on the product market segment and customer groups Because the company Focus on the quality of the product is the main focus. On-time delivery and excellent service so that the price of the company's products within the criteria that customers can accept Most of the company's customers Being an entrepreneur producing electrical appliances, therefore requires quality products. It is safe to use because motors are the main components in electrical appliances that are distributed by customers who are manufacturers. As a result, most customers consider the quality of the motor more than the price factor. Because even though the motor is cheap, if it cannot be used well or cannot be used as desired or is less safe to use Because when there is a problem with that electrical appliance It will immediately have a negative impact on the image and reputation of the brand or the brand of that electrical appliance.

## **3. Distribution channels**

Motor products it is a component that is in various electrical appliances such as air conditioners and agricultural machinery, etc. Most consumers are middle-class consumers who assemble motors into electrical appliances or bought to be sold to final consumers. Therefore, it is normal for operators dealing with motor production.

The main customer groups are entrepreneurs/manufacturing factories and sales through distributors. The income can be divided according to the distribution channel into 5 groups as follows:

1. Customer group: Electronic Appliance Manufacturers
2. Foreign customer groups (International Customers)
3. Group of dealer shops (Agents) and group of wholesale shops (Dealers)
4. Group of small retail stores (Retailers) and other small customers (Customers)
5. Modern Traders and Department Stores

The company has established guidelines for managing sales through various channels as follows:

- Distribution through the factory location office it is a distribution channel that provides services to new customers who are general retail customers who have a need for the Company's products in a small amount the customer will call the sales office directly to purchase the product. There will be a sales team ready to provide service.
- Distribution through a group of dealer stores Customer groups used by entrepreneurs/manufacturing factories, modern retail stores and small retail stores this group of customers is a large customer who have been dealing with buying and selling products with the company for a long time and order in large quantities, the company will have a team of salespeople together with a team of engineers to provide services to meet the needs of each customer. Because customer needs for motor products are different and the company places importance on after-sales service. By providing a good and fast transportation system, able to deliver products to customers on time. and immediate response when customers encounter usage problems
- Distribution to customers in other provinces The Company has sales representatives to recommend products to various stores. In other provinces throughout the country

The company also sees the importance of adding channels to order products through the company's website which is ordering products online (Online) to add another distribution channel this will help facilitate ordering products for customers. The company has added such distribution channels for greater ordering flexibility by selling online through Shopee and Lazada.

In addition, the company still more interested in sending products to sell to countries in the ASEAN Economic Community (AEC) in the future. Due to the opening of free trade making trade between each other in the ASEAN market will open opportunities for entrepreneurs in Thailand, which will help the company more products can be produced and exported to regional countries in the Southeast. For countries in the AEC group where the company has plans to expand product exports for further distribution, such as Laos, Brunei, and Indonesia, etc.

#### **4. Controlling and considering customer credit**

The company sells products to customers in both cash and And granting trade credit as of December 31, 2023, the company has trade receivables to net sales amounting to approximately 17.00 percent, with guidelines set according to the policy for granting credit to new customers as follows.

##### **Policy for giving credit to new customers**

For general industrial motors and water pumps that the company distributes to general stores, that many Customers of that store type can be divided into 2 levels:

##### **1. Retail stores**

Retail stores include: Stores that have been in business for less than 2 years (it is important to look at the legal registration documents) or Have registered capital of less than 1 million baht

For small stores when trading for the first 3 times, payment must be made in cash upon delivery or on the delivery date. After the trial time has elapsed, have the salesperson request a credit limit and appropriate credit period. Presented to the Sales Manager, Assistant Managing Director of Marketing. Approved next.

Documents when credit limit approval has been considered will be kept at the Deputy Managing Director of Accounting and Finance.

**Responsibility for bad debts:** If it occurs in the first year after credit is given, the salesperson is responsible for repaying the company in installments 100% over a period of 1-2 years, depending on the amount of bad debt incurred. If it happens in the 2nd and 3rd years, the responsibility of the salesperson is 50% of the bad debt limit incurred. You can repay the company in installments over a period of 1-2 years, depending on the amount of bad debt incurred.

## **2. Medium and large stores**

For medium and large customers, this means a juristic person with a registered capital of more than 1 million baht who has been in the business of selling the same type of product or competitor's product for more than 2 years (it is important to look at the legal registration document) or something like Which one meets the criteria?

The sales staff is responsible for presenting the appropriate credit limit and appropriate credit period for the sales manager to consider and approve. And presented to The Assistant Managing Director of Marketing is the next person to approve.

Documents when credit limit approval has been considered will be kept at the Deputy Managing Director of Accounting and Finance in the next order. Responsibility for bad debts:

If it occurs in the first year after credit is given, the salesperson is responsible for repaying the company in installments 100% over a period of 1-2 years, depending on the amount of bad debt incurred.

If it happens in the 2nd and 3rd years, the responsibility of the salesperson is 50% of the bad debt limit incurred. You can repay the company in installments over a period of 1-2 years, depending on the amount of bad debt incurred.

## **3. Products that are specially produced for a specific purpose.**

However, there are also "specially produced products" (produced specially for specific customers, cannot be sold to others). In this case, the salesperson will require a minimum deposit of 30% or more from this new customer. In the first 2 purchases, when it's time to consider requesting credit, follow the steps above.

For "specially produced products" (specially produced for specific customers cannot be sold to others) to current or former customers let the salesperson do special things. Request to waive the deposit with reasons. Trustworthiness and purchase history of customers to the sales manager for approval and presented to The Assistant Managing Director of Marketing is the next person to approve. In this case, the salesperson must be 100% responsible in the event that the customer does not receive the product.

- In the case that there are products in the warehouse, Customers must transfer money in cash. only before shipping
- In the case that the product is special or is ordered to be produced by a specific customer, the company will collect the full amount in cash.
- In the case that the product is normal can be used with many customers but there are no products in the warehouse, the company will collect some payment in cash first, such as 30 percent, 50 percent, depending on the company's consideration.

For customers who receive trade credit, the company has a policy of granting credit term for the most part approximately 30 days but not more than 120 days, except for foreign customers who will provide trade credit for approximately 30 - 75 days, which credit term must be considered approved by company executives on a case-by-case basis. In the case that trade debtors are past due according to the conditions, the company will follow up and collect

them according to the specified procedures since following the verbal Follow up in writing until legal action is taken until the end. In addition, the company has established a policy for setting aside allowance for doubtful debts using the criteria for analyzing the age of the debtor and evaluating the current financial status of the debtor as criteria for determining the allowance for doubtful debts and the age range of debtors and their status are specified as criteria for setting allowance for doubtful debts for debtors with overdue debt periods.

## **5. Promotion and public relations policy**

The company focuses on giving importance to advertising and public relations directly to target customers. The main media used in advertising is public relations through the company's website "www.pioneermotor.th.com" making a catalog showing the products and various details of the company. Making vinyl billboard advertisements to display the company's products and distribute them to customers all over the country producing T-shirts to give to customers that have pictures of the company's products. To be a channel to help all types of customers including general consumers Can access information and get to know the company and products that the company In addition, the company also gives importance to organizing events to display various products. Both inside and abroad to reach customer groups who have a need for the company's products. In the past year, the status of the spread of the Covid virus disease 19 has gradually resolved. This allows the company to travel to attend trade shows such as

1. Big 5 Global 2023 trade show ("Event") at Dubai World Trade Centre, United Arab Emirates. In December 2023

Although the status of the COVID-19 outbreak it will be resolved, but the company still allows employees to try to build relationships and familiarity with customers In order to know the needs of customers, sales staff will be sent to meet customers both in Bangkok and other provinces. This way employees and engineers will know the real needs. So that it can be used to improve and develop product production for better efficiency. To respond to customer needs and create customer satisfaction.

## **Industry conditions**

### **Current industry conditions**

Due to motor products It is considered a component of electrical appliances and electronics in the Thai industry At present, there is no agency or organization that seriously collects and prepares specific data related to motors. Therefore, in order to analyze the current industry conditions and trends that are expected to occur in the future. Such analysis therefore requires reference from the electrical and electronics industry and the agricultural machinery and equipment industry which reflects the amount of demand for motors for use in the production of various electrical appliances and agricultural machinery This may be a factor that varies together with the overall picture and forecast of the world economic growth trend. Thailand's economy Air conditioning industry and the agricultural machinery and equipment industry of Thailand at present and future predictions, the details are as follows:

#### **1. Overview of the world economy**

The world economy in 2023 continues to slow down significantly due to 3 main factors: 1. the economy slows down in unison. (Synchronized slowdown) 2. Higher interest rates for longer (Higher for longer) with policy interest rates expected to remain constant at the current level of 5.4% and 3. The difference between the US Economy still expanding compared to other countries. Especially Europe and China will slow down significantly. Meanwhile, the Thai economy will recover in 2024, which is likely to be a result of increased political stability. From economic stimulus measures from the government, the Thai economy will expand further. And it is expected that the world economy in 2024 will likely expand at a slower pace.

Risks to the global economy come mainly from global geopolitical problems. Global supply chain problems may be additional risks arising from the Israeli-Hamas war and the Sino-U.S. economic polarization. Tensions in the Taiwan

Strait and elections in many countries are connected in many dimensions. It may be an important variable affecting inflation and the consideration of policy interest rates in major economies.

In addition, the global economy may face additional risks in many areas, such as China's economic slowdown more than Weather changes are expected to be more severe. Expected tensions on the Korean Peninsula Including the war between Russia-Ukraine has intensified and further affected the European economy. If these risks occur, they will inevitably have a negative impact on the world economy and need to rely on the government sector to help support the economy further

### **Overall economy in 2023**

Thai industrial economic situation in 2023 considering the Industrial Production Index (MPI) is expected to decrease by 4.8 percent compared to the same period last year. This is in line with the global economic slowdown and geopolitical tensions that affects the wider supply chain As well as high energy prices and interest rates, consumption and investment have decreased. Key industries that will slow in 2023 include computers and peripherals. Production conditions decreased mainly in Hard Disk Drive and Printer products as manufacturers reduced production plans due to continued slowdown in demand. Due to the impact of the world economy, Printers decreased from last year. Due to orders to produce products instead of the Vietnam branch that was unable to produce furniture products the production situation decreased mainly from wooden furniture and metal furniture products due to the global economic slowdown. As a result, many companies received fewer orders. Basic Iron and Steel Production situation decreased from hot rolled steel sheets. Cold rolled steel and structural steel mainly, with customers reducing orders to wait to see the direction of steel prices. As well as importing more products from abroad. For industries that will expand in 2023, such as automobiles, production will increase from small passenger cars and medium-sized passenger cars mainly in line with the expanding export market. Gasohol and jet fuel, mainly as a result of increased domestic travel activities. Sugar increased from white sugar and refined white sugar mainly in line with the continuously expanding consumption demand in both the domestic and export markets.

### **World economy in 2023**

The global economy in 2023 will continue to slow down reflected by the slowdown in the manufacturing sector around the world. (Especially in developed countries) as demand for various products begins to decline, monetary policy implementation Strict measures put pressure on the economy in both service and manufacturing sectors. Inflation rate is still above the target level. The goals of central banks affect consumer and business spending, as well as prices of energy and agricultural products that fluctuate due to geopolitical uncertainties and phenomena. El Niño that may continue to prolong

**Electrical industry** Production of electrical appliances in 2023 compared to 2022 shrank by 5.6 percent due to electric motor products. Hot water bottles, compressors, microwave ovens, refrigerators, rice cookers, fans, and electrical transformers have decreased due to continuously rising production costs. In addition, demand in the world market has decreased and the world economy has not yet recovered. However, washing machines are exported and electric transformers increase according to the needs of the industrial production chain.

**Production of electrical** appliances in 2023 shrank compared to the previous year. The Productivity Index was at 95.6, contracting 5.6 percent (%YoY) from production costs that continued to rise, coupled with decreased demand in the world market and the world economy that has not yet recovered. Electrical appliances that are Those that decreased include electric motors, thermoses, compressors, microwave ovens, refrigerators, rice cookers, fans, and electric transformers, which decreased by 28.0, 21.4, 19.2, 10.5, 10.0, 9.0, 6.6, and 6.0 percent, respectively, due to sales in the country and Overseas orders decreased Meanwhile, products increased, including electrical wires, washing



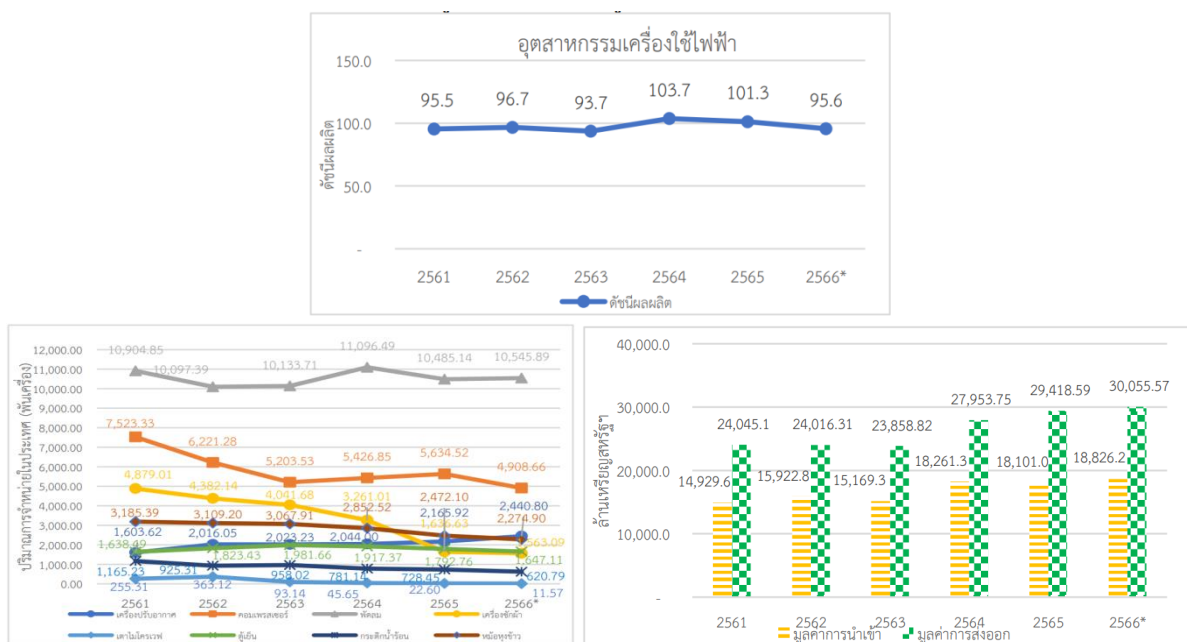
machines, cables, and air conditioners. Increased by 14.4, 11.7, 10.8 and 0.1 percent, respectively, due to an increase in orders from abroad.

**Domestic sales** In 2023, products sold domestically decreased compared to the previous year, including microwave ovens. thermos Refrigerator compressors, rice cookers and washing machines shrank by 23.7, 16.1, 14.9, 9.7, 8.5 and 3.8 percent, respectively, while air conditioners and fans increased by 8.1 and 2.8 percent, respectively.

**Imports of electrical** appliances in 2023 have a value of 18,826.2 million US dollars Expanded from the previous year by 4.0 percent (%YoY) from imports of electric transformer products air conditioner Microwave oven and refrigerator

**Exports of electrical** appliances in 2023 are valued at 30,055.6 million US dollars. Expanded from the previous year by 2.2 percent (%YoY) from exports of washing machines and electrical transformer Due to the needs of the world market Especially washing machine parts and components from Thailand are important to the production chain in industries such as Argentina and Vietnam, allowing entrepreneurs to export more.

#### Productivity index, import value and the value of exports and domestic sales of electrical appliances



Source: Office of Industrial Economics Ministry of Commerce and the Electrical and Electronics Institute

#### Electrical appliance industry trends, 3rd quarter of 2023

The electrical appliance industry in the 3rd quarter of 2023 is expected to have an expansion of the productivity index of approximately 2.5 percent and the export value is expected to expand by 3.0 percent due to the COVID-19 situation and the relief of the inflation situation. Climb Including the global economic situation that tends to improve in Thailand's main export markets, which has a positive effect on the expansion of the electrical appliance industry. However, there are still issues that need to be watched that may have a negative impact on production and exports can be issued, such as policies that give more importance to environmental problems in many countries around the world which may affect the production process in industrial plants

#### 2. Thai economic trends in 2024

The outlook for the Thai economy in 2024 is expected to expand in the range of 2.7 - 3.7 percent (the median estimate is 3.2 percent), with important supporting factors from (1) the return of export expansion (2) Good expansion of private consumption and investment, and (3) continued recovery of the tourism sector. It is expected that private consumption and investment will expand by 3.2 percent and 2.8 percent, respectively. The value of merchandise

exports in US dollars expanded by 3.8 percent. General inflation is expected to average in the range of 1.7 - 2.7 percent and the current account balance will be in surplus at 1.5 percent of GDP.

**Details of the economic projections for 2024 in various areas are as follows:**

1. Consumption spending consists of (1) private consumption spending It is expected to expand by 3.2 percent, slowing down from the high expansion of 7.0 percent in 2023, with an important supporting factor from the labor market that remains strong. Higher consumer confidence and low inflationary pressures and (2) government consumption spending It is expected to return to expansion of 2.2 percent from a decrease of 4.2 percent in 2023, in line with an increase in the current expenditure budget framework under the 2024 annual expenditure budget of 2,762,800 million baht, an increase of 7.5 percent from the budget framework of 2,569,219. million baht in fiscal year 2023
2. Total investment is expected to expand by 1.6 percent, continuing from an expansion of 1.3 percent in 2023 by (1) private investment It is expected to expand by 2.8 percent, accelerating from 2.0 percent in 2023, following the recovery trend of the merchandise exports and industrial production sectors. Including the continuous increase in the value of projects requesting investment promotion and issuing investment promotion certificates, and (2) public investment. It is expected to decrease by 1.8 percent, continuing from a decrease of 0.8 percent in 2023 due to a delay in the 2024 annual budget process that will result in a delay in disbursement.
3. The value of merchandise exports in US dollar terms is expected to return to expansion of 3.8 percent, compared to a decline of 2.0 percent in 2023. It is expected that the export volume will increase 3.3 percent, compared to A decrease of 3.1 percent in 2023 and export prices will increase by 0.0 - 1.0 percent, compared to 1.1 percent in 2023. Combined with service exports, it is expected that the volume of goods and services exports in 2024 will expand. 6.2 percent, up from 2.9 percent in 2023

**Macroeconomic policy management issues in 2024**

Macroeconomic policy management during the remainder of 2023 and into 2024 should focus on (1) implementing monetary and fiscal policy appropriately in line with the economic conditions of the country currently in recovery; Amidst the risk of volatility in the economic system that is still high and pressure on economic stability is greatly increasing. Emphasis should be placed on increasing policy space to be sufficient to accommodate risks that may occur in the next period. (2) Preparing measures to accommodate impacts and take advantage of risks. It may arise from the expansion of geopolitical tensions. climate change The slowdown of major economies and fluctuations in the world's money and capital markets In particular, importance should be given to measures to cushion the effects of the current conflict in the Middle East region that may affect the economy in various important areas, including labor fluctuations in energy and commodity prices; and agricultural sector costs (3) Driving the merchandise export sector to return to continuous expansion by (i) accelerating the export of goods to markets that still have a good expansion trend. and creating new markets; (ii) driving the export of products that have potential and are in demand in the world market; (iii) taking advantage of the Regional Comprehensive Economic Partnership (RCEP) framework, along with accelerating negotiations on Free trade agreement (iv) Facilitating and reducing costs related to exports (v) Preventing and solving trade barriers, especially non-tariff measures (vi) Promoting the business sector to manage Risk from exchange rate fluctuations (vii) Improving the competitiveness of product production and (viii) Accelerating the development of industries related to the production of raw materials and intermediate goods in the country (4) Creating Confidence and support for the expansion of private investment by (i) driving exports to return to expansion (ii) expediting business operators to receive approval and issue investment promotion certificates during 2021. – 2023 Real investment and hastening the approval of projects proposed to apply for investment promotion (iii) Accelerating factory operators who have received factory operating licenses to start operating their businesses faster (iv) Solving important obstacles to

Investment and business operations (v) Implementing proactive investment promotion measures through the 5-year investment promotion strategy (vi) Promoting investment in the Eastern Economic Corridor (EEC) and driving the Special Economic Corridor area, and (vii) Driving investment in developing economic areas and infrastructure in accordance with the plan. (5) Supporting the recovery of tourism and related services by (i) organizing tourism promotion activities and creating awareness of LTR measures. (ii) evaluation of tourist visa exemption measures; (iii) balanced distribution of the tourist market; (iv) promotion of increased tourist spending; (v) promotion of tourism in secondary cities; and (vi) Promote the development of high quality tourism (6) Taking care of agricultural production and farmers' income by (i) preventing and mitigating the effects of drought (ii) strengthening farmers' immunity through the crop insurance system (iii) Increasing farmers' share of income from selling final products; (iv) promoting innovation to raise added value and productivity in production; and (v) encouraging farmers to produce and use fertilizers and raw materials produced in country and (7) maintaining the driving force of economic expansion from government spending and investment by (i) accelerating disbursement from the inter-year budget and investment budget of state enterprises during the period that the Annual Budget Act of 2024 is still in effect Not effective (ii) expediting the budget process for fiscal year 2024 (iii) preparing projects to be ready for procurement and disbursement quickly and (iv) following up and expediting budget disbursement and government spending

**Source:** Office of the National Economic and Social Development Council

## **1.2.5 Procurement of products and services**

### **Nature of product acquisition**

The company has an office and a production factory. Located at No. 78, 78/4, 78/5 Village No. 3, Don Tum-Nakhon Chai Si Road, Don Faek Subdistrict, Nakhon Chai Si District, Nakhon Pathom Province. The products produced and sold are motors for air conditioners. Power motors for the industrial sector water pump centrifugal water pump Motors for pools and spas Including BLDC pool pump motor and other motor components.

#### **(1) Product production**

Production of the company's products Most of them are produced according to customer orders. (Made-to-Order) under the customer's brand and products are also produced for distribution under the company's own brand in order to comprehensively meet the needs of customers products that the company produced mainly under the brand of that customer. It will be an air conditioner type product and water pump motors for residences while the products produced and sold under the Company's brand are mostly power motors for the industrial sector water pump home pump motor and mainly water pumps

Characteristics of the company's product production it is mass production, starting with receiving orders from customers. After that, the company will purchase raw materials and parts used in production from raw material suppliers that have been inspected before entering the production process for each production department

The production process of each department operates differently in its sub-processes. However, due to the production of motors Water pumps and water pumps have a production process. They differ only in assembly and appearance. But the main ingredients in each product remain the same is the internal motor By the motor production line Water pumps and water pumps can be divided into 9 main departments: pump department, injection department, core department, rotor department, coiling department, cap department, shell department, painting department, and assembly department.

For the good quality of the products, the company inspects and tests the raw materials used in production. Inspection and testing during the production process Inspection and testing of finished products by randomly inspecting and testing the quality of the work pieces according to the quality plan. This allows customers to be confident that the

company's products are of quality and meet customer needs. The company will have a QA department to inspect every product produced by testing First Pass Yield (rate of test results that pass the first time) Pass the criteria at 99 percent.

For measuring instruments or equipment that affect product quality, they are calibrated by an ISO/IEC17025 certified institution.

The company has policies and guidelines for communicating information on the effects of products that customers or users should know clearly and honestly. The main policy is presenting quality products Meets customer needs and has excellent and continuous after-sales service for sustainable development All employees are experienced in motors for a long time, has excellent experience and expertise All sales staff must be trained in how to communicate information to customers. There is regular training to understand the product and its use at all times. Knowledge and understanding is given to customers with only true information. Guidelines and information on advertising and various media used by the company must be checked and controlled by responsible agencies and people with direct experience from the company only.

In addition, the company has channels to communicate information about the effects of products, such as product labels, usage documents. Important details are specified such as the manufacturer, production date, production location, method of use, size, weight, usage, warnings, contact channels for customers, usage warranty card various conditions in product warranties, etc., so that customers can understand the products that meet the characteristics and features of the products, as can be seen as follows.

**model : SM-2.0CR**  
**ลิ้นค้า : มอเตอร์ไฟฟ้า**  
 ประโยชน์ : ใช้แปลงพลังงานไฟฟ้าเป็นพลังงานกลเหมาะกับการใช้งานอุตสาหกรรมและต่อพ่วงกับอุปกรณ์ต่างๆ มากมาย  
 ราคา : ณ จุดขาย  
 ผลิตภัณฑ์ : บริษัท โพเอนียร์ มอเตอร์ จำกัด (มหาชน)  
 ที่อยู่ 78 หมู่ 3 ต.ดอนตูม-นครชัยศรี จ.นครปฐม 73120  
 คำเตือน : เก็บและใช้งานในที่ร่ม ห้ามโดนน้ำ

**2HP**  
**4P 220V-50Hz**  
**มอเตอร์ไฟฟ้า 1 เฟส**  
 ขนาด 261x400x190 มม.  
 น้ำหนัก 22.57 กก.  
 วันที่ผลิต DMMYY  
 มลพิษต่อสิ่งแวดล้อม

**ลิ้นค้า : มอเตอร์ไฟฟ้า**  
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### Machinery used in production

The company has main production machinery such as wire wrapping machines, drilling machines, and mila insert machines, rope tying machine, CNC lathe, motor testing machine, wire insulation scraper hydraulic presses, etc. At present, The Company, there are more than 580 machines used in production.

### Production capacity and production volume

Product	Unit	2021	2022	2023
<b><u>Air conditioner electric motors</u></b>				
Full capacity	Motor	500,000	500,000	500,000
Actual production	Motor	366,931	363,994	306,106
Utilization rate	Percentage	73.39%	72.80%	61.22%
<b><u>Industrial motor</u></b>				

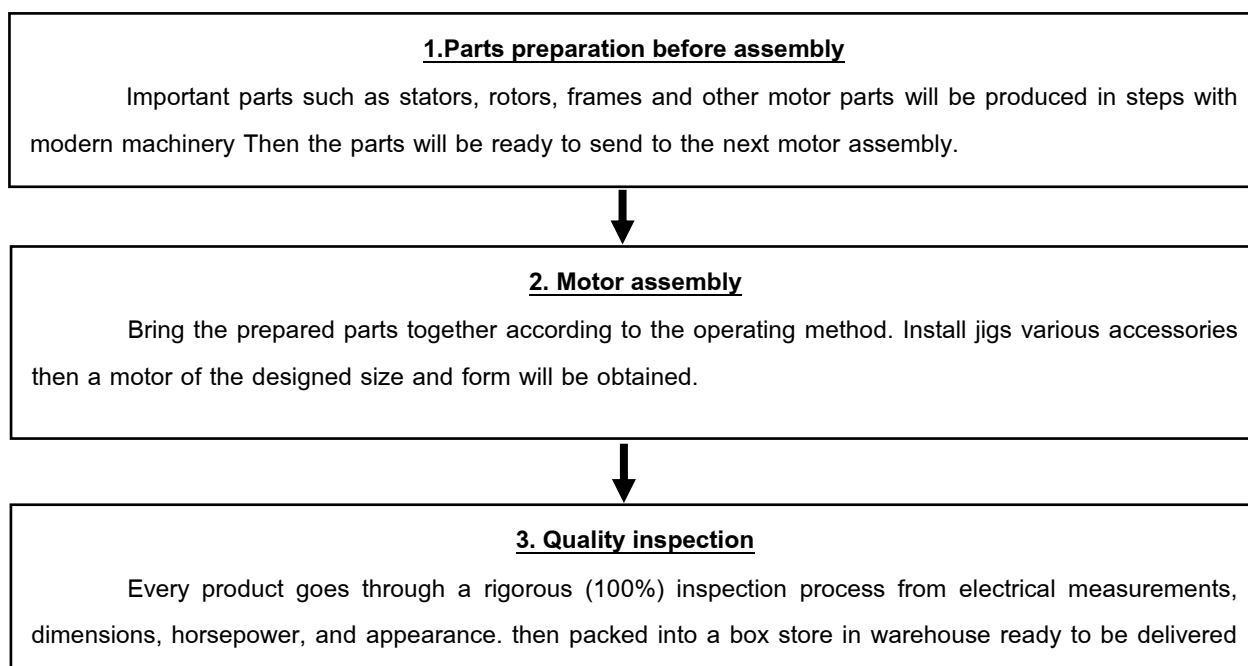
Product	Unit	2021	2022	2023
Full capacity	Motor	80,000	80,000	80,000
Actual production	Motor	50,986	46,922	44,461
Utilization rate	Percentage	63.73%	58.65%	55.58%
<b><u>Pumps, centrifugal pumps, motors for pools &amp; spas, other motor components.</u></b>				
Full capacity	Pump	630,000	630,000	630,000
Actual production	Pump	466,035	469,108	399,872
Utilization rate	Percentage	70.61%	71.08%	63.47%

**Remark:** Full capacity It is the production capacity separated by each type of product which is the maximum production of that product if the company produces only one type of product. At present, the total production capacity of the company the production capacity is approximately 70 - 80 percent of the total production capacity, which the company must expand additional production capacity in the future.

### Production loss rate

The company has determined the control of waste that arises from the production process. In this regard, each department has set a different rate of production loss depending on the type and nature of the work. However, the average production loss rate of every the production department sets the rate at 0.1 percent.

### Motor manufacturing process diagram



### (2) Purchasing raw materials

The company's procurement criteria and practices are transparent, fair, and non-discriminatory including guidelines for selecting business partners, such as selecting partners that have the potential to conduct sustainable business. The quality of the products is standard. Products and services are delivered on time. There is no violation of labor laws and human rights, etc., because the company Pay attention to the quality of raw materials and distribution companies used in the production of products. Before the company to order raw materials from any raw material supplier, the company will take samples of said raw materials from the supplier to check the quality first which if the quality passes the specified standards, so the order will be processed to be used in actual production in the past, when ordering or procuring raw materials, the company would have established a policy and operating manual. This requires



comparing prices offered by more than one product supplier and evaluating quality over a specified period of time. Partners are regularly inspected. To evaluate the quality of the company and the product

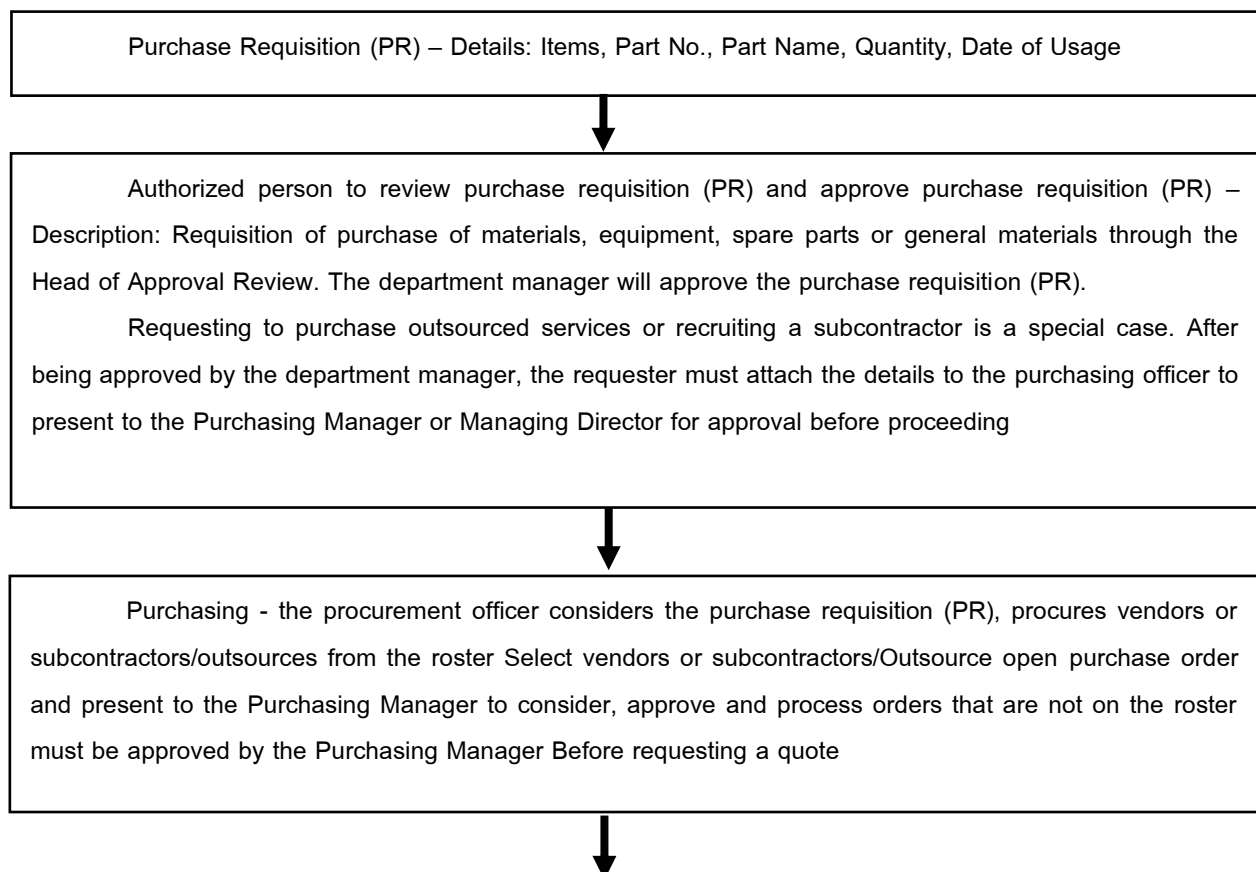
The company will select distributors from the company's vendor list. with graded scores For the case where there is no list or is a new distributor, the company will ask the distributor to bid and make comparisons according to the purchasing procedures set by the company, with the purchasing manager reviewing and approving again for editing or update the list of those distributors It will be the authority and responsibility of the purchasing manager.

Evaluation of the company's raw material suppliers in the case of parts or raw materials used in production, the company will evaluate suppliers based on delivery scores. Service is on schedule. Product quality score and there are no disputes the purchasing officer and quality assurance department will evaluate 2 times a year. In addition, the company stipulates that every year the purchasing officer must review the evaluation results of vendors throughout the past year to ensure that they have good performance. Are you there or not, and review the selection of supplier companies that do not have the quality that the company desires from the list of raw material suppliers of the company for the company Receive the highest quality raw materials to be used in further production.

The Company has no obligation to purchase raw materials from any single raw material supplier and does not rely heavily on any one distributor because the company there is a quality inspection of raw materials. If the raw materials from any raw material supplier are not of the quality specified by the Company, the Company can immediately purchase raw materials from other suppliers instead. The Company has a policy to purchase each type of raw material by taking into account the quality and price. Appropriate and prices from more than one raw material supplier are compared every time an order is made.

The Company also monitors vendors or subcontractors during the year in order to continuously improve quality using principles according to the ISO system and subcontractors who have greenhouse gas production projects such as Bangkok Pacific steel Co., Ltd. on 30/06/2023.

#### **Process of Raw Materials orders**



Opening a purchase order the format of the raw material purchase order must include the following important information:

1. Number of PO by automated program
2. Buyer name or Outsource name
3. Part No. or Part Name
4. Quantity
5. Price per item
6. Delivery time and Place of delivery
7. Other restrictions (if any)

### **Raw material receiving process**

Suppliers deliver raw materials to the company then quality inspection department randomly inspects the products to ensure the quality according to the set standards.



Stamp the inspection on the tax invoice before sending the goods to the warehouse department to proceed



Warehouse department check the document which is Original tax invoice with copy and a copy of the purchase order then do the product counting and receipt of goods, issue a receipt of goods (GRN), attach the document and send it to the department of accounting for the purchase of goods. In the event that the product or the price is incorrect or the product is not of quality, the warehouse department will notify the purchasing department and contact the supplier.



Accounting department receives documents from the warehouse Accounts payable staff examine the documents received as follows:

1. Purchase Order (Copy from Seller)
2. Receipt (GRN issued by warehouse)
3. Input tax invoice (original)
4. Copy of delivery invoice/purchase tax invoice

Once the document has been reviewed, Accounts payable staff will record purchases in the Efac system, keep the original purchase tax invoices on file. Send a copy of the purchase tax invoice, goods receipt, and purchase order to the finance staff to enter the creditors file and wait for the seller to charge

### **(3) Raw materials used in production**

Raw materials used in production at the company Orders must be inspected and tested raw materials must meet RoHS requirements, which stands for Restriction of Hazardous Substances, a European Directive 2002/95/EC regarding the use of substances that are Dangers in electrical and electronic equipment This includes all kinds of appliances that rely on electricity to work, such as televisions, microwave ovens, radios, etc. Therefore, every part that makes up an electrical appliance is since the circuit board Electronic equipment, down to electrical wires, must meet

these requirements. There are a total of 6 substances that are currently limited in quantity, including mercury, cadmium, lead, chromium, Polybrominated Biphenyls, Polybrominated Diphenyl Ethers.

#### Details of main raw materials classified by type of raw materials

Main Raw Materials	Percentage of Purchase as of December 31 2023	Source of Raw Material	
		Domestic	Overseas
Copper	28.67%	✓	
Silicon Steel	20.48%	✓	
Aluminium	7.66%	✓	

**Remark:** Percentage of purchase vs. total purchase value

The table shows the quantity of purchases for each type of main raw material from 2020 – 2022 (in Millions Baht)

Company / Partner	Main Raw Materials	2021		2022		2023	
		value	%	value	%	value	%
1. Kulthorn Material Cont	Copper	206.22	25.71	213.26	22.62	188.79	28.67
2. Bangkok Pacific	Silicon Steel	185.84	23.37	214.50	22.75	134.88	20.48
3. SS Ingot	Aluminium	58.10	7.34	71.07	7.54	50.43	7.66

**Remark:** Total raw material purchase value vs. total raw material purchase value

#### Environmentally friendly procurement (Green Procurement)

Global warming is an important problem resulting in impacts on livelihoods and the economy in many dimensions, including impacts on the environment, society, and all stakeholders together with the expansion of the industrial sector whose production uses energy that causes global warming And there is more waste generated from industrial waste that has a direct impact on the environment. These are important factors causing pollution to the community. This pollution problem is considered an issue that is of great importance around the world. There is a trend of social responsibility in various organizations. Encourage organizations to be more responsible towards the environment.

This environmental pollution problem is accumulating and becoming more severe. It is a driving force that creates the driving force for developing the organization to become a green organization (Green Organization), which is a process that is committed to reducing environmental problems sustainably. Various organizations have defined the scope and meaning of a sustainable green organization to mean an organization that conducts business and activities with policies and practices in accordance with the principles of using, promoting and conserving natural resources and the environment. There is an organizational culture of cultivating awareness. Set guidelines, communicate and convey them to personnel in the organization and those involved in social and environmental responsibility. At the same time, doing business in order for the organization to be sustainable is Social responsibility must be taken into account including responsibilities within the organization such as increasing quality, reducing costs, reducing waste, and laws related to business operations without abandoning external responsibility for green procurement Responding to customer needs Awakening to create innovation and building a reputation for environmentally friendly products.

#### The role of the purchasing department in becoming a green organization

The purchasing department is an organization that can effectively drive the green supply chain (Green Supply Chain) by conducting the purchasing process according to appropriate standards in selecting products and services. Selection of suppliers including consideration of raw materials it therefore plays a role in being responsible to the

environment and stakeholders to create cooperation between the company and suppliers and promote the adoption of clean production principles.

Therefore, the company gives importance to the procurement process. The management has therefore provided support to promote environmentally friendly procurement operations or Green procurement and has given importance to environmental policy formulation. This responds to the needs of customers who want to consume environmentally friendly products.

#### **Environmentally friendly procurement policy "Green Procurement"**

The company has set a policy "Environmentally friendly procurement or Green Procurement" is used in the organization to create a mechanism to reduce the use of resources and reduce the release of waste and pollution. Reduce and stop using harmful chemicals including reducing greenhouse gas emissions. It also supports departments within the organization to have knowledge and understanding of the principles and regulations related to environmentally friendly procurement. Under the following guidelines

(1) Chemical control

- Substance control according to RoHS standards. (Certify that no prohibited substances have been used and certify special production processes)
- Control chemicals that have an impact on the environment.

(2) Support the use of the 3R principles (Reduce, Reuse, Recycle) in the company.

(3) Properly manage waste released from the production process. By reducing the amount and trying to reuse it.

(4) Labor, safety and health reduce the risk of hidden dangers in work. and create appropriate workplaces

(5) The company joins the Green Industry project by the Ministry of Industry.

The company has selected products with the green label mark for use in the organization.

### 1.2.6 Assets used in business operations and details regarding property appraisal items

Table showing the company's assets used in business operations as of December 31, 2023.

Property type	Property	Proprietary nature	Obligation	Net worth As of 31 Dec. 23	Property utilization
1. Land	- Land title deed number 5759, land number 188, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 5 rai 2 ngan 74 square wa	own			factory building location (Steel Mill, Steel Welding)
	- Land title deed no. 11015, land number 187, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 6 rai 3 ngan 93 square wa	own			Location of warehouse building with mezzanine for raw material store Finished goods stock and building for the production of brushless electric motors for swimming pools.
	- Land title deed no. 65140, land number 539, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 7 rai 0 ngan 43 square wa	own			vacant land
	- Land title deed number 5762, land number 184, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 3 rai 3 ngan 88 square wa	own	do not have	179.80	Location of the factory building and office 2 floors
	- Land title deed number 5763, land number 186, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 3 ngan 65 square wa	own			cafeteria location
	- Land Title Deed No. 22656, Land No. 185, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 02 square wa	own			Location of a 2-storey office building canteens and guard towers
	- Land Title Deed No. 65141, Land No. 540, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area of 3 rai, 2 ngan, 13 square wa	own			Location of a 2-storey building (dormitory)
	- Land title deed no. 38076, land number 183, Don Faek	own			Location of production building (axis department)



Property type	Property	Proprietary nature	Obligation	Net worth As of 31 Dec. 23	Property utilization
	Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 0 ngan 13 square wa				
	- Land title deed no. 38077, land number 182, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 1 ngan 48 square wa	own			Location of production building (axis department)
	- Land Title Deed No. 64944, Land Number 537, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 2 ngan 08 square wa	own			Location of production building (axis department)
	- Land title deed no. 64947, land number 538, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 15 square wa	own			Location of production building (axis department)
2. Buildings and building improvements		own	do not have	92.33	Office / Factory / warehouse building
3. Machinery and factory equipment		own	do not have	142.61	for use in business
4. Office equipment		own	do not have	1.80	for use in business
5. Vehicles		own	do not have	5.29	for use in business
6. Right-of-use assets-Vehicles		-	Have	3.51	for use in business
7. Assets under construction and installation		own	do not have	3.80	for use in business

**Remark:** The Company arranged for an independent professional valuer to reappraise the value of its land. The revaluations were conducted on September 27, 2021, using the sale comparison approach, the results of which showed an increase in the net book value of the land by 117.8 million baht, as at 31 December 2023 The Company's management believes that the fair values does not have any significant changes.

As of December 31, 2023, the Company have rights-of-use assets vehicles acquired under finance lease agreements, with net book value amounting to approximately 3.5 million baht (2022: the Company have rights-of –use assets machineries and vehicles amounted of 1.9 million baht).

As of December 31, 2023, certain assets of the Company have been fully depreciated but still in use, having gross carrying amount before deducting accumulated depreciation of those assets amounted to 265.2 million baht (2022: 248.6 million baht).

## Details about the property appraisal list

In cases where the company has displayed or wishes to disclose the appraised price, such as displaying the appraised price in conjunction with related transactions. The company has restructured its business operations. As a result of the acquisition or disposal of assets and intending to disclose the relevant appraised prices. The company has revalued its assets during the accounting period, etc. The company shall present the details of such appraisal information with the following matters:

- (1) Property subject to appraisal and appraised value. which was prepared not more than 6 months in advance of the transaction
- (2) The name of the person performing the property appraisal function, which is a financial advisor or a property appraisal company in the capital market, who is on the list approved by the Office or specialists recognized by the office, as the case may be.
- (3) Name of the operations supervisor or main evaluator. Depends on the case of the person signing the report. which must be on the list of names approved by the Office, in the case where the person performing the property appraisal function is a financial advisor or a property appraisal company in the capital market
- (4) Objectives of property valuation this must be for public purposes in the case of a property appraisal report prepared by a property appraisal company in the capital market or there is consent of the person performing the property appraisal to publish that opinion in the case of a property appraisal report prepared by a financial advisor or specialist.
- (5) Date of property appraisal report.

### 1. Intangible assets used in business operations

As of December 31, 2023, the Company has intangible assets including computer programs which has a value equal to 3.83 million baht, with details as follows:

Details	Value (Million Baht)
Cost price	13.54
Less accumulated amortization	(9.71)
Net book value	3.83

### 2. Contracts related to business operations

#### 2.1. Sales contract

Currently, the Company entered into a sales contract with the employer to produce motor products for pumps used in homes in the nature of producing products according to orders from buyers (OEM), who are large purchasers. The main points of the contract are as follows:

#### Important conclusions of the contract

Counterparties **between the company and a large buyer**

*the nature of the contract* : Is a product purchase agreement Semi-finished products and/or raw materials with sizes, designs and characteristics as determined by the purchaser which is in accordance with the quotation proposed by the company and approved.

## Important conclusions of the contract

<i>Important terms of the contract</i>	: <ol style="list-style-type: none"><li>1. The company must be the manufacturer itself. It is strictly forbidden to employ production.</li><li>2. Send the work piece according to the contract to the buyer in the specified amount and the place specified in the purchase order</li><li>3. If the workpiece is damaged resulting from the Company's shortcomings, the company has to send list order work pieces or raw materials according to the replacement contract on time and the quantity required by the buyer. If it cannot be produced and delivered, the buyer must be informed immediately. If it affects the business of the Buyer, the Company shall be liable for all damages incurred by the Buyer.</li><li>4. The company is prohibited from selling workpieces to others. unless prior written consent of the purchaser</li><li>5. The quality of the goods must be in accordance with the quality assurance contract between the buyer and the seller (See the summary of the key terms of the quality assurance contract in clause 5.4.2).</li></ol>
<i>issuance of goods</i>	: <ol style="list-style-type: none"><li>1. The purchaser agrees to issue a purchase order to the Company in advance for each period for a period of not less than 30 days.</li><li>2. If the buyer has a need to temporarily suspend delivery or delaying the delivery of part or all of the contract on the purchase order can be done by informing the company not less than 5 days before delivery.</li></ol>
<i>order cancellation</i>	: <p>In the event that the purchaser is obliged to cancel certain contractual purchases The purchaser will notify the company not less than 30 days in advance.</p>
<i>Contract turnover</i>	: <p>undefined will be according to each buyer's order</p>
<i>Settlement</i>	: <p>The buyer will pay for the goods according to the contract within 60 days from the date of receipt of the goods.</p>
<i>contractual commitment period</i>	: <p>stipulates that "the contract will be valid and effective for 1 year from the effective date until either party submits a claim against the other then the contract will be extended for another year."</p>
<i>effective date of the contract</i>	: <p>The contract is effective from November 1, 2012.</p>
<i>termination of the contract</i>	: <ol style="list-style-type: none"><li>1. Which party breaches the contract? The other party has the right to terminate the contract immediately without the need to pay any damages incurred with the company (seller)</li><li>2. In termination of the contract, the buyer will notify the company. not less than 30 days in advance</li></ol>

**Remark:** In practice, the Company and the purchaser have agreed that the contract will continue to be effective until either party tells the termination of the contract

## 2.2. Quality Assurance Contract

### Key Conclusions of the Quality Assurance Contract

Counterparties	:	<b>between the company and a large buyer</b>
<i>the purpose of the contract</i>	:	for quality control create an understanding of quality and to maintain and improve product quality which the buyer will order from the company
<i>Warranty</i>	:	The company guarantees that the products purchased by the purchaser are free from defects in both (1) raw materials (2) manufacturing errors.
<i>Verification (parts and raw materials)</i>	:	<ol style="list-style-type: none"><li>1. After checking the list of raw material parts according to the specifications that have been notified</li><li>2. The company agrees to cooperate to the buyer or agent to verify the product (Parts and raw materials) ordered at the company's premises or the production source of the company according to SPECIFICATIONS agreed upon</li></ol>
<i>quality assurance</i>	:	The company will establish and maintain a quality assurance system of the production process from start to finish and the product must meet the buyer's standards and maintain reliable quality
<i>contract period</i>	:	The contract will be valid and effective for 1 year from the effective date until either party submits a claim to the other party The contract will then be extended for another year.
<i>effective date of the contract</i>	:	The contract is effective from November 1, 2012.
<i>termination of the contract</i>	:	not mentioned because this contract is part of the contract specified in the purchase agreement that the Company made to the buyer

**Remark:** In practice, the Company and the purchaser have agreed that the contract will continue to be effective until either party tells the termination of the contract

## 2.3. Loan contract

### 1. Loan contract from a financial institution

As of December 31, 2023, the Company has the facilities available with bank overdrafts and short-term loans from local banks in amount of 199.60 million baht (2022: Amount 200.00 million baht), including providing negative pledge of property, plant and equipment.

2. Agreements for lending money to other related persons or businesses and unrelated persons or businesses. It has the following important characteristics:
  - 2.1. It is a contract between two parties which must have the legal capacity, that is, not be a minor, not an incompetent person or a quasi-incompetent person.
  - 2.2. The purpose of the loan contract must not be contrary to law or order or good morals of the people. Or is it not impossible?
  - 2.3. The loaned money must be delivered. The loan contract will be completed. which may be delivered at the time of contract or delivery After making the contract
  - 2.4. The borrower must return the money within the agreed upon deadline. If the return is not specified, it must be returned upon legal demand. The lender has the right to receive interest at the agreed upon rate but must not exceed the legal rate.
  - 2.5. If it is a loan of more than two thousand baht there must be evidence signed by the borrower in order to file a legal action. Such evidence is not required when making a contract. It can be made later, but must be before filing a lawsuit.

3. A guarantee contract is a contract in which a third party, called the guarantor, binds himself to a creditor to pay a debt when the debtor fails to pay the debt. This must be evidenced in writing signed by the guarantor in order to Can file a lawsuit to enforce the case There are important characteristics of a guarantee contract as follows:
  - 3.1 The guarantor must be a third party, that is, a guarantee contract is a relationship between three parties: the creditor, the debtor, and the guarantor.
  - 3.2 There must be debt between the creditor and the debtor. And third parties bind themselves to the creditor when the debtor fails to pay the debt, which means that there must be two contracts, namely one between the creditor and the debtor. and another contract between the creditor and the guarantor
  - 3.3 There must be evidence in writing signed by the guarantor in order to file a legal action.
  - 3.4 Contract between creditor and debtor the debt must be complete, binding and legally enforceable. The guarantee contract will also be legally binding and enforceable.

In the past year, the companies there are no loans or loan guarantees to outsiders and companies that are not subsidiaries.

#### **2.4. Agreement for acquisition of affiliated companies**

On February 2, 2017, the Company purchased common shares with the company name VSM (Thailand) Company Limited, which has contract details as follows.

1. Shares Sales and Purchase Agreement: The Company invests in common shares of VSM (Thailand) Company Limited by purchasing common shares of VSM Thailand from Verde Smart Motors, Inc., Mr. Shannon Bard, Mr. Brent Alexander Roland and Mr. Mark Vange, who are current shareholders of VSM Thailand, 1,000 shares with a par value of 100 baht per share, representing 100 percent of all shares. By purchasing at a price of 0.10 USD per share (calculated as 3.60 baht at the exchange rate of 36 baht per 1 USD) for a total share price of 100 USD (calculated as 3,600 baht at the exchange rate of 36 baht per 1 USD). Currently VSM Thailand has outstanding debt to VSM Inc. in the amount of USD 650,000 (calculated as 23,400,000 baht at the exchange rate of 36 baht to 1 USD). After the company becomes a shareholder in VSM Thailand, the company will accept the debt of VSM Thailand, which will be divided into 3 installments and will be paid in full at the end of the second year after signing the share purchase agreement. The total investment value in VSM Thailand is \$650,100 (calculated as 23,403,600 baht at the exchange rate of 36 baht per 1 USD).

The business transfer was completed on February 2, 2017. Therefore, VSM (Thailand) Company Limited is a subsidiary of the Company. The company holds 998 shares, representing 99.98 percent of VSM Thailand's registered capital, and has common directors with the company, including 1) Mr. Wasan Itthirojanakul 2) Miss Sirirat Itthirojanakul 3) Mr. Christopher. Robert Tape with Mr. Wasan Itthirojanakul or Ms. Sirirat Itthirojanakul co-signed. Mr. Christopher Robert Tap

2. Distribution Agreement (Supply Agreement) The Company has the right to be the sole distributor of products produced from the said intellectual property and technology. However, the distribution of such products to the American continent must be sold through VSM Inc. or directly to customers to be mutually agreed upon by the contracting parties.

3. Exclusive License Agreement VSM Thailand is a subsidiary of VSM Inc. and is an expert in the production of motors for swimming pools. VSM Inc. is also the owner of the intellectual property rights. Intelligence and technology related to producing motors for swimming pools In the investment of the company In the common shares of VSM Thailand, the Company will receive the right to use intellectual property and technology related to the production of motors for swimming pools solely from VSM Inc. (but VSM Inc. may grant rights to individuals other countries within



South America) whereby the company agrees to pay royalties to VSM Inc. at the rate of 4.5-6 percent of sales of this type of product, which VSM Inc. determines the said royalty rate. Under the Exclusive License Agreement

4. Debt Settlement Agreement: Currently, VSM Thailand has outstanding debt to VSM Inc. in the amount of 650,000 USD (calculated as 23,400,000 baht at the exchange rate of 36 baht per 1 USD). After the company became a shareholder. in VSM Thailand, the Company will also accept the said debt of VSM Thailand, which will be divided into 3 installments and will be paid in full at the end of the second year after signing the share purchase agreement. The total investment value in VSM Thailand is \$650,100 (representing 23,403,600 baht at the exchange rate of 36 baht per 1 USD) by the company. There will be no other obligations. In addition to the aforementioned debt burden only

At present, the company has registered the dissolution of VSM (Thailand) Co., Ltd. (subsidiary) with the Ministry of Commerce since July 2021 because the subsidiary has sold all assets including all remaining inventory to the company, Continuing to conduct business, causing the subsidiary company to have no transactions. The rights under the contract in Section 2, the Supply Agreement, and the rights in Section 3, the Exclusive License Agreement, remain as before.

## 2.5. Policy

Contract 1		Bangkok Insurance Public Company Limited
<i>Policy number</i>	:	824-01551-87
<i>Policy type</i>	:	Property all risks insurance it covers loss or damage to the insured property directly caused by fire, lightning, vehicle perils, smoke perils, and aircraft perils. Perils due to water, explosions, forest fires, wind storms, earthquakes and hail. The threat of protests strike riots or acts of malicious intent and accidents caused by external factors that are not specified in the property insurance policy. (GIA FORM date 01.01.2016)
<i>insured property</i>	:	<p>The insured property consists of</p> <ol style="list-style-type: none"> <li>1) The building (excluding the foundation) including improvements Including furniture, tools, office equipment ready appliances and electrical equipment, fences, gates, shrines Electrical and lighting systems, water supply systems, telephone systems air-conditioning system, fire-fighting system and utility system within the building worth 170,000,000 baht</li> <li>2) Furniture, decorations, fixings, worth 4,100,000 baht</li> <li>3) Stock products worth 420,000,000 baht</li> <li>4) Machines with fittings and spare parts worth 360,000,000 baht</li> <li>5) Tools and molds worth 103,000,000 baht</li> <li>6) Computer specific hardware worth 2,800,000 bath</li> </ol>
<i>property location</i>	:	78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120
<i>Period</i>	:	6 February 2024 to 6 February 2025
<i>Protection limit</i>	:	1,059,900,000 baht
<i>Beneficiary</i>	:	Pioneer Motor Public Company Limited

<b>Contract 2</b>		<b>Bangkok Insurance Public Company Limited</b>
<i>Policy number</i>	:	824-01581-135
<i>Policy type</i>	:	Legal Liability Insurance to Third Parties under the policy as per the attached documents as follows: <ol style="list-style-type: none"> <li>1. Liability coverage due to fire and explosion</li> <li>2. Protect legal liability arising from judgments or the judicial process of the Thai courts only</li> <li>3. Attachment to the extension of protection for overseas operations of directors or executives or employees (Ror.Bor.003)</li> <li>4. Attachment extends coverage for medical expenses for injuries occurring within the workplace (Ror.Bor.008)</li> <li>5. Liability due to disasters caused by water</li> <li>6. Attachment extends the coverage for liability arising from the parking place. (Ror. Bor. 001) (except loss or damage to decorative accessories Any property or luggage inside the vehicle and the loss of the entire vehicle)</li> <li>7. Attachment extends liability coverage arising from providing first aid by the insured (Ror.Bor.104)</li> <li>8. Liability arising from other machinery including forklifts.</li> </ol>
<i>property location</i>	:	78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120
<i>period</i>	:	6 February 2024 to 6 February 2025
<i>Protection limit</i>	:	10,000,000.00 baht
<i>beneficiary</i>	:	Pioneer Motor Public Company Limited

### 1.3. Shareholding structure of the group of companies

Shareholding percentage of Pioneer Motor Public Company Limited = 100%



#### Pioneer Motor Public Company Limited

**Registered capital** 213,149,676.75 Baht

**Paid-up capital** 189,408,817.25 Baht

**Business:** Produces and sells motors for air conditioners. Industrial power motors and pumps, centrifugal pumps, and motors for pools and spas. It is divided into production according to orders (OEM) and production and distribution under the brand Pioneer Motor, which is the company's own brand.

**Remark:** The Company does not have a pyramid shareholding structure or cross-shareholding within its group.  
The company does not have a business group structure.

#### 1.3.1 Shareholders

(1) List of the first 10 major shareholders (information according to the shareholder register as of March 14, 2024)

Shareholders	No. of shares held	% of paid up capital
<b>1. <u>Group Itthirojanakul</u></b>	<b>395,256,000</b>	<b>52.170</b>
Miss Prangvadee Itthirojanakul	68,342,740	9.021
Miss Chidchanok Itthirojanakul	66,277,840	8.748
Miss Narerat Itthirojanakul	65,541,400	8.651
Miss Sirirat Itthirojanakul	65,466,700	8.641
Mr. Papat Itthirojanakul	65,466,600	8.641
Mr. Wasupol Itthirojanakul	60,300,020	7.959
Mr. Wasun Itthirojanakul	3,860,700	0.510
<b>2. Thai NVDR company limited</b>	<b>28,844,560</b>	<b>3.807</b>
<b>3. Mr. Kuson Arunrattansakul</b>	<b>6,700,000</b>	<b>0.884</b>
<b>4. Mr. Surasit Charoensuk</b>	<b>5,817,114</b>	<b>0.768</b>
<b>5. Mr. Phongphon Phawasut</b>	<b>5,230,001</b>	<b>0.690</b>
<b>6. Mr. Akkaraphon Asavapramitchai</b>	<b>4,990,000</b>	<b>0.659</b>
<b>7. Mr. Piyanan Tosakulwong</b>	<b>4,800,000</b>	<b>0.634</b>
<b>8. Ms. Suphaphan Santhirapap</b>	<b>4,702,700</b>	<b>0.621</b>
<b>9. Mrs. Podjamarn Wongsuwan</b>	<b>4,442,857</b>	<b>0.586</b>
<b>10. Mr. Khomsit Prakobphon</b>	<b>4,396,085</b>	<b>0.580</b>
Retail investors	292,455,952	38.601
<b>Total number of shares</b>	<b>757,635,269</b>	<b>100.00</b>

**Remark:** List of major shareholders of the company this includes related shareholders according to Section 258 of the Securities and Exchange Act B.E. 2535 and shareholders who are under the same controlling person. By the Itthirojanakul family group there is a total shareholder proportion of 52.170, consisting of shareholder number 1 and Mrs. Podjamarn Wongsuwan, who holds a number of shares 4,442,857 shares accounting for 0.586 percent of paid-up capital.

### 1.3.2. Distribution of shareholding according to nationality

Distribution of shareholdings by nationality of Pioneer Motor Public Company Limited, whose names appear on the closing date of the major shareholder register (XM) on March 14, 2024.

Shareholders	Total number of shares			Legal entity			Individual		
	Quantity (Person)	Quantity (Shares)	Think about (%)	Quantity (Person)	Quantity (Shares)	Think about (%)	Quantity (Person)	Quantity (Shares)	Think about (%)
Thai nationality	6,607	757,635,269	100	4	28,934,660	3.82	6,603	728,700,609	96.18
Alien nationality	-	-	-	-	-	-	-	-	-
<b>Together</b>	<b>6,607</b>	<b>757,635,269</b>	<b>100</b>	<b>4</b>	<b>28,934,660</b>	<b>3.82</b>	<b>6,603</b>	<b>728,700,609</b>	<b>96.18</b>

### Policy for disclosing/reporting the purchase-sell/holding of the Company's securities to the Board of Directors' meeting

Director, Chief Executive or those holding the first 4 executive positions, succeeding from the highest executive down Every person holding a position equivalent to the 4th executive level person, including those holding a position higher or equivalent to an accounting manager including spouses and minor children must report holdings of company securities to the Securities and Exchange Commission within 30 days from the date of assuming office and report changes in securities holdings within 3 days from the date of the change. In addition, the first 5 directors, managing directors, and executives counting from the managing director must notify the company at least 1 day in advance before buying/selling securities through the company secretary. And if there is a change every time The Company Secretary will compile a summary and present it to the Board of Directors' meeting for acknowledgement.

### Shareholding by the company's board of directors and executives, including their spouses and minor children.

List of directors and executives	No. of ordinary shares (shares)					
	As of March 10, 2023		As of March 14, 2024		increase / (decrease)	% shareholding
	Direct	Indirect	Direct	Indirect		
1. Mr. Satian Pooprasert	-	-	-	-	-	-
Spouse and underage children						
2. Miss Jirayong Anuman-rajadhon	-	-	-	-	-	-
Spouse and underage children						
3. Mrs. Pennapha Dhanasarnsilp	-	-	-	-	-	-
Spouse and underage children						
4. Police general. Sakda TechaKriengKrai	-	-	-	-	-	-
Spouse and underage children						
5. Mr. Wasun Itthirojanakul	3,860,700	-	3,860,700	-	No change	0.510

List of directors and executives	No. of ordinary shares (shares)					% shareholding
	As of March 10, 2023		As of March 14, 2024		increase / (decrease)	
	Direct	Indirect	Direct	Indirect		
Spouse and underage children						
6. Mr. Christopher Robert Tape	2,000,000	-	2,000,000	-	No change	0.264
Spouse and underage children						
7. Mrs. Podjamarn Wongsuwan	4,000,000	-	4,442,857	-	442,857	0.586
Spouse and underage children						
8. Miss Sirirat Itthirojanakul	64,966,700	-	65,466,700	-	500,000	8.641
Spouse and underage children						
9. Miss Narerat Itthirojanakul	64,978,100	-	65,541,400	-	563,300	8.651
Spouse and underage children						
10. Mr.Papat Itthirojanakul	64,966,600	-	65,466,600	-	500,000	8.641
Spouse and underage children						
11. Mrs. Panun Pongpanich	200,000	-	-	-	No change	0.026
Spouse and underage children						

#### 1.4. Number of registered capital and paid-up capital

The company has registered capital 213,149,676.75 million baht has been paid in the form of 189,408,817.25 million baht, divided into 757,635,269 common shares with a value of 0.25 per share, with the proportion of free float shares as per the link. <https://www.set.or.th/th/market/product/stock/quote/PIMO/major-shareholders>

#### 1.5. Issuance of other securities

The Company received approval from the Annual General Meeting of Shareholders No. 1/2021 on April 27, 2021 to issue and offer warrants to purchase shares to ordinary shareholders of Pioneer Motor Company Limited (Public Company Limited) No. 1 (PIMO - W2), amount not exceeding 176,133,046 units (without charge) to existing shareholders in proportion to their shareholding (RO) in the ratio of 7 original common shares to 2 units of warrant without charge value The exercise price is 1.75 baht for a period of 2 years. Warrant holders can exercise their rights according to the warrant 4 times, namely 27 January 2022, 27 July 2022, 27 January 2023 and the last day on May 11, 2023.

In the past year The Company has no cases of violation/non-compliance with the rules regarding share repurchases/obstruction of shareholders from communicating with each other/failure to disclose agreements between shareholders.

#### 1.6. Dividend payment policy

The company has set a policy to pay dividends each year at a rate of not less than 40 percent. of the net profit of the separate financial statements After deducting all types of reserves as specified in the Company's regulations and the law, if there is no other necessity and the payment of dividends does not affect the Company's normal operations. Significantly

However, the said dividend payment Subject to change Depending on operating results The company's financial position, liquidity, investment plan, including factors related to management, necessity, and other appropriateness in the future, in which the said dividend payment It is under the authority of the Board of Directors is considered. The resolution of the Board of Directors regarding the approval of dividend payment must be presented to the shareholder meeting for

consideration. Except it is an interim dividend payment. The Board of Directors has the authority to approve the payment of interim dividends. This must be informed to the shareholder meeting at the next meeting.

**Information on dividend payments for the past 3 years of the company has the following details:**

	Year 2021 (1 Jan.21 - 31 Dec.21)	Year 2022 (1 Jan.22 - 30 Jun.22)	Year 2022 (1 Jul.22 - 31 Dec.22)	Year 2022 (1 Jan.22 - 31 Dec.22)	Year 2023 (1 Jan.23 - 30 Jun.23)
Net profit (Million Baht)	101.62	63.24	42.03	105.27	32.72
Paid dividends (Million Baht)	38.84	13.35	29.18	42.55	7.58
Dividend payment (Baht)	0.063	0.02	0.042	0.062	0.01
Dividend payout ratio (%)	38.22	21.12	69.45	40.41	23.15

## 2. Risk management

### 2.1. Risk management policy and plan

To ensure that the Company's operations comply with the principles of good corporate governance create sustainable stability for the business Performance results are in line with the goals set with all executives and employees participating Awareness, awareness and understanding of various risks arise. to happen and can find ways to manage risks To prevent or reduce risks to an acceptable level, Pioneer Motor Public Company Limited would like to announce a risk management policy for everyone to know as follows.

1. All executives and employees are responsible for managing risk throughout the organization. It is managed systematically and continuously. have the same standard
2. All executives and employees must implement risk management as part of normal operations including strategic planning processes, decision making, and daily work by applying information technology to achieve maximum benefit.
3. All executives and employees must report assessed and prioritized risks along with specifying methods for managing risks and responsible person (Risk Owner) This report must be presented to supervisors in order of rank.
4. Identification and management of risks that affect the achievement of the company's objectives. It must be managed systematically to keep the risk at a level acceptable to the company and to prevent unexpected losses to the business as well as use the available opportunities to your advantage this is to create a balance between business growth, risks and returns for the company.
5. Executives and employees must follow up. Evaluate risk management results it reviews and participates in improving and developing the risk management system to be continuously efficient and effective.
6. The risk owner entity shall periodically report risks to the board and management committee in accordance with the risk level. Through the channels specified in the risk management manual.

The risk management policy may be improved and changed to ensure that this policy it is still appropriate and can be effectively implemented in the future.

### 2.2. Risk factors for the company's business operations

#### 2.2.1. Operational Risk

The company places importance on the quality of various processes in order to produce quality products. Meets the needs of customers and has excellent service. Create maximum customer satisfaction Therefore, the company has



planned work to prevent risks that will occur by creating a risk management plan preparing to have sufficient production capacity preparing a maintenance, plan for machinery and having spare parts ready. However, various risks to the operation may occur as follows.

**1. Risk from reliance on large customers**

The company is contracted to produce products such as motors for pumps used in homes for large customers which is a large company with good business status. There is a high order value totaling 284.88 million baht, or 29.71 percent of sales revenue in 2023. If this customer cancels the order or significantly reduces the amount of production hired. And if the company is unable to find large customers to replace it will have a great impact on the Company's operating results. However, this customer has been a customer of the Company since 2012. The Company has entered into a contract to sell products with this customer in the form of a "Sales Contract". The term of the contract is 1 year from the effective date until one party submits a claim to the other. The contract will then be extended for another year. If you wish to terminate the contract, you must notify the company not less than 30 days in advance. In addition, there will be no specified trading limit in the contract, depending on the buyer issuing purchase orders from time to time as will be negotiated with the company.

**Risk management measures**

In the past, the company we have followed the terms of the contract and have always built a good relationship with this customer. The products are delivered according to the order to be produced within the specified time as well as good after-sales service. Making it able to respond to the needs of customers very well this customer therefore has confidence in the company both in terms of product quality and service provision. However, in order to reduce the risk in this matter, the company has a policy to reduce the level of dependency on large customers. By increasing the types of products sold. Focus on building the company's brand to be strong and distribute product sales to more final consumer customers (End Users).

**2. Risk from not entering into a sales contract with a customer whose company produces to order (OEM).**

Because most of the company's customers it is a group of customers that the company produces according to orders for various brands or brands (Original Equipment Manufacturer: OEM). Most of the products sold to OEM customers are motors for air conditioners. Motors for water pumps used in the home in 2023. In the past year, the company had income from selling products to OEM customers in the amount of 359.71 million baht, accounting for 37.51 percent, which is the customer group with the second highest sales volume from the group. Foreign customers by the form of ordering products from this group of customers. Most of them are in the form of issuing purchase orders from time to time. There is no written sales contract between each customer. This puts the company at risk in the event that this group of customers cancels their orders or significantly reduce the amount of production hired this will affect the operations of the company.

**Risk management measures**

In the past, the company has always built good relationships with this group of customers. It is important to be aware of the quality of the products sold. This is because this group of customers must bring products purchased from the company to be used as parts for assembling air conditioners. Water pump used within the home under the customer's own brand. In addition, the company still pays attention to service both deliveries are on time and after-sales service have made the company always gain the trust of this group of customers and from the information it was found that Many of these customers are customers who have a long history of trading with the company and have continuous orders.

### **3. Risks from trade liberalization and moving towards becoming the ASEAN Economic Community (AEC)**

In 2023, the company sold products mainly to domestic customers in the amount of 521.90 million baht, accounting for approximately 54 percent and to foreign customers in the amount of 436.99 million baht, accounting for approximately 46 percent, with a production base that Thailand and use Thai labor in business operations. Therefore, moving towards becoming the ASEAN Economic Community (AEC), which is a regional economic cooperation of 10 countries in Southeast Asia or ASEAN (ASEAN), will result in liberalizing the movement of resources, capital, labor, and trade between them in the ASEAN market. This may cause more competition in the industry.

#### **Risk management measures**

However, the main products of the company The ones with continuously increasing sales are home pump motors and swimming pool motors accounting for more than 50 percent of net sales revenue, followed by air conditioning products according to industry information, the world's leading electrical appliance manufacturers still use Thailand as a production and export base especially air conditioners, which Thailand has the second highest export value in the world due to its readiness in terms of basic utility systems and has skilled workers with good skills In addition, investment has been expanded to use Thailand as a production base for export to the ASEAN market. This will have a positive impact on the company. In addition, the company has plans to expand sales of products into more ASEAN markets. This will help reduce the risk of domestic competition.

### **4. Risk from the increase of competitors**

Due to the business of producing and distributing air conditioner motor products Power motors for the industrial sector Pumps, centrifugal pumps and motors for pools and spas. They have one important component in common: the motor. The production of the motor uses production technology that is not very complicated including investing in an amount that is not very high. This makes it easy for new competitors to enter this business. Currently, the Company, there are competitors with similar business practices in the area not too far from the Company's production base. They are competitors that focus primarily on price competition. There are also competitors from low-cost foreign markets, such as China, whose production is exported to various countries. As a result, the level of competition in the business is quite high.

#### **Risk management measures**

However, most customers emphasize the quality of the product more than the price factor which is consistent with the company's policy that is primarily aware of quality and efficient production standards as well as providing excellent service make it possible to create an impression and produce products that are acceptable to customers. In addition, the company has a strategic plan to further expand the export market to be able to meet the needs and provide comprehensive customer service.

### **5. Risks about Production rights and sales rights**

The motor product for pools and spas is the BLDC Pool Motor type, which VSM Inc. (USA) has already received a patent for and Pioneer Motor Public Company Limited has the exclusive production rights the only one to wholesale into the American market the motor production process uses fairly complicated production technology and uses special tools to inspect every step of production. It also uses electronic devices or specific circuit boards used to control the operation of the motor. Therefore it is quite difficult to imitate. Or there is very little opportunity for competitors to arise in this product group.

## **6. Risk from fluctuations in raw material prices**

The company is engaged in the production of air conditioner motors. industrial motor Water pumps, centrifugal pumps, and motors are mainly used for pools and spas, which require copper, silicon steel, and aluminum as important raw materials for production, which in 2023 will account for more than 100% of the cost 55.76 of total raw material costs. The price of such raw materials will fluctuate according to demand and supply in the world market.

Copper is a basic consumer product that is essential for economic expansion. It can be seen that the copper market price fluctuates according to economic conditions and growth in important business sectors for that aluminum since the aluminum production process uses a lot of energy, changes in the price of crude oil will affect the price of aluminum. And for that silicon It is mainly used in the aluminum metal production industry and aluminum alloys, followed by the chemical industry. The change in purchase price depends on production volume and industry demand. Changes in raw material prices of copper, silicon steel, and aluminum are adjusted upwards from trends in futures prices set in the world market affecting the operating costs of many companies.

### **Risk management measures**

In the past, the company News information and price trends of main raw materials are followed at all times in order to be able to plan and manage purchases of raw materials efficiently. In addition, the company has planned and managed the remaining raw material stocks to be in line with the demand for raw materials can be used in production adequately and in time for changing situations To be able to control the proportion of sales costs so that they do not fluctuate to the point of having a significant impact on the Company's operating results.

## **7. Risk from shortages/dependence on the procurement of main raw materials**

From information on orders for main raw materials in 2023, the company has ordered raw materials for copper wire in the proportion of 28.70 percent, silicon steel in the proportion of 19.39 percent, and aluminum in the proportion of 7.67 percent of the total order value. According to policies and operating procedures that are systematically defined according to the operating manual documents. There must be a comparison of prices offered by more than one product seller and a new product seller must be evaluated every time in the specified period. To ensure that the products ordered are of high quality and appropriate in terms of price to achieve maximum benefit to the company including constantly recruiting new distributors in order to obtain quality raw materials. In addition, there is procurement management and inventory management of raw materials to remain in line with the sufficient demand for raw materials used in production. In the past, the company never experienced a shortage of main raw materials in any way. Currently the main raw material is copper. Considered to be the main raw material with the highest purchase value, the company has ordered from large domestic operators that are reliable. Has a long history of operation it is well known in the motor manufacturing industry. And the quality of the products is good, causing the company to import mainly from the aforementioned entrepreneurs.

## **8. Information technology security risks**

Information technology risks are very important because they can directly affect a company's operations. It may cause damage to the company and have consequences.

### **Risk management measures**

Therefore, the company has planned and invested in developing work systems to support new technologies and prevent risks that may occur By improving the network system regularly. There is strict security. And there are systematic measures for accessing each party's information. Data systems are backed up to ensure that emergencies may occur.

## **9. Corporate governance risks**

The company has the Itthirojanakul family group is a large shareholder group they collectively hold shares representing 52.170 percent of the paid-up capital (after the offering of additional common shares to the public). Therefore, the Company and/or small shareholders may be at risk from the shareholder group has a large influence on setting administrative policy in one direction or another Because they hold more than half of the total shares except for any action that is required by law or company regulations to be approved by a shareholder meeting of more than three-quarters of the issued and paid-up capital.

### **Risk management measures**

The company has an audit committee consisting of 3 independent directors from a total of 8 company directors. All audit committee members are highly qualified and accepted in society. Therefore, it helps increase efficiency and transparency in management through the mechanism of the internal control system and it is a check and balance of authority for the Board of Directors. The Board of Directors also takes into account the importance of the policy regarding Good Corporate Governance (Principles of Good Corporate Governance) and will strictly follow the guidelines for good corporate governance. In addition, the company the scope of authority and duties has been determined and establish a table of authority to approve items for each level within the appropriate scope or limit.

### **2.2.2. Financial Risk**

#### **1. Risk from fluctuations in foreign currency exchange rates**

Because the Company a purchase has been made raw materials with foreign partners including exporting products to many overseas customers, the company is at risk from exchange rate fluctuations. In 2023, the company has sold products to overseas customers. Calculated in baht currency, it was equal to 436.99 million baht and there were purchases of goods. Raw materials with foreign partners Calculated in baht currency, it is equal to 49.27 million baht. Therefore, if there is an event where the baht exchange rate changes in the direction of appreciation, the company will be significantly negatively affected in terms of revenue from product sales. As of December 31, 2023, the company has a limit on foreign currency forward contracts with one bank representing a total amount of 45.00 million baht and a limit in US dollars valued at 1.00 million US dollars.

### **Risk management measures**

However, the Company has hedged against exchange rate risk by entering into a forward contract with the bank, which will help reduce exchange rate risk that may occur. In addition, the Company has Manage foreign currency accounts in US dollars to be appropriate Including giving importance and following up on the situation To be able to find guidelines for managing risk from exchange rate fluctuations appropriately.

#### **2. Risk from interest rate fluctuations from loans from financial institutions**

Because at present the Company does not use loan services from financial institutions, however, in the future the company it may be necessary to use loan services from financial institutions to invest in new product projects. Therefore, there may be risk from interest rates that will occur. But if considering the interest rate that the company receive offers from current financial institutions this is a special interest rate that the company Able to manage As a result, the proportion of interest payments is not very significant. Even if the interest rate is adjusted it does not affect the operating results of the Company significantly.

### **2.2.3. Strategic Risk**

The company aims to make investments to expand the business and maintain competitiveness in the industry. Therefore, modern technology and innovation have been used in various processes. And the company continues to find investment opportunities for sustainable growth. If it can be done as planned, it will achieve its long-term strategic goals.

The company also places importance on developing employees so that they can have the ability to use automated systems such as automatic machines. Semi-automatic machines by promoting learning so that it can be used for practical use. To support the policy to reduce costs to increase production efficiency, reduce waste, and reduce accidents.

#### **1. Risk from changing trends in the industry**

The company is aware of changes that may affect the company's business in the long term. The trend of change that is considered an important issue is technological change, such as turning to using motors that save electricity. The company sees that risk Therefore; a research and development unit was established in the company to support Growth in the use of more and more electricity-saving products and has begun producing products that save electricity in order to reduce risks.

#### **2. Risk from industry competition**

The motor manufacturing industry has a relatively high level of competition. Therefore, there is a risk that orders from customers may be lost to the manufacturer. Otherwise and may cause significant damage to the Company. But because the company is a large manufacturer in the country and has efficient operating standards Gain confidence from customers and the company sees the importance of building good relationships. Always with customers therefore, it has created confidence for customers for a long time.

#### **2.2.4. Compliance Risk**

The company places importance on complying with regulations related to business operations. Various rules and regulations have been prepared in accordance with various laws, rules and regulations. And there will be reviews, changes, improvements to be consistent with business operations.

#### **2.3. Emerging Risks**

The company reviews various issues and changing trends annually for analyzing new risk issues that may occur and risks to business operations. In order to develop measures and guidelines to manage and respond to risks in a timely manner in 2022, the company has identified emerging risks. Along with analyzing the impacts that affect the business, including determining measures and management guidelines as follows:

##### **Risks from the COVID-19 epidemic situation**

The global economy is beginning to be affected by the COVID-19 outbreak that has spread rapidly and spread to a wide area covering many countries the severity of the epidemic has led to a rapid increase in the number of infections and deaths worldwide. As a result, many governments have had to implement strict measures to control and limit travel both within and between countries. The company itself has been affected by its business operations both directly and indirectly some customers or entrepreneurs Unable to conduct business for a period of time due to the epidemic. Sales decreased. Unable to operate at full efficiency as intended.

##### **Risk management measures**

The company has worked hard to monitor and evaluate the situation. Cope with crisis events that occur Put in place measures to prevent damage in advance and mitigate impacts that may occur for all groups of stakeholders. Both customers in the country and abroad various partners, communities, society, and employees, taking into account safety, health, and survival in times of crisis as important The company reviews and improves the Continuity Management Plan (BCP) according to various situations that may occur, such as reducing unnecessary expenses. Reduce or postpone unnecessary investments. Develop technology and automation systems and taking care of employees' health and welfare, etc.

## **2.4. Sustainability risks (ESG risk)**

### **2.4.1. Environmental Risk**

Currently, climate change is a risk that poses serious challenges to business operations and is likely to have significant impacts on the economy, society, and the environment. This is because if resources are used inefficiently or there is no preparation for impacts such as droughts or floods that cause loss of life and property. Including rapidly changing temperatures, there is also the problem of PM 2.5 dust which is a current pollution. The cause of PM2.5 is mainly caused by combustion both from the engines of various vehicles and the burning of various materials and also causing the release of carbon dioxide, which is the main cause of greenhouse gases. The problem of climate change is becoming more and more serious, resulting in social movements that focus on reducing carbon pollution and setting net zero carbon emissions (Net Zero) targets for both the public and private sectors including society promoting the use of alternative energy to support clean energy that is friendly to the environment. Supporting the transition to a low carbon society and the government also has a policy to support electric cars. Reduce the use of private cars to reduce such pollution problems.

The impact on the company's business opportunities and the company may have to consider adjusting the business plan to be in line with the changing needs of consumers towards a low carbon society. This may result in the investment being higher than the budget set hold.

#### **Risk management measures**

The company intends to help alleviate the problem of climate change and is committed to reducing greenhouse gas emissions through collecting data and calculating the amount of greenhouse gas emissions from business activities and promoting activities to conserve the environment and create carbon dioxide absorption sources. Including the company has expanded the installation of rooftop solar projects for all buildings. It has set a target for the proportion of electricity used that will help reduce greenhouse gas emissions and can respond to the risk of rising temperatures from global warming.

### **2.4.2. Society Risk**

The company understands the importance of issues related to safety, the environment, and surrounding community society. The company therefore has policies and procedures in place to ensure good management of the health and safety of employees and as required by law. By providing knowledge and understanding to employees at all levels, training on safety and the environment is organized.

#### **Risk management measures**

The company is aware of the importance of employee safety. Therefore, there has been clarification and presentation of various information regarding health and safety throughout the organization, such as the White Project for a Drug-Free Workplace scheduling maintenance of machinery and equipment Annual health examination for employees Inspection and elimination of various unsafe points in the workplace Fire evacuation, fire extinguishing drill, etc. The company has developed to reduce energy use. There is a solar rooftop project to produce electricity for use in factories, using LEDs in factories.

### **2.4.3. Governance Risk**

The company is aware of the seriousness and importance of the problem of corruption caused by bribery. Lack of transparency in work this causes damage to the reputation and hinders the sustainability of the company. Therefore, the company has established an anti-corruption policy as a guideline for operations in various departments. There is also a policy for reporting whistleblowing to provide a channel for stakeholders to report directly to the company. In addition,



the company has announced its intention to join the Thai Private Sector Collective Action Coalition against Corruption (CAC) project and is committed to seeking certification from the said project. In order for all stakeholders to have confidence in the company that it will conduct business in a fair, transparent manner, free from all forms of corruption and has been certified by the Thai Private Sector Collective Action against Corruption or CAC (Thai Private Sector Collective Action against Corruption) project.

**Risk management measures**

In terms of preventing and suppressing and managing the risk of corruption, the company has measures to control and monitor important work processes where corruption may occur. The internal audit team assesses risks and conducts random inspections. To verify the correctness of operations to ensure transparency and prevent actions that may be fraudulent. There is also a communication channel for stakeholders to report clues and suggestions or make complaints about corruption (Whistleblower) directly to the Audit Committee or the President and a committee will be appointed to consider and investigate complaints according to a systematic process. Transparent and verifiable to build confidence and trust in a fair investigation process for all stakeholders in every sector.

### 3. Driving business for sustainability

#### 3.1. Managing impacts on stakeholders in the business value chain

##### - Value Chain

The company manages the business value chain. By applying the principles of sustainable development Risk management Business strategy management Crisis Management from the COVID-19 Situation (Crisis Covid-19 Management) determines guidelines for managing the value chain to reduce the impact of risks by considering the entire process from upstream to downstream under the 'adjust and change' approach for Sustainable Ready to create opportunities for the company to grow in the long term. Focusing on the customer as the center leading to the development of a value creation process based on the principles of the circular economy, which emphasizes responding to customer needs and operating efficiency according to economic, environmental, energy and social goals along with developing production technology Leads to the creation of added value in the business value chain by relying on cooperation with all parties under the principles of good governance, which will lead to development both business, society and the environment are sustainable.




1. Procurement of raw materials by sourcing raw materials that are environmentally friendly. Various raw materials must have RoHs documents to support them.
2. Production: Robots and renewable energy are used in the production process. Taking into account reducing impacts on the community and environment, developing production quality with measures for safety, occupational health, and fairness to workers.
3. Marketing and sales Focusing primarily on customer needs Change the sales model to focus on proactive sales and are sold online We also give importance to maintaining personal information of customers.



After-sales service Customer satisfaction is assessed. Listen to opinions and suggestions through both online and offline channels. In addition, the company we also focus on building and maintaining good relationships with customers.

##### - Stakeholders of the company Communication channels and performance results with stakeholders

The company has defined important stakeholders, consisting of main stakeholders including customers, trading partners/subcontractors/suppliers, employees, and shareholders/financial institutions. Secondary stakeholders include communities/society and government agencies/government organizations and plan to create participation with stakeholders including reviewing channels for communicating expectations and concerns of stakeholder groups throughout the value chain as follows:

Stakeholders	Stakeholder expectations	Responding to stakeholders	Activities meet expectations
1. <b>Shareholders</b> <b>/Financial</b> <b>Institutions</b> 	<ul style="list-style-type: none"> <li>• Has a good return on investment.</li> <li>• Governance is transparent and verifiable.</li> <li>• Continuous business growth.</li> <li>• Sustainable business development</li> <li>• Operating with responsibility towards society, communities and the environment.</li> <li>• Increasing competitiveness.</li> <li>• Good inspection system.</li> </ul>	<ul style="list-style-type: none"> <li>• Good corporate governance is transparent and fair.</li> <li>• Committed to sustainable organizational development.</li> <li>• Creating good operating results.</li> <li>• Dividend payment/debt payment</li> <li>• Transparent disclosure of information.</li> <li>• Support public activities.</li> <li>• Manage risk carefully.</li> <li>• Increase productivity and develop new products.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual shareholder meeting</li> <li>• Annual Report/Annual Sustainability Report.</li> <li>• Participating in investor meeting activities</li> <li>• Complaints through various channels</li> <li>• Announcement of operating results every quarter.</li> <li>• Provide an opportunity to visit the factory.</li> </ul>

Stakeholders	Stakeholder expectations	Responding to stakeholders	Activities meet expectations
<b>2. Domestic and foreign customers</b> 	<ul style="list-style-type: none"> <li>• Product quality is guaranteed.</li> <li>• Appropriate prices of goods and services.</li> <li>• Products that meet customer needs.</li> <li>• Products there are safe and environmentally friendly.</li> <li>• Maintain customer information.</li> </ul>	<ul style="list-style-type: none"> <li>• Responding to customer satisfaction.</li> <li>• Managing customer dissatisfaction.</li> <li>• Developing high quality, low cost and environmentally friendly products.</li> <li>• Customer information is maintained.</li> </ul>	<ul style="list-style-type: none"> <li>• Survey of customer satisfaction and dissatisfaction.</li> <li>• Meeting with customers.</li> <li>• Providing the opportunity to visit the factory.</li> <li>• Providing opportunities to work together in product development and innovation.</li> <li>• Providing after-sales service.</li> </ul>
<b>3. Employee</b> 	<ul style="list-style-type: none"> <li>• Treating employees with fairness.</li> <li>• Stability and advancement in duties.</li> <li>• Promoting learning and development of employees</li> <li>• Occupational health and safety in the workplace.</li> <li>• Fair compensation and benefits.</li> <li>• There is equality in work duties.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee training and development</li> <li>• Safety of the working environment.</li> <li>• Organizing various activities.</li> <li>• Managing satisfaction and dissatisfaction as appropriate.</li> <li>• Follow the human rights policy and provident fund employment policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance evaluation</li> <li>• Complaints through the complaint channel by providing a comment box.</li> <li>• Establishment of a working group.</li> </ul>
<b>4. Partners/ Contractor/contractor deliverer</b> 	<ul style="list-style-type: none"> <li>• There is a fair and transparent procurement process.</li> <li>• Preventing serious accidents that cause business interruption and impact on the community.</li> <li>• Follow various agreements fairly</li> </ul>	<ul style="list-style-type: none"> <li>• Value chain management</li> <li>• Partner assessment</li> <li>• Fair procurement.</li> <li>• Occupational health and safety at work</li> <li>• Participating in designing and developing processes and products that are friendly to Environment</li> <li>• There is a policy against corruption.</li> <li>• Corporate Governance and annual report</li> </ul>	<ul style="list-style-type: none"> <li>• Partner assessment</li> <li>• Regular contact through electronic media and telephone.</li> </ul>

Stakeholders	Stakeholder expectations	Responding to stakeholders	Activities meet expectations
5. <b>Community/ Society</b> 	<ul style="list-style-type: none"> <li>Reducing negative impacts from operations on communities and society.</li> <li>Supporting community activities.</li> <li>Promoting career creation</li> <li>Follow human rights principles and oppose corruption.</li> </ul>	<ul style="list-style-type: none"> <li>Procure products or raw materials from communities that are appropriate for the Company's operations.</li> <li>Environmental management and greenhouse gases water and waste</li> <li>Support internships for students.</li> <li>Local employment and sustainable income generation.</li> <li>Social responsibility and the community adheres to human principles and opposes corruption</li> </ul>	<ul style="list-style-type: none"> <li>Community development activities</li> <li>Create jobs and income for the community and society.</li> </ul>
6. <b>Government agencies/government organizations</b> 	<ul style="list-style-type: none"> <li>Compliance with laws, rules and regulations.</li> <li>Reducing impacts on communities, the environment, and society.</li> <li>Cooperate with various government projects.</li> </ul>	<ul style="list-style-type: none"> <li>Good corporate governance</li> <li>Manage energy use efficiently.</li> <li>Environmental, energy, water and waste management according to standard values.</li> <li>Disclosing operating results through scheduled reports.</li> <li>Dissemination/ exchange/ research and development of knowledge. and innovation together</li> </ul>	<ul style="list-style-type: none"> <li>Reporting results to government agencies on a regular basis.</li> <li>Participation in various activities and projects.</li> </ul>

#### - Process for determining key sustainability issues

The company considers both internal and external factors related to the company's operations that are sustainability issues that are very important to the Company in both Economic, social and environmental dimensions. Including the effects on stakeholders related to the company's business operations. To assess and determine important sustainability issues with the following steps:

<b>Step 1</b> <b>Identifying key sustainability issues</b>	The company collects sustainability issues that are important to the organization's business operations and stakeholders, both from international sustainability standards and comparisons with competitors in the same industry. And this year's United Nations Sustainable Development Goals (SDGs) have been clarified and grouped in dimensions according to the GRI Standard.
<b>Step 2</b> <b>Prioritization</b>	The company takes the collected sustainability issues and screens them and rank them according to their level of importance and the impact of the issue on both stakeholders and the company.

<b>Step 3</b>	The company has verified the accuracy. It presents important sustainability issues and reviewed by the Management Committee, which is responsible for business management for sustainability. It is then presented for review and approval by the selection committee. Set compensation Corporate Governance and Sustainable Development
<b>Validation of sustainability issues</b>	
<b>Step 4</b>	The company focuses on continuous improvement in reporting on sustainability and review sustainability policies and goals. To achieve the objectives and goals set in the future.
<b>Continuous improvement</b>	

### Results of the assessment of key sustainability issues

The company considers important issues regarding sustainability. There are a total of 10 issues, with details as follows:

#### Environmental dimension (3 issues)

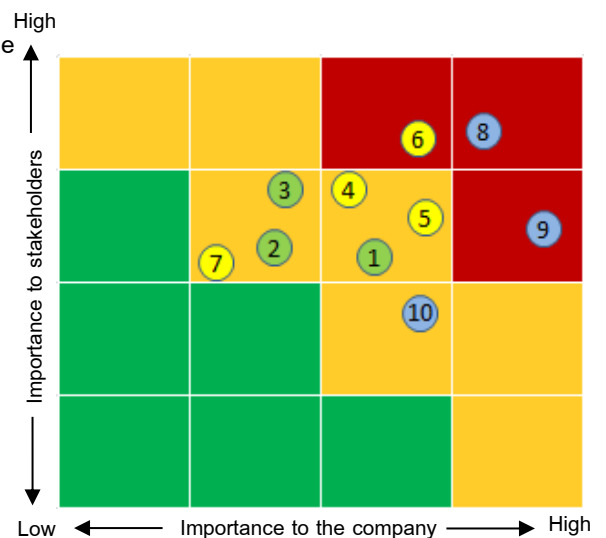
1. Energy management and management to reduce greenhouse Gas problems
2. Developing environmentally friendly products and packaging
3. Garbage and waste management

#### Social dimension (4 issues)

4. Caring for and developing the potential of employees
5. Treatment of labor and respect for human rights
6. Health and safety of customers and employees
7. Community participation

#### Corporate governance and economic dimensions (3 issues)

8. Customer Experience
9. Cyber security and protection of customer personal information
10. Anti-corruption







### 3.2. Sustainability management policies and goals

#### Policy to drive business towards sustainability

The company is committed to creating added value for the economy, society and the environment. and has established guidelines for sustainable organizational development To provide a guideline for long-term business operations for organizations and stakeholders in the areas of economy, society, energy and the environment. Throughout the business chain under the principles of good corporate governance and aiming for operations to be in line with and support the United Nations Sustainable Development Goals (UN SDGs), by establishing a sustainable development framework as a mechanism important in making stakeholders successful in all 17 goals, with the company having 7 development goals.

With the vision and organizational values that focus on quality production deliver on time and satisfy customers. Under the uncertain economic challenge the Company is therefore well aware of its role and responsibility towards the environment, society and good corporate governance by devoting resources to research and development to create innovations for maximum efficiency and get quality products along with risk management and developing the potential of employees Treatment of business partners, communities, and other stakeholders On the basis of good management with morality, ethics, and responsibility. Under a comprehensive management framework in every dimension and every process according to the organization's values towards sustainability as follows:

Environmental management policy	Sustainable Energy Management Policy	Human rights policy	Sustainable development policy
			




The Company has established a framework for sustainable organizational development in creating long-term value for the organization and stakeholders. The Corporate Governance and Sustainability Development Committee has approved a framework for sustainable organizational development to create a balance between economic, social, energy and environmental development by increasing economic competitiveness. Creating equality and social equality and preserving natural resources

In the past year, the COVID-19 epidemic has passed. It also affects the global economic slowdown. which the Corporate Governance and Sustainability Development Committee And the sub-committees reviewed important sustainability issues by giving importance to income issues and maintaining the health of all stakeholder groups. This issue covers the important issues that have already been determined. The framework for sustainable development is as follows:








#### Company's sustainability management goals

The company has set sustainability management goals. It consists of the economic dimension, the environmental dimension, and the social dimension. Focusing on the customer as the center leads to the development of products that are safe and environmentally friendly to meet the needs of customers. However, the company still adheres to and operates under the business. Determination to manage and take care of all groups of stakeholders in a balanced way this year, the company emphasizes using the "flexible and adaptable" approach in operations so that the company can continue to operate its business continuously and sustainably.

The company has created a sustainable development plan to be in line with the vision and strategic business plan. It still adheres to the Sustainable Development Goals of the United Nations (SDG 2030) as the main goal to drive business in a balanced and sustainable way. Along with the foundation and sustainable development policy of the company that has been laid out.

Company sustainability issues		Target	Alignment with the SDGs Sustainable Development Goals
<b>Environmental dimension</b>			
- Energy management and management to reduce greenhouse gas problems	-	Electrical energy and oil use decreased by 5% compared to the base year 2022.	
- Waste management	-	Number of garbage and waste complaints is 0	
	-	The company has received certification for carbon reduction from waste management by the Greenhouse Gas Management Organization. (Public Organization) (TGO) every year	 



Company sustainability issues		Target	Alignment with the SDGs Sustainable Development Goals
- Water management	-	The amount of tap water used does not exceed 20,400 cubic meters.	
<b>Social dimension</b>			
- Treatment of labor and respect for human rights	-	The number of complaints about human rights and labor issues is 0.	 
- Health and safety of customers and employees	-	Death rate is 0	 
	-	The number of work-related accidents decreased by 5% compared to the base year 2021.	
	-	The number of days off work due to accidents decreased by 5% compared to 2021.	
<b>Economic dimension</b>			
- Customer experience	-	Customer satisfaction assessment is at a level of more than 90% in 2023 - 2025.	
- Anti-corruption	-	Participation in the Thai Private Sector Collective Action against Corruption project CAC (Thai Private Sector Collective Action against Corruption) within 2022.	
	-	Corruption complaints are 0	

### The main goal of the company's business operations

The company wants to create growth and the ability to drive business. By increasing sales and profits for sustainable growth and can pay dividends to shareholders regularly

### Management guidelines

The company is committed to conducting business in compliance with rules and regulations. Including the resolutions of the shareholder meeting strictly By combining environmental, social and governance risk issues (ESG: Environmental, Social and Governance risk) with the organization's risk management system. Under the supervision of the Sustainability Development Committee, the committee has been following up on sustainability performance through meetings including going through annual business unit visits.

### Business strategies that will achieve the company's goals are as follows

1. The company has developed and been creative in launching new products into the market that can meet customer needs.
2. The company intends to produce products that meet high quality standards.
3. The company places importance on after-sales service.
4. The company gives importance to all stakeholders.

### 3.3. Sustainability management in the environmental dimension

#### Environmental policies and practices

The company intends to conduct business sustainably based on environmental responsibility by giving importance to reducing environmental impacts from various business operations. The company therefore has a policy to

promote the development of production processes. Create innovation to reduce environmental impacts that may occur. It controls and reduces various pollutants, including water, air, and contaminants that will be released into the outside environment. Reduce waste disposal from production processes and general use including finding ways to reduce sending waste outside for disposal as much as possible.

### Water management

The company has set an action plan to increase the eco-efficiency in water use per product unit. There is risk management in terms of increasing the proportion of recycled water and creating awareness to preserve and protect natural water resources. Throughout the business value chain by finding ways to improve or promote production to make valuable use of water resources get the most benefit and support efficient and sustainable water management by carrying out management as follows:

- Set environmental management policy. and the goal of reducing the amount of water used
- Analyze physical and chemical data on the quality of incoming and outgoing water.
- Collaborate with stakeholders to develop/improve the reduction of water use. Reduce/Reuse Reuse
- Increase the amount of reuse, recycling and changing raw materials.

### Performance of water management

The amount of tap water used by the company	Year 2021	Year 2022	Year 2023
Target of tap water consumption (cubic meter)	20,400.00	20,400.00	20,400.00
Amount of tap water usage (cubic meter)	24,300.00	19,349.00	19,166.00
The difference between the amount of tap water used compared to the target (cubic meter)	3,900.00	(1,051.00)	(1,234.00)
Percentage of the difference between the amounts of tap water used compared to the target (%)	19.12	(5.15)	(6.05)
Ratio of water usage to total number of employees	47.55	35.12	36.51

Using the company's tap water	Year 2021	Year 2022	Year 2023
Total production (pieces)	911,521.00	904,817.00	766,802.00
The amount of tap water used by the company (cubic meter)	24,300.00	19,349.00	19,166.00
Expenses for using the company's tap water (Baht)	206,550.00	164,466.50	162,911.00

Water management in 2023 from indicators of the intensity of water resource use found that the results of the evaluation of the eco-efficiency value from water use per product unit were equal to 25.85 liters/EQ, with the eco-efficiency value of product production 1 EQ used the amount of water reduced by 2.84 percent compared to the base year 2022 in the past year, using recycled water according to the principles of the circular economy (CEPAS), along with creating a mass balance of used water and wastewater (Water Balance), analyzing wastewater quality. Each point in the study of the feasibility of bringing wastewater into the recycling or water reuse process and reducing water loss from the production process By reusing water left over from washing dishes, mopping floors, or having been treated for watering plants and gardens instead of wasting it unprofitably. There is also a survey of leaky water pipe points and regular repairs.

The company has made good use of empty space within the company. By having employees help plant various trees such as coconut trees, mango trees, papaya trees, bamboo trees, etc. and also using treated water to reduce the water on the trees.



## Participating projects



The company has joined the Green Industry project by the Ministry of Industry. and has been declared a Green Industry Level 2 (Green Operation: Green Active is a successful implementation of activities to reduce environmental impacts. according to commitment)

The company has rented photocopiers in the office and purchased computers. for office with the "Green Label" mark

The company has purchased a counter-balanced electric forklift that uses a balance of electrically controlled machines for the entire system to go up and down and move using electricity.

## Energy and greenhouse gas management

The company is committed to reducing energy use, electrical energy, or campaigning to use energy as necessary. The company has Measures to reduce electricity use are as follows.

- Public relations campaign for saving electricity. Turn off the electricity in areas not in use half an hour before work.
- Control the air conditioner temperature to 25 degrees.
- Plan to use alternative energy such as using solar cell roofs.

## Table of performance indicators for using renewable energy in the business

Number	Details	Results indicators for using renewable energy in the business (Installation of a solar power generation system)			Compare 2022 and 2023, Average	
					increase	%
		Year 2021	Year 2022	Year 2023	(decrease)	
1	PEA electricity consumption (KW)	2,345,199	2,270,202.71	1,894,742.82	(375,460)	(16.54)
2	Amount of solar cell electricity used (produced/KW)	1,069,792	1,171,515.01	951,451.91	(220,063)	(18.78)
3	Calculated in PEA (Baht)	9,910,919	9,556,872.35	9,910,904.43	354,032	3.70
4	Calculated in solar cell money (baht)	4,408,291	4,931,726.74	4,863,422.76	(68,304)	(1.38)
5	Total electricity used/month (KW)	3,414,991	3,441,717.72	2,846,194.73	(595,523)	(17.30)
6	Calculated as total money/ month (baht)	14,072,153	14,488,599.09	14,774,327.19	285,728	1.97

## Remark



The company participated in the activity to evaluate the reduction or retention of greenhouse gases “Project to Support Greenhouse Gas Reduction Activities (LESS)” by the Greenhouse Gas Management Organization. (Public Organization) and certified “Project to Support Greenhouse Gas Reduction Activities (LESS)” from the tree planting project. It can store 40.597 tons of carbon dioxide equivalents as of April 28, 2023.

## Campaign to save electricity and heat

The company has determined that the lights will be turned off during the lunch break. Turn off the air conditioner half an hour before work. Turn on the air conditioner at a temperature of 25 degrees. Do not plug in electrical appliances when not in use. Checking the condition of electrical appliances to ensure they are ready for use. Cleaning the air conditioner at least 2 times/year and improving the lighting system by changing the light bulbs from fluorescent bulbs to LED bulbs, including installing a solar rooftop electrical circuit board system. To save energy, it is possible to reduce electricity usage per unit every year.

Number	Details	Electricity consumption per product unit			Compare 2022 and 2023, ncrease (decrease)	Average (%)
		Year 2021	Year 2022	Year 2023		
1	Total production (pieces)	911,521	904,817	766,802	(138,015)	(15.25)
2	Electricity consumption / KWh	2,346,268	2,270,202.71	1,894,742.82	(375,460)	(16.54)
3	Unit/product unit (KWh/EQ)	2.57	2.51	2.47	(0.04)	(1.52)

## Energy saving measures for the year 2023

### Energy saving measures



1. Turn off the lights during lunch break for 1 hour, total of 304 bulbs.
2. To change direct current to alternating current before being paid to various parts within the factory building to provide machinery or equipment It has worked efficiently and has also reduced electricity costs. Currently, the company can save on electricity bills up to approximately 30-35% of the electricity bill each month.

## Waste and contamination management

The Ministry of Industry has a policy to promote the development of eco-industry. Indicators have been developed covering 5 dimensions, namely physical dimension, economic dimension, social dimension, and environmental dimension and management dimensions To achieve sustainable development and lead to a low carbon society in the future. Business operators who do not have good hazardous waste management may cause various environmental

problems. Such as impacts on water quality, soil quality, general scenery and air quality. Which causes greenhouse gases that affect global warming The Company therefore applies the concept of circular economy to reduce the amount of waste to a minimum and use resources efficiently. By developing indicators to increase eco-efficiency as a tool for organizational development according to the 4R principles, including Reduce, reducing waste creation, Reuse, reusing to extend lifespan, recycle, reprocessing for reuse and Replacement, using environmentally friendly alternatives. Leads to reducing the landfill of hazardous waste from the production process to zero which has guidelines for sustainable waste management in the organization

### Guidelines for managing waste and contaminants

The company has set an action plan to reduce the amount of hazardous waste per product unit. The company separates waste types, stores them, and develops waste disposal methods to reduce the volume and add value to waste according to the 4Rs principle, which leads to a reduction in the amount of greenhouse gases and reduce waste, leading to sustainable production and consumption. By implementing management to reduce waste and contamination as follows:

- Set environmental management policy. and goals for managing waste and contaminants
- Prepare a list of waste items. How to dispose of waste and assess greenhouse gas emissions
- Collaborate with stakeholders to develop/improve technology and innovation to reduce the amount of hazardous waste. Reduce/Reuse Reuse
- Increase the amount of recycling or changing raw materials/disposal methods.
- Monitor and control the amount of waste reduction from the base year by Control Chart.



**General garbage** It is waste that does not come from production, such as plastic bags, paper, scrap metal, silicon scraps, plastic snack wrappers and plastic candy wrappers The employees will put them in a bin and take them to the disposal point with an agency The local Subdistrict Administrative Organization comes to collect them regularly and sends them to companies that are permitted by law. To be recycled and sorted for resale.

**Hazardous waste** Waste used in the production process that is contaminated with various types of hazardous materials, such as coolant, paint scraps, and contaminated rags. There is an external company that has passed the inspection criteria from the company. Come to buy it and take it to manage according to the next steps.



Steel scraps



Silicon scraps



Room for storing paper and aluminum scraps

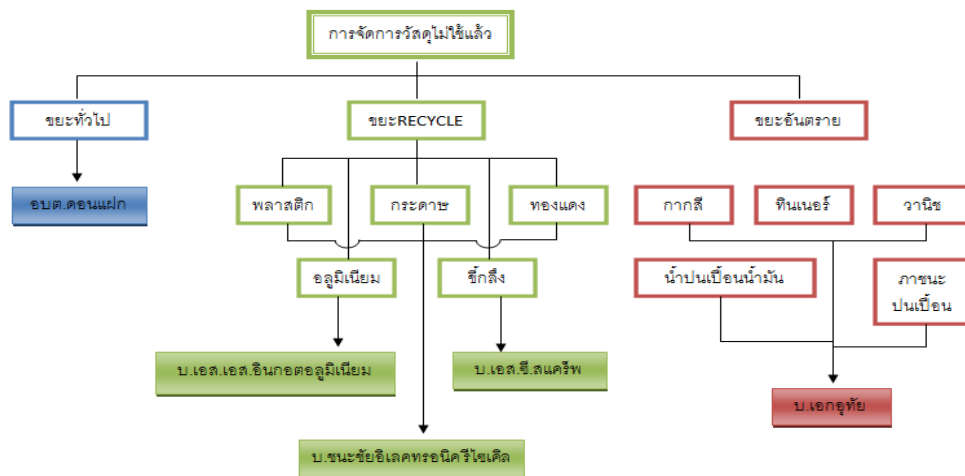


Aluminum scrap

**recycled waste** Waste that can be recycled, such as plastic, silicon, aluminum, paper, scrap metal, etc., will have an outside company that has passed inspection criteria from the company. Come buy it and bring it back to melt again.

## Management of unused materials

The company has measures in place to manage hazardous waste, or garbage that may pollute the ecosystem by recalling hazardous waste To destroy that waste by a Third Party that has received certification standards as required by law.



## Summary of waste volume

The amount of garbage and waste of the company	2021	2022	2023
Garbage and non-hazardous waste (kg)	1,560.54	1,526.28	1,418.69
Garbage and hazardous waste (kg)	37.45	50.08	21.79
Total amount of garbage and waste (kilograms)	1,597.99	1,576.36	1,440.48

## 3.4. Sustainability management in the social dimension

### Social policies and practices

Current world changes Including technology and innovation, the market is becoming more uncertain. This will result in changes in customer needs. There is an expectation for products that are socially and environmentally responsible. Safe for the health of consumers, the company has set policies and developed the organization's management processes to have a competitive advantage by developing the abilities of personnel by being able to apply knowledge to their work in order to increase work efficiency and continually create new products.

Challenges in implementing sustainability in the social dimension include personnel development Motivating and retaining talented people Working environment and safety Participation and community development And important issues regarding good corporate governance towards sustainability include treating employees fairly and respecting human rights. The company has prepared guidelines for developing the human resource management system according to the framework 1) Human capital potential development (Workforce). 2) Developing the working environment (Workplace) and 3) Developing the future of the organization's work (Work) and developing indicators according to the social dimension of human capital's potential to make a difference. Being innovative Technology and management and being a low-cost leader that brings increased income to stakeholders throughout the business value chain. In addition, the Company we have communicated, promoted and created awareness among stakeholders regarding business ethics and social and environmental responsibility throughout the business value chain.







## Employment/Termination

The company has an employment/termination policy that focuses on equality fair and equal. There is no restriction or discrimination in terms of gender, race, religion, and culture. In the past year, the company had a total of 525 employees, with a range of ages, genders, and educational levels and various operational characteristics.

Labor used in the motor production line Water pumps and water pumps, all 26 main departments, have a total of 525 people (525 Thai workers, 32 foreign workers, work 2 shifts per day, labor hours 8 hours, first shift starts from 8:00 a.m. - 5:00 p.m. (Lunch break takes 60 minutes. 1st round starts from 11.30 - 12.30 hrs., 2nd round starts from 12.00 - 13.00 hrs. and 3rd round starts from 12.30 - 1.30 hrs.) and the second shift starts working from Time: 5:00 p.m. - 2:00 a.m. (break from 9:00 p.m. - 10:00 p.m. for 60 minutes)

Number of employees	2021	2022	2023
<b>1. Marketing</b>			
Freight Department (Sales - Stock - Delivery)	27	23	26
<b>2. Corporate Support Division</b>			
Department of Information Technology	2	2	2
Engineering department	19	20	20
Research, development & production engineering department	7	5	6
Purchasing and logistics department	4	6	6
Human Resources Department (Hr-Operator, Maid)	8	9	9
Maintenance Department - Tool Room	10	8	9
<b>3. Corporate Support Division</b>			
Manage	7	7	7
Accounting and Finance Department	9	9	9
<b>4. Production Line</b>			
Production Department (PD-PL-ST)	393	421	406
Quality inspection department	25	27	25
<b>Total</b>	<b>511</b>	<b>551</b>	<b>525</b>

## Employee information classified by gender and nationality

	 <b>Female (person)</b>		 <b>Male (person)</b>		<b>Total</b>	 <b>Thai workers</b>		 <b>Foreign workers</b>		<b>Total</b>
	<b>Thai</b>	<b>Alien</b>	<b>Thai</b>	<b>Alien</b>		<b>(people)</b>		<b>(people)</b>		
<b>Year 2021</b>	230	2	275	4	<b>511</b>	505		6		<b>511</b>
<b>Year 2022</b>	247	10	274	20	<b>551</b>	521		30		<b>551</b>
<b>Year 2023</b>	241	11	252	21	<b>525</b>	493		32		<b>525</b>



## Employee information separated by age

Male (person)	Year 2021	Year 2022	Year 2023
Younger than 30 years old	113	121	76
Age 30-50 years	147	154	160
Age more than 50 years	19	19	37
<b>Total</b>	<b>279</b>	<b>294</b>	<b>273</b>

Female (person)	Year 2021	Year 2022	Year 2023
Younger than 30 years old	76	91	67
Age 30-50 years	136	146	145
Age more than 50 years	20	20	40
<b>Total</b>	<b>232</b>	<b>257</b>	<b>252</b>
<b>Total number of employees</b>	<b>511</b>	<b>551</b>	<b>525</b>

	Percentage		Percentage
Female	<b>48 %</b>	Male	<b>52 %</b>

## Policy to promote people with disabilities

The company has seen the improvement of the quality of life of people with disabilities and to encourage people with disabilities to have income you can rely on yourself. and reduce the burden on families and society that require upakara care Including promoting people with disabilities to be an important force in promoting the economy of the family and the country especially people with disabilities who are in the working age group. This is according to the Act on Promotion and Development of Quality of Life for Persons with Disabilities, B.E. 2007, whose objective is to promote and develop the quality of life of persons with disabilities which has provisions to determine important measures regarding career promotion and job protection for people with disabilities. In 2023, the company has implemented the Act on the Promotion and Development of Quality of Life for Persons with Disabilities, 2007, Section 35, by recruiting disabled persons to work in various departments, a total of 6 people. Disabled people enter the workforce more than the ratio of normal people to disabled people at 1 per 100 people, as required by law.

The company has received the award for being a model organization for sustainability in the Thai capital market in supporting people with disabilities for the year 2022 in the "Outstanding" category from the Permanent Secretary of the Ministry of Labor who presided over the ceremony and presented awards This event is organized by the Securities and Exchange Commission (SEC) in collaboration with the Ministry of Labor. Department of Skill Development Department of Employment Department of Promotion and Development of Quality of Life for Persons with Disabilities Thai Listed Companies Association and Thailand Association of the Council of Persons with Disabilities of All Types.

## Promoting employment of the elderly

In 2023, the company hired disabled employees and elderly employees, a total of 93 people. The company still has a policy of accepting the elderly and disabled people to replace employees who requested to stop working during the past COVID-19 period. Come



Year	Total number of employees (people)	disabled people, underprivileged people		Elderly people		Total
		Male	Female	Male	Female	
2021	511	5	1	19	20	45
2022	551	5	1	19	20	45
2023	525	5	1	37	50	93

### Group negotiations for employee benefits

The company respects employees' rights and freedom. In joining or not joining various associations, unions, federations, groupings to negotiate and there is no policy to prevent the operation of labor unions or labor federation or obstruct the exercise of employees' rights to become members of a labor union. In addition, the company will treat such agents equally with other employees.

### Safety and occupational health policy at work

The company has established policies that support employees to work safely. And there is good hygiene in the workplace. The company focuses on preventing accidents that may occur to the best of our ability and encourage employees to have safety awareness there is also training before starting work and encouraging employees to have good health and help maintain a hygienic workplace. And there is always safety in working.

### Safety promotion campaign activities as follows:



Crane use training for employees in the department Production department every year



Annual fire fighting and fire evacuation training for all employees.



Annual inspection of the environment in the work area, such as light, sound, heat, chemicals.



The company provides annual health examinations and risk factors for all employees. With a medical team Kasemrad Rattana Thibet Hospital was examined and provided advice and consultation.



Inspection of various electrical systems in the workplace For the safety of the company's operations and safety of all employees

### Management of occupational health and safety at work

The company is committed to promoting safety at work for employees in order to work safely and lead to a good quality of life. Employees in the organization give importance and cooperate in eliminating job insecurity. Reduce accidents to zero according to the plan by training to increase skills and knowledge in working improving the work of machinery by using automatic machines and robots (ROBOT) to replace the use of workers in some departments and provide appropriate personal protective equipment for various employees, such as safety shoes heat resistant gloves Face mask Mechanic's uniform for protection against sparks, etc.

Currently, the COVID-19 outbreak situation there is a decrease in severity. The company deems it appropriate to relax the mask-wearing measure by considering it on a voluntary basis. Some still wear masks not only to protect against COVID-19. It also protects against influenza and PM2.5 dust that is increasing at present as well.

### Measurement of safety, occupational health, and working environment

The company has carried out measurement of the working environment in order to monitor. and in accordance with legal requirements such as

#### Results of comparative chemical concentration measurement over the past 3 years

Number	Measuring position	Air quality index in workplaces	Unit	Standard value	Measurement results			Compare Year 2022 & Year 2023 increase (decrease)
					2021	2022	2023	
1	Core plating department	Nitric Acid	ppm	2	0.070	0.001	0.26	99.62
		Sodium Hydroxide	mg/m <sup>3</sup>	2	0.333	0.333	0.05	(566.00)
2	Paint department	Xylene	ppm	100	13.693	0.037	0.55	93.27
3	Varnish department	Styrene	ppm	100	<0.001	0.001	0.16	99.38
4	Sandblasting department	Respirable Dust	mg/m <sup>3</sup>	5	2.917	0.417	0.12	(247.50)

#### Results of environmental measurement in the work area compared over the past 3 years.

Measurement area	Job description	Heating value (°C) (WBGT)			Compare Year 2022 & Year 2023 increase (decrease)
		2021	2022	2023	
1. Injection department	Medium work	30.3	32.1	30.2	(6.29)
Standard			< 34.0		
Evaluation results		Pass	Pass	Pass	Pass

## Results of measuring the average noise level for 8 hours in establishments compared over the past 3 years.

Inspected area	Sound level measurement results (dB(A))			Compare Year
	2021	2022	2023	2022 & Year 2023
	Leq 8 Hrs.	Leq 8 Hrs.	Leq 8 Hrs.	increase (decrease)
1. BLDC Department	84	84.5	81.6	(3.55)
2. P-25 Pump Department	81.9	81.5	81.8	0.37
3. Pump Department P-01	87.4	82.5	81.9	(0.73)
4. Injection department	86.1	83.1	81.4	(2.09)
5. Axis department	-	-	-	-
6. Tool Room	-	-	-	-
<b>Standard</b>	<b>&lt;85</b>	<b>&lt;85</b>	<b>&lt;85</b>	
<b>Evaluation results</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>



The company has received a certificate of honor as a health promotion establishment, advanced level From the Health Promotion Foundation (Thai Health Promotion Foundation) by the Environmental Quality Development Association

## White Factory Project: It is a project to promote the prevention and suppression of drugs.

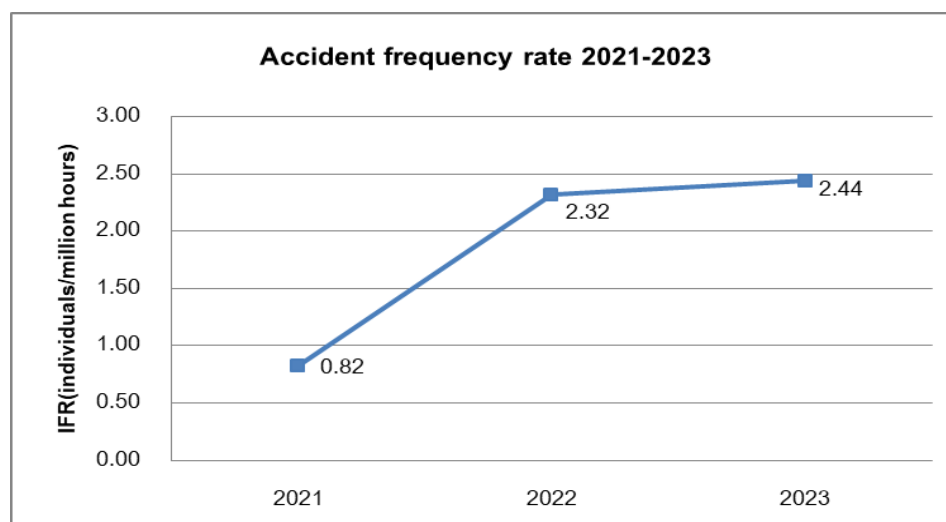
The company is well aware that the threat of drug problems will affect employees, co-workers, families, communities, and the company. Therefore, random drug testing is arranged regularly without prior notification according to company policy.




## Environment and safety in the workplace

Results of monitoring air quality, heat, noise levels, and lighting in establishments passed the work point standards. In 2023, the company had 1,230,600 working hours with a lost-time accident frequency rate (IFR) of 2.44 cases per 1 million hours worked, which the percentage of accidents decreased compared to 2022.

## Accident statistics

In 2023, there were a total of 1,230,600 working hours, with an average accident frequency rate (IFR) of 2.44 cases per 1 million hours worked.



	Illness statistics Due to work 	accident statistics Not serious 	Statistics on fatal accidents 	Including accident statistics
Year 2021	1	1	0	2
Year 2022	3	1	0	4
Year 2023	3	0	0	3

**Remark:** Non-serious accidents such as falling down stairs, slipping and hitting doors, etc.

### Treating labor fairly

The company has policies and guidelines to treat employees equally without exception. and be fair to employees at all levels in terms of determining compensation Employee transfer and transfer, training, skill development Occupational health and safety Career progress Including labor protection and provide a labor relations department Which will be responsible for creating operational plans, supervising, controlling, evaluating, organizing labor relations activities. Coordinate with relevant agencies

### Promoting religious freedom

The company employs employees regardless of race or religion. The company has employees who practice Buddhism. is the main religion With the Islamic religion and Christ together The company treats employees equally, regardless of differences in race, skin color, gender, age, language, and religion.

### Policy on treating workers with fairness in human rights

Expectations from stakeholders regarding supply chain management to be strong and able to manage risks related to the vulnerability of the labor situation in the supply chain system, which is more complex and involves the entire sector. state Private sector and workers such as The problem of labor being exploited forced labor Threats to rights defenders discrimination Unfair use of child and women's labor There are also limitations on transparency and accountability regarding human rights violations and the application of the UN Guiding Principles on Business and Human Rights to the plan. National Action Plan on Business and Human Rights (NAP) Phase 1 (2019-2022) both in the dimension of determining the state's duties in protecting the people (Protect ) Set expectations for the business sector to conduct business with respect for human rights (Respect) and determine the duties of the government and business sectors in providing compensation to those affected by human rights from business operations ( Remedy, which are three important principles according to the UNGPs principles framework and have adopted the guidelines of the United Nations Universal Declaration of Human Rights, the UN Global Compact, the Thai Labor Protection Act 2017, and the Labor Organization. International Labor Organization (ILO) including good labor practices (Good Labor Practices: GLP) as a framework for building confidence in conducting business according to guidelines for treating labor with fairness. Dharma and respect for human rights

### Guidelines for treating workers with fairness in human rights

The Company conducts business with social responsibility according to the principles of the UNGPs and the NAP plan, leading to the improvement of human rights policies through the human rights operations process. according to the international human rights framework To promote good practices throughout the supply chain in business operations and link them with the world's sustainable development goals SDG 1, SDG 3, SDG 4, SDG 5 and SDG8 by setting goals for Carrying out human rights work includes supporting gender equality. A safe working environment Training of



employees at all levels Create a good quality of life for the community and society. Which has developed indicators to control human rights operations processes and performance results to use as guidelines for developing measures to manage important human rights risks and impacts. Covers encouraging employees, partners, subcontractors and important suppliers to respect human rights in accordance with laws and international standards. Support reporting and receiving complaints of human rights violations through the complaint system. and maintain a human rights audit system covering the entire value chain of the business. The Company has human rights operations processes as follows:

#### Human rights implementation process

1. Set policy	Show commitment and inculcate respect for human rights in the business chain.
2. Assess the impact and set measures	Show commitment and inculcate respect for human rights in the business chain.
3. Set indicators and goals	Control and reduce human rights impacts
4. Track effectiveness	Create an atmosphere for participation and follow up on performance
5. Receiving complaints and remedies	Set up a mechanism for receiving complaints. And compensation for those affected by rights violations.

The Company has determined the scope and impacts of human rights from groups of stakeholders who are likely to be affected by business operations. The issues of human rights risks related to business include labor rights, customer rights, and community and environmental rights. It covers important stakeholders including customers, employees, partners/subcontractors/suppliers. and community and society Determining measures to prevent and mitigate impacts Including effective compensation for those who may be affected by human rights risks arising from business activities by setting goals and performance indicators human rights for relevant agencies and individuals The company focuses on and conducts business without using child labor. There is equal treatment without discrimination of gender, race, religion, and culture, etc.

The company also has channels to listen to opinions and suggestions from employees and outsiders. for review and correction Prevent and reduce risks that may lead to human rights violations. According to human rights risk issues as follows:

	Risk issues	Impact on stakeholders	Measures to prevent and mitigate impacts
<b>Employee rights risk issues</b>	1. Safety of employees and partners/ subcontractors/ delivers 2. Promotion of education and vocational training 3. Labor rights and discrimination 4. Hiring forced/foreign workers and child labor	- The impact affects the health and safety of employees, partners and suppliers. - Employees lack the knowledge to advance their careers. - Violation of ethics and non-compliance with the law - Violation of ethics and non-compliance with the law	- Create safety in the workplace in accordance with relevant rules, regulations, and laws. - Establish standards for work performance to control operations to ensure standards and safety. - Promote equal training for employees at all levels. - Support good corporate governance by engaging with stakeholders in human rights.
<b>Social rights risk issues</b>	1. Safety of people in the community 2. Creating careers and	- The resulting impacts affect the health and safety of people in the community.	- Reduce water pollution from the use of chemicals, hazardous waste, and leftover waste.



	Risk issues	Impact on stakeholders	Measures to prevent and mitigate impacts
	developing quality of life in the community	- The quality of life of people in the community is low, causing	- Promote income generation for people in the community
	3. Effects of water, air and ground pollution	- hunger. and lack of opportunities to study	- Promote and support vulnerable groups in the community to have careers and income.
	4. Access to natural resources	- Climate change problems natural disaster	- Control the exhaust air released from the ventilation shaft to meet the standards. -
		- Water shortage problem natural resources and loss of ecological balance	Reduce greenhouse gas emissions according to scientific standards.
			- Adopt the 4 R strategy and ecological principles let's apply it to reduce usage and use resources more efficiently.
<b>Customer rights risk issues</b>	1. Customer safety	- Impact on the health and	- Produce products that are safe and free
	2. Maintaining customer confidentiality	safety of customers from using the product	from hazardous substances. and environmentally friendly
		- Violation of customer confidentiality	- Promote product responsibility
			- Promote good corporate governance and ethics in conducting business

#### Employee compensation policy that is consistent with the company's operating results

The company has established a policy for remunerating employees by evaluating them based on the company's performance every year. This policy will apply to all employees. And it is a policy that is consistent with the strategic direction of the organization, thus ensuring that the company will be able to develop its potential and retain employees with good performance. To be able to create sustainable results and make the Company grow continuously.

In addition to paying compensation, the company has appropriately taken care of welfare for employees by regularly reviewing various benefits to be in line with changing economic and social conditions, such as annual health examinations. Business travel expenses Cost of school supplies for children of full-time employees Provident fund to create stability and provide financial security for employees after their employment ends or they retire, etc.

Components of compensation during the performance evaluation of each employee The supervisor evaluates the employee's performance over the past year and sets new goals. The decision to adjust the employee's salary is based on the results of this evaluation.

Components of compensation include:

1. Salary
2. Annual bonus (based on evaluation of company performance)
3. Various welfare benefits (Based on each employee's employment contract)
4. Compensation in the case of termination of employment (Will be paid according to the Labor Protection Act)



## Employee welfare

In addition, the company we also provide various welfare benefits for the company's employees. In addition to what is required by law, such as uniforms, expenses for children's school supplies. Allowance for working outside the home annual health check Employee wedding gift Contributions in the case of employees being ordained Contributions for funerals Visitors' gifts in case of illness, etc. Moreover, the well-being of employees outside of working hours is something that the company is aware of. The company provides dormitories for employees who are domiciled in other provinces as well.

The company pays remuneration to employees for 2022 in the total amount of 135.41 million baht and for 2023 in the total amount of 141.30 million baht. Such remuneration is in the form of salary, bonus, overtime pay, accumulated funds. Other employee welfare expenses, social security expenses Compensation fund and establishment of a provident fund

Employee compensation classified by gender			Unit: Baht
Year Employee	Year 2021	Year 2022	Year 2023
Man	66,386,537.24	69,834,387.25	74,675,796.31
Female	62,588,776.24	65,579,876.25	66,628,479.34
Total	<b>128,975,313.48</b>	<b>135,414,263.50</b>	141,304,275.65

Ratio of compensation for female employees to male employees

	Percentage		Percentage
Female employee	<b>47.15%</b>	Male employee	<b>52.85%</b>

## Employee development policy

The company has a policy to enhance knowledge and develop the work potential of employees By organizing training within the company Including sending to attend training outside the company with various agencies For the benefit of employees' work in the future. In addition, in order to build morale and encouragement at work, the company has a policy of providing welfare to employees and welfare will be improved as appropriate.

## Company personnel development

The company has a policy to promote personnel development by supporting employees to develop their knowledge, abilities, potential, and have a good attitude. Have morals and ethics and teamwork through training, seminars, and work visits so that employees can be developed efficiently, the company also emphasizes promotion from within. And there is a performance evaluation. This is an important factor for stable and strong business growth.

The company also supports organizational and human resource development. Emphasis is placed on efficient work processes clearly defining the roles and responsibilities of employees determining appropriate compensation and keeping the salary structure up to date. Developing an evaluation system and increasing employee performance, the company has organized various training courses.

In 2022, the company created a course on anti-corruption policies and measures by requiring all employees to undergo training and knowledge testing understanding of anti-corruption according to the company's anti-corruption policy and measures. This topic is one of the orientation topics for all new employees who must be trained before starting work at present.

The company's employees have passed the training at a rate of 100 percent and communicate via E-mail, public relations board. Let all employees know the risks that may cause corruption including operational guidelines to prevent corruption, such as informing guidelines on the No Gift Policy during important festivals and channels for reporting complaints, etc.

#### **Employee engagement assessment**

The company recognizes that employees are the most valuable resource and is like the power of the organization to do allow the organization to achieve its set goals. Therefore, recognizing and meeting the expectations of employees is something that the organization has always given importance to which has been carried out Survey employees' feelings and perspectives on the organization's operations. The company conducted a survey of employee expectations. In 2023, it was found that the results of the employee engagement and satisfaction survey had an average score of 84 percent and the results were analyzed to determine strategies and review guidelines. Measures to improve employee engagement and participation this helps the organization to achieve its stated goals.

#### **Recruitment rate and employee turnover rate**

In 2023, the company had an employee turnover rate of 12.5 percent, which is still considered lower than the standard in the industrial sector. One of the main reasons for employee turnover is: The need for having your own business the recruitment rate of employees is 81.7 percent, which is considered high in the industrial sector. Most of the company's employees are people in Nakhon Pathom and nearby provinces.

<b>Employee turnover rate</b>	<b>Year 2021</b>	<b>Year 2022</b>	<b>Year 2023</b>
Male employee (person)	25	41	39
Female employee (person)	18	23	30
Total number of employees who resigned voluntarily	<b>43</b>	<b>64</b>	69

In the past year The Company has not received any complaints or reports on human rights issues from business operations from both internal and external agencies. In addition, the company has no labor disputes. Forced labor or child labor that is significant to the business

In 2023, the company created a strategy for upgrading the abilities of employees in line with the company's business direction. both in developing employees with high potential Developing employees in leadership, where the company organizes training through many formats, including seminars (Workshop), training via ZOOM, online lessons (E-Learning) and practical learning.

Number				Level of trainees - Number of trainees (people)				Total training participants (people)		
				Employee level		Supervisor level				equivalent or more
				Male	Female	Male	Female	Male	Female	
1.	27-30/3/2023	Skill Development Institute	Operator of forklifts up to 10 tons, Level 1	3	-	1	-	-	-	4
2.	26-28/04/2023	King Mongkut's University of Technology North Bangkok	Develop the robot and automation industry to raise its potential.	2	-	-	-	-	-	2
3.	26/4/2023	Nakhon Pathom Hospital	Safety when working with dangerous chemicals Emergency Response First aid and basic resuscitation after a chemical spill accident	-	-	1	1	-	-	2
4.	23/6/2023	River Hotel Nakhon Pathom	Tax laws of 2023 and tax benefits that accountants must know	-	-	-	2	-	-	2
5.	24/6/2023	Pioneer Training Room	Solving problems on site with RCA "Root Cause Analysis" techniques	18	41	-	1	-	-	60
6.	26/8/2023	Pioneer Training Room	Techniques for developing work potential	24	45	1		-	-	70
7.	8/12/2023	River Hotel Nakhon Pathom	Problems with recording accounting transactions at the end of the year - beginning of the year	-	-	-	2	-	-	2
8.	11/12/2023	Pioneer Training Room	Improving work quality with a lean system	20	50	-	-	-	-	70
9.	12/12/2023	Pioneer Training Room	Solving problems on site with RCA "Root Cause Analysis" techniques	23	25	15	7	-	-	70
10.	18/05/2023	Online System	How important is Carbon Footprint to business operations in today's era	1	-	-	-	-	-	1
11.	23/6/2023	Online System	Announcement of the Ministry of Industry regarding the management of waste or unused materials, B.E. 2023	1	2	-	-	-	-	3
Total				90	161	18	92	163	18	13

#### Summary of training operations results for 2023

Total number of employees: 525 people  
Total number of training participants was 286 people.  
Number of training hours: 1,716 hours  
Average training: 6 hours/ person

## Participation in community development

The Company has a development policy support and promotes community and social development By encouraging employees to have public spirit and participation in helping and doing good deeds for the community and society. In 2023, the company joined in developing the community and society through various activities as follows:



Pioneer Motor Public Company Limited joins in supporting food for the Kathina Ceremony at Sri Maha Pho Temple, Nakornchaisri District, and Nakornpathom Province.



The management team along with employees of Pioneer Motor Public Company Limited joined in offering candles on the occasion of Buddhist Lent at Samrong Temple, Wat Samrong Subdistrict, Nakhon Chai Si District, Nakhon Pathom Province



Pioneer Motor Public Company Limited donated face masks and snacks. to medical personnel To have the strength to move forward in fighting COVID-19, with the staff of Huai Phlu Hospital, Nakhon Chai Si District, as recipients.



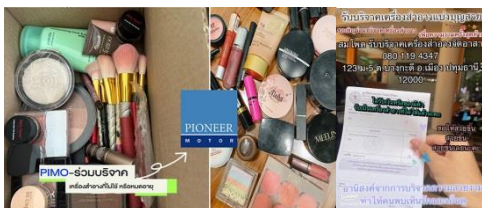
The company joins in being a learning media for the visually impaired. By executives and employees Pioneer Motor Public Company Limited has collected old desk calendars. and delivered to the Center for Educational Technology for the Blind It has been made into braille flashcards as a teaching media for the visually impaired.



Pioneer Motor Public Company Limited organized blood donation activities for the year 2023, with a large number of employees joining in donating blood with the Thai Red National Society Blood Donation Center.



Mrs.Nutcharat Itthirojanakul, Deputy Managing Director of Logistics Division (Center), represented the management team in presenting Children's Day gifts in order to help create smiles and bring happiness to youth. On the occasion of National Children's Day 2023 activities, with student representatives Teacher from Wat Bang Phra School, Wat Lamut School and Wat Si Maha Pho School Was the recipient at Pioneer Motor Public Company Limited.



Executives and employees Pioneer Motor Public Company Limited. has collected and donated unused or expired cosmetics to volunteers. to put to good use To apply makeup to the deceased for the last time It is a very happy and useful merit making activity.



Executives and employees Pioneer Motor Public Company Limited. has collected and donated old lithium batteries for research. of the Faculty of Science Department of Science and Environment, Silpakorn University, Nakhon Pathom, to develop knowledge of students and continue to develop in the field of technology.

## Community development plans

The company gives importance and responsibility to the community and nearby society regarding the environment including supporting public benefit activities of the community as well as develop the environment of the community and society For a better life By considering as appropriate

### 3.5. Sustainability management in the economic dimension

#### Economic policies and practices

The company places importance on the economy through creating a good customer experience in using products and services. Therefore, we do not stop continuously developing and inventing new products to have quality and standards and be able to meet the needs of customers with diverse lifestyles. The company is aware of conducting business with good corporate governance, good corporate governance and operating. Do business with ethics, transparency, and no corruption including the importance of protecting the security of personal information of the company's stakeholders.

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**Personal information complaints and complaints about corruption = 0**

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**Evaluation of customer satisfaction after sales = 95%**

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The company has set quantitative goals for relationship management and responsibility for key customers, including:

- Received satisfaction scores in management and customer service. By setting a goal to score a satisfaction rate of more than 85%.
- Number of new customers. The rate increased by 3% in each of the following years.

Number of new customers (person)		Increase (Decrease)
Year 2022	Year 2023	
148	97	(51)

#### Customer satisfaction development plan

In business organizations it is considered an important matter. Because creating satisfaction makes consumers decide to buy and make repeat purchases. Including being loyal to the product brand which results in good long-term profits there are many ways to create satisfaction for customers such as

1. The company has focused on developing relationships between company representatives and customers. Focusing on the development of labor skills, both soft skills and hard skills.
2. Responding to customer expectations It will be something that the company gives importance to in the long run. Customers can access company representatives at all times.

Pay attention to customers' thoughts Build good relationships with customers by paying attention to customer opinions or feedback received from customers. Then use it to improve and develop the product. Including providing

various services that customers complain about these are important things in building good relationships with customers as well.

In addition, the company has a customer satisfaction survey after the sale by asking customers' opinions on both products and services, such as product delivery including satisfaction with using the product Product performance or other suggestions, etc. In the past year 2023, the company conducted a customer satisfaction survey, which the results of the survey can be summarized in two periods as follows.



The main factors that make customers satisfied with the company's various products are as follows:

1. Meets specifications: Produce motors according to customer needs for maximum efficiency.
2. Product quality: Product quality must be usable at full efficiency. Exactly as specified by the customer
3. Appearance/Usage: Design products to meet the needs of users.
4. Service quality: Emphasis on after-sales service by providing a good and fast transportation system, able to deliver products to customers on time. and immediate response when customers encounter usage problems
5. Providing knowledge and understanding about the company's products to customers.
6. Quality of service of employees who can respond to customer needs in a timely manner.
7. Speed and efficiency in analyzing problems with the company's products for customers.
8. Delivery: Delivering motors to customers on time with the best service and according to customer requirements.
9. Satisfaction: Create maximum satisfaction for customers, such as product quality.
10. Authenticity of documents: Prepare the correct delivery document according to details such as price, quantity, and delivery location for convenience and speed.

In addition, the company also provides a guarantee for the quality of the after-sale products for a period of 1 year. If the company's products or products have a problem within the warranty period, the company will repair or replace the product at no cost. The warranty conditions are as follows.

#### **Warranty conditions**

1. The company will guarantee products against manufacturing errors. which affects normal use
2. Warranty covers only problems resulting from normal use conditions only. The warranty does not cover the following cases:
  - Damage caused by misuse or incorrectly
  - lack of knowledge Expertise in assembly or use
  - Improper modification and use Not following precautions



- Lack of maintenance, corrosion caused by various chemicals.

Warranty consideration will be based on the actual product of the product. Receipt or other evidence It is important from the date of trading. Throughout the past, the company has received contact from customers requesting to return products in very small quantities and in value. At a rate of approximately percent 0.01 of sales each year

### **Customer relationship management**

The company regularly prepares customer relationship management plans to continuously build trust and relationships with customers, such as executives meeting and visiting customers in various regions across the country, opening their homes to customers both within and abroad, etc.

Due to the outbreak of the coronavirus 19 (COVID-19), the company has managed relationships with customers in the New Normal format to strengthen relationships. Respond to customer needs and expectations Raise the level of comprehensive service and create sustainability for society together

### **Information Technology Security Policy (IT Security Policy)**

There are duties and responsibilities for managing and managing information technology risks, identifying risks related to information technology (Information Technology Related Risk).

1. Risks related to the use of computer programs on the company's computers to prevent the use of installing programs that are not safe or malicious, such as downloading programs from outside to install. which may contain malware or computer virus or there is a vulnerability connecting to an external network Attack the computer in use or another machine on the same network, etc.
2. Risks related to the use of the company's computer network system there must be inspection and monitoring of the use of the internal network and internet system. By creating a system to prevent access and outside attacks for the server and client computers that the operator uses, such as a system to prevent access and use via the internet. Installing a computer antivirus program Filtering data for sending and receiving emails, etc.

Personnel Risk User rights must be specified to access the computer system. Various network devices and data must be in accordance with the rights they should have. To prevent editing or changing information

### **Maintaining the security of the IT system (IT Security). Additional guidelines regarding IT security policy and measures (Information Security Policy).**

1. Do not use computer resources and networks. To act illegally and contrary to good morals of society, such as creating a website to conduct business or disseminate illegal things or contrary to good morals, etc.
2. Do not access the computer network. or computer with someone else's username Both are allowed And without permission from the owner of the user account, do not access the computer system and data that is protected from access by others in order to edit, delete, add, or copy.
3. Do not distribute other people's information. or of the agency without permission from the owner of that information
4. Do not illegally intercept information on the company's computer network. and of others that are in the process of being received and sent in a computer network
5. Users must not allow others to use their account and password to access the shared computer.

## Maintaining customer information

Maintaining customer information is extremely important in running a business. The company has arranged for the level of access to information according to its importance. In order to prevent customer information from being leaked to outsiders, the company also has established guidelines for disclosing information that are consistent with the guidelines for listed companies announced by the Stock Exchange. The company promotes the use of information technology systems that have a systematic risk monitoring and management process, cyber security including measures to maintain the security of information technology systems to cover operations and information technology risk management.

Channels and processes for handling customer complaints regarding personal information

The company is responsible to customers by maintaining the quality and standards of products and services. Including responding to customer needs as completely and comprehensively as possible to focus on creating long-term customer satisfaction, the company also provides accurate information about the company's products. It also provides channels for the company's customers. You can report product problems or receive inappropriate services so that the company can prevent and solve problems with the company's products and services. Quickly

**Contact:** Pioneer Motor Public Company Limited  
Personal Data Protection Working Group

78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120

Telephone: 034 265111-8

Email: [info@pionermotor.th.com](mailto:info@pionermotor.th.com)

## Monitoring policy compliance

The company plans and implements personal information security and improves the data storage system. Access protection system with notifications in the event of a data leak The Company specifies that the operation of the system will be inspected at specified intervals. Along with having staff to control work and solve problems that may occur at all times. Including recruiting and developing hardware and software systems to be up-to-date to deal with new forms of cybercrime and prevent access to information by unrelated parties. And there is a backup of the information system to guarantee emergencies that may occur.

In the past year The Company has no complaints regarding personal information security.

## Anti-corruption

The company joined in announcing the intention of the Thai Private Sector Collective Action against Corruption (CAC) on April 22, 2021 and submitted a self-evaluation form to develop an anti-corruption system. And reference documents according to the assessment form to request certification from CAC in September 2022

## Results of anti-corruption operations

As of December 31, 2022, the Company has been certified as a member of Thailand's Private Sector Coalition against Corruption (CAC) for the first time to emphasize the Company's position. In order to grow the business sustainably this certification is valid for 3 years and is subject to inspection. Corruption in the internal control audit plan annually

In the past year, the company has not found any reports or wrongdoing regarding corruption related to the company.



#### 4. Management Discussion and Analysis (MD&A)

Currently, Pioneer Motor Public Company Limited operates as a manufacturer and distributor of motors for air conditioners. Power motors for the industrial sector water pump centrifugal water pump and motors for pools and spas It is distributed to customers both domestically and abroad. In 2021 - 2023, the company has sold products domestically. Accounted for 47.44 percent, 46.00 percent, and 54.43 percent, respectively, and are exported to foreign customers such as Australia, Dubai, Hong Kong, the Philippines, the United States, the Czech Republic, Bangladesh, Sri Lanka, Iran, Pakistan, Japan, Singapore, New Zealand, the Netherlands, etc. in 2021-2023. The Company's product sales to foreign countries accounted for 52.56 percent, 54.00 percent, and 45.57 percent, respectively.

For the company's operating results during 2023 compared to 2022, it was found that the company's sales revenue decreased by 236.62 million baht or a decrease of 19.79 percent. In 2021-2023, the company had Revenue from water pump product group Centrifugal pumps and motors for pools and spas and other motor components were No. 1, accounting for approximately 63 percent, 63 percent and 60 percent, respectively, of net sales revenue. The main customers of this group of products are large operators both domestic and foreign by hiring the company Produced under the brand of that operator. Therefore, the quality of the delivered products is the main factor that this group of customers pays attention to because it will affect the brand reputation of that business operator as well. In addition, the company has also planned marketing policies both domestically and abroad makes it possible to expand the customer base even more. The cost of sales in 2023 is equal to 812.19 million baht, a decrease of 196.55 million baht from the same period last year, or a decrease of 19.48 percent, which is in line with decreased sales and the main raw materials are still expensive. During the 3rd and 4th quarters, there were some raw materials whose prices decreased. As a result, the cost of sales to income ratio has improved. When analyzing the cost of sales to sales revenue was 84.70 percent, which decreased from the cost of sales to sales revenue from the same period last year which was 84.38 percent. However, the company has been following the situation of the adjustment. The price of raw materials is constantly monitored and we try to manage our inventory to stockpile products to reduce the burden of raw material prices that fluctuate over time and product development to make customers more interested in the company's products.

Considering the financial statements for the fiscal year 2021 - 2022, the company has a net profit for the financial statements equal to 101.65 million baht and 105.27 million baht, respectively, or equivalent to a net profit margin of 9.86 percent and 8.48 percent of total income, and in the year 2023, the company had a net profit for the financial statements equal to 73.58 million baht, or a net profit margin equal to 7.45 percent of total revenue, decreased compared to 2022 in the amount of 31.69 million baht, or a decrease equivalent to 30.10 percent. In 2023 There are items that will not be recorded in profit or loss later, namely the actuarial profit of 0.28 million baht and the deduction of income tax effects of 0.05 million baht.

When considering the overall performance of the company for the year 2023, the company has decreased sales revenue resulting in a decrease in net profit as well. The main reason is that the demand from overseas customers decreased, including the United States and Australia. The main reasons are as follows.

1. High inflation rates in the United States and Australia.

2. Rapid increase in interest rates causing weakening of economy of these countries.

3. During the situation of the COVID-19 epidemic, this has caused a huge increase in sales over the past 2 years as people live and work from home, bringing in money to improve swimming pools and home improvements during that time but when the COVID-19 epidemic was resolved, so people reduced their expenses and went out to live their normal lives. Our company's expectation is that export sales will recover sometime from the fourth quarter onwards.

**Statement of Comprehensive Income: Pioneer Motor Public Company Limited and its subsidiaries**

Statement of comprehensive income	Separate financial statements		Consolidated Financial statements		Financial statements			
	Ending on		Ending on		Ending on		Ending on	
	December 31, 2021		December 31, 2021		December 31, 2022		December 31, 2023	
	Million baht	percentage	Million baht	percentage	Million baht	percentage	Million baht	percentage
<b>Sales income</b>	990.91	96.16	990.91	96.15	1,195.50	96.31	958.87	97.12
Cost of sales	(803.96)	(78.02)	(803.96)	(78.01)	(1,008.75)	(81.26)	(812.19)	(82.27)
<b>Gross profit</b>	186.95	18.14	186.95	18.14	186.75	15.05	146.68	14.86
Other income	39.59	3.84	39.67	3.85	45.84	3.69	28.38	2.88
<b>Total income</b>	<b>1,030.50</b>	<b>100.00</b>	<b>1,030.58</b>	<b>100.00</b>	<b>1,241.34</b>	<b>100.00</b>	<b>987.25</b>	<b>100.00</b>
<b>Profit before expenses</b>	226.54	21.98	226.62	21.99	232.59	18.74	175.06	17.73
Selling expenses	(45.97)	(4.46)	(45.97)	(4.46)	(51.98)	(4.19)	(40.96)	(4.15)
Administrative expenses	(56.13)	(5.45)	(55.79)	(5.41)	(59.81)	(4.82)	(56.08)	(5.68)
<b>Total expenses</b>	<b>102.10</b>	<b>9.91</b>	<b>101.76</b>	<b>9.87</b>	<b>111.79</b>	<b>9.01</b>	<b>97.04</b>	<b>9.83</b>
<b>Profit from operating activities</b>	124.44	12.07	124.86	12.12	120.80	9.73	78.02	7.90
Financial costs	(0.14)	(0.01)	(0.14)	(0.01)	(0.06)	(0.00)	(0.16)	(0.02)
<b>Net loss from dissolution of subsidiary</b>	(0.02)	(0.01)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit before income tax</b>	124.28	12.06	124.72	12.10	120.74	9.73	77.86	7.89
Income tax expenses	(22.63)	(2.20)	(22.63)	(2.20)	(15.47)	(1.25)	(4.28)	(0.43)
<b>Profit for the year</b>	<b>101.65</b>	<b>9.86</b>	<b>102.09</b>	<b>9.91</b>	<b>105.27</b>	<b>8.48</b>	<b>73.58</b>	<b>7.45</b>
<b>Other comprehensive income</b>								
<b>Items that will not be recorded later in profit or loss.</b>								
Surplus from asset valuation	117.80	11.43	117.80	11.43	0.00	0.00	0.00	0.00

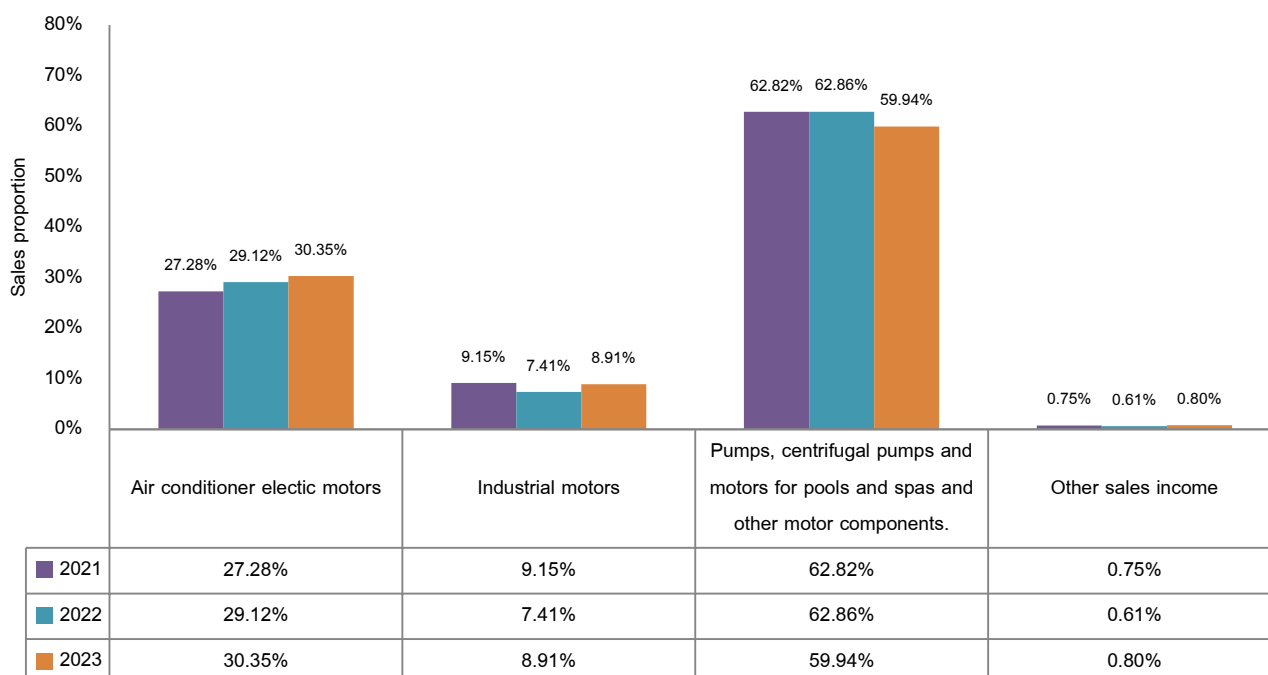
Statement of comprehensive income	Separate financial statements		Consolidated Financial statements		Financial statements			
	Ending on		Ending on		Ending on		Ending on	
	December 31, 2021		December 31, 2021		December 31, 2022		December 31, 2023	
	Million baht	percentage	Million baht	percentage	Million baht	percentage	Million baht	percentage
<u>Minus the impact of income taxes</u>	(23.56)	(2.29)	(23.56)	(2.23)	0.00	0.00	0.00	0.00
<b>Net</b>	94.24	9.14	94.24	9.14	0.00	0.00	0.00	0.00
<b>Profit (loss) from actuarial estimates</b>	0.85	0.08	0.85	0.08	2.46	0.19	(0.27)	(0.03)
<u>Minus the impact of income taxes</u>	(0.17)	(0.02)	(0.17)	(0.02)	(0.49)	(0.04)	0.05	0.005
<b>Net</b>	0.68	0.06	0.68	0.06	1.97	0.15	(0.22)	(0.02)
<b>Other comprehensive income for the year</b>	94.92	9.20	94.92	9.21	1.97	0.15	(0.22)	(0.02)
<b>Total comprehensive income for the year</b>	<b>196.57</b>	<b>19.06</b>	<b>197.01</b>	<b>19.12</b>	<b>107.24</b>	<b>8.63</b>	<b>73.36</b>	<b>7.43</b>

**Remark:** the Company's income Caused by selling products both domestically and abroad. For 2021, 2022, and 2023, the company has revenue from foreign sales accounting for approximately 53 percent, 54 percent, and 46 percent of net sales revenue according to number

The company can summarize the analysis of operating results and financial position for the accounting period 2021 - 2023 as follows.

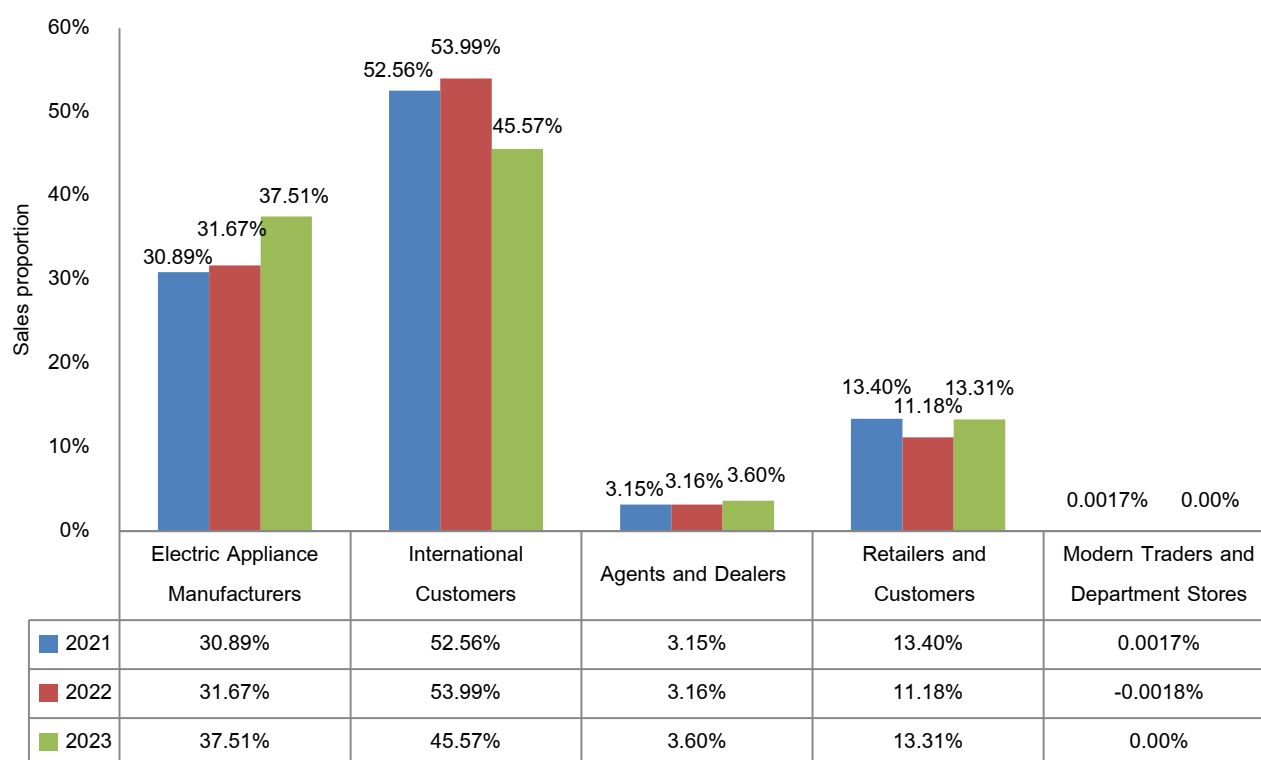
### Performance, sales revenue

**Graph showing revenue separated by product group in 2021-2023**



Revenue from sales of the company can be divided according to product group into 3 large groups: motor product group for air conditioners electric motors product group for the industrial motors and a product line of water pumps, centrifugal pumps, and motors for pools and spas and other motor components. In addition, the company also has income from other sales such as raw materials, miscellaneous items, etc. In 2021 - 2023, the company has net sales income of 990.91 million baht, 1,195.50 million baht, and 958.88 million baht, respectively, calculated it is a growth rate when compared between 2021 and 2022 equal to 20.65 percent and is considered a growth rate when compared between 2022 and 2023, decreased equal to 19.79 percent. It can be seen that the company has decreased in income from decreased sales. The compound annual growth rate (CAGR) for the said 3-year period is equal to 1.63 percent, in 2023, The product group that generates sales number 1 is the water pump product group, centrifugal pump, motor for pools and spas and other motor components accounting for an average proportion of 59.94 percent, followed in second place is motors for air conditioners, accounting for an average proportion of 30.35 percent, and number 3 is the power motor product group for the industrial sector representing an average proportion of 8.91 percent, it can be seen that the results from the company still paying attention to quality and good after-sales service all the time. As a result, sales from new domestic and foreign customers have continued to pay attention and place orders including existing customers who increased their orders as well. Also at present, the Company has adjusted its marketing plan by restructuring the sales structure of the industrial motor product group. Previously having to rely on just one large distributor, causing risks in the future, the Company has changed its sales strategy by adding more sales staff to penetrate the market of small stores and general retail customers throughout the country and increased sales promotions to create more incentives to order It can be seen that sales of this product group have grown rapidly over the past 1-3 years.

**Graph showing revenue separated by distribution channel, year 2021 – 2023**



In 2021 - 2023, the company has income from selling most of its products within the country the value is equal to 470.13 million baht, 550.00 million baht, and 521.89 million baht, respectively, or accounting for 47.44 percent, 46.01 percent, and 54.43 percent of net sales revenue, respectively. In 2021-2023, there will be sales through foreign customer groups. (International Customers) is number 1, accounting for an average proportion of net income of 52.56 percent, 54.00 percent, and 45.57 percent, respectively, followed by domestic sales through channels of electrical appliance manufacturers (Electronic Manufacturers) accounting for It is an average proportion of net income of 30.89 percent, 31.67 percent, and 37.51 percent, respectively, and the third place is through small retail stores (Retailers) and other small customers (Customers), accounting for an average proportion of 30.89 percent, 31.67 percent, and 37.51 percent respectively. 13.41 percent, 11.18 percent, and 13.31 percent, respectively, number 4 is through dealers (Agents) and wholesale store groups (Dealers), accounting for an average proportion of 3.15 percent, 3.16 percent, and 3.60 percent, respectively, for number 5, the store group Modern Traders and Department Stores account for an average proportion of 0.0017 percent, 0.0018 percent, and 0.00 percent, respectively. The main reason that the highest revenue from sales through foreign customers is this is because the main product of the company is motors, which are considered important components of finished products such as electrical appliances. These customer groups will place orders to be assembled into finished products for distribution under each customer's brand. The Company has penetrated the market for these store groups more to sell in place of the current distributor and wholesale shop groups that are highly competitive. However, the company has set a competitive strategy by an increased sales staff to reach more small retailers and other small customers throughout the country and increased sales promotions that will be able to make sales and profits reach the set goals.

For the year 2023, it was found that the company had domestic sales income of 521.89 million baht, accounting for 54.43 percent of net sales income, it is sold through foreign customers, (International Customers) amounting to 437.00 million baht, or 45.57 percent, followed by sales through electrical appliance manufacturers (Electronic Manufacturers), amounting to 359.71 million baht, or 37.51 percent, followed by sales through retail stores. Retailers and other small customers (Customers) amounted to 127.64 million baht, or 13.31 percent. Store groups, distributors (Agents) and wholesale stores (Dealers), amounted to 34.54 million baht, or 3.60 percent. Modern Trade and Department Stores have



no sales volume because at present the company has adjusted its sales strategy by adding online distribution channels and sold through agents in order to be able to distribute such products to small retailers and final consumers throughout the country.

When separated each type of income in 2023 and comparing with sales income in 2022, the International Customer group had a decreased sales proportion of 208.52 million baht or a decrease of 32.30 percent, mainly motor products swimming pool pumps for large international customers who continuously place orders. Along with developing and improving products for existing customers abroad and the company still maintains the policy of marketing and public relations abroad Resulting in continuous expansion of the international customer base, next was the group of electrical appliance manufacturers (Electronic Manufacturer), whose sales proportion decreased by 18.96 million baht or a decreased of 5.00 percent, next was the group of small retail stores (Retailers) and retail customers, Other sub-categories (Customer) had a decrease in sales proportion of 5.97 million baht or a decrease of 4.47 percent, later, the group of dealer shops (Agent) and the group of wholesale shops (Dealer) had a decrease in sales proportion of 3.18 million baht or a decrease of 8.43 percent, although at present the company Will be able to penetrate the market of small retailers and other small customers by creating sales promotions to increased sales and planning research and development of new products to support existing products that are slowing down in order to keep up with the competition in the current business world together with the company Has jointly developed a motor for swimming pools from AC motors to DC motors that can be adapted for use with small and large swimming pools. To support future changes and the needs of customers who emphasize energy-saving use, DC motors are motors that can reduce electrical energy use by 20% - 40%. However, with the economic slowdown and many competitors in the market, this will affect sales in 2023, but the company is still confident that sales will grow because the motor for the home swimming pool (Private swimming pool) both inside and outside the country that have technology to produce special types of motor products, there will definitely still be more demand in the future.

For other income from the company's financial statements occurring in 2021-2023 has a value equal to 39.59 million baht, 45.84 million baht percent, and 28.38 million baht, respectively, or calculated as the ratio of other income to total income equal to 3.84 percent, 3.69 percent, and 2.88 percent, respectively. The main ones include income from selling scrap materials, interest income, and profit (loss) from exchange rates. Income from selling molds Income from Blue Corner tax card refunds, etc.

For other income in 2023, the value is equal to 28.38 million baht, or calculated as a ratio of other income to total income equal to 2.88 percent, a decreased from the same period last year of 17.46 million baht, or a decreased of 38.09 percent, due to this was mainly due to a decreased in income from selling scrap materials, especially silicon steel scrap, in the amount of 8.48 million baht, and from a decreased in foreign exchange profits in the amount of 10.51 million baht, which was in line with sales sold abroad that decreased as well.

### **Cost of sales**

In 2021-2023, the company had cost of sales from the financial statements equal to 803.96 million baht, 1,008.75 million baht, and 812.19 million baht, respectively, calculated as the ratio of cost of sales to sales revenue equal to 81.13 percent, 84.38 percent, and 84.70 percent, respectively, the main cost of sales of the company this is caused by the cost of main raw materials, especially copper wire, silicon steel, and aluminum. Direct labor expenses such as salaries, bonuses, and overtime for the production department, depreciation of machinery and production expenses, etc. When comparing 2022 and 2021, it was found that the company had cost of sales equal to 1,008.75 million baht, which an increased from the same period last year by 204.79 million baht or an increased of 25.47 percent, which is in line with an increased sales, in addition, the price of main raw materials has an increased in line with world market prices,

including silicon steel and copper wire, accounting for the ratio of cost of goods sold to sales revenue equal to 84.38 percent, increased from the same period of 2021 at 81.13 percent. However, the company already established guidelines for adjusting prices with customers as appropriate to market conditions along with the company limit risk by negotiating raw material prices in order to manage production cost estimates and reduce raw material price fluctuations and have a significant impact on operations to a minimum.

For the year 2023, the company has cost of sales equal to 812.19 million baht, which decreased from the same period last year by 196.56 million baht or a decreased of 19.49 percent, which is in line with decreased sales. In addition, the price of main raw materials has increased in line with world market prices, including silicon steel and copper wire, accounting for the ratio of cost of goods sold to sales revenue equal to 84.70 percent, increased from the same period of 2022 at 84.38 percent. However, the company already established guidelines for adjusting prices with customers as appropriate to market conditions. Along with the company limit risk by negotiating raw material prices in order to manage production cost estimates and reduce raw material price fluctuations and have a significant impact on operations to a minimum.

### **Selling and administrative expenses**

#### **Selling expenses**

In 2021 - 2023, the company had selling expenses from the financial statements equal to 45.97 million baht, 51.98 million baht, and 40.96 million baht, respectively, or calculated as the ratio of selling expenses to total income equal to 4.46 percent, 4.19 percent, and 4.15 percent, respectively. Selling expenses mainly consist of salaries, bonuses, commissions of the sales team and public relations expenses and sales promotion to make the brand widely known, the company continuously participates in exhibitions to promote the brand abroad. When comparing 2022 with 2021, the company has sales expenses of 51.98 million baht, or calculated as the ratio of sales expenses to total income equal to 4.19 percent, an increased of 6.01 million baht from the same period of 2021, or an increased of 13.07 percent, mainly from commission fees for selling various products and expenses for transporting goods to foreign countries, which This is in line with the increase in overseas sales combined with the problem of freight costs and transportation costs have an increased due to the container shortage problem that continues to occur after the global economy began to recover, exporting countries had to compete for containers for export including promotional expenses that are an important factor in stimulating sales amidst the competition among competing companies today.

For 2023, The Company has selling expenses equal to 40.96 million baht, or calculated as the ratio of selling expenses to total income equal to 4.15 percent, a decreased of 11.02 million baht from the same period last year, or a decreased of 21.20 percent, which is in line with decreased sales.

#### **Administrative expenses**

In 2021 - 2023, the company had administrative expenses from the financial statements equal to 55.79 million baht, 59.81 million baht, and 56.08 million baht, respectively, or calculated as the ratio of administrative expenses to total income equal to 5.41 percent, 4.82 percent, and 5.68 percent, respectively. Administrative expenses mainly consist of Salary expenses Bonuses for executives and employees various administrative expenses, etc. When comparing 2022 and 2021, it was found that the company had administrative expenses equal to 59.81 million baht, or calculated as the ratio of administrative expenses to total income equal to 4.82 percent, an increased of 4.02 million baht from the same period last year, or an increased of 7.21 percent, with the main increased was from salaries and employee compensation, social security costs and property taxes due to the recent outbreak of coronavirus disease 2019 (COVID-19), various agencies have reduced fees, but in 2022, when the situation has resolved, various agencies have adjusted fees already raised at the normal rate.

For 2023 the company has administrative expenses equal to 56.08 million baht, or calculated as the ratio of administrative expenses to total income equal to 5.68 percent, an increase of 4.02 million baht from the same period last year, or an increase of 7.21 percent.

For 2023, the company has administrative expenses equal to 56.08 million baht, or calculated as the ratio of administrative expenses to total income equal to 5.68 percent, a slight decreased from the same period of the previous year, amounting to 3.73 million baht, or a decreased of 6.24 percent, mainly from the fee for requesting a license to certify export product standards and decreasing from the bonus and Allowance for doubtful debts.

### **Financial costs**

In 2021-2023, the company has financial costs from the financial statements equal to 0.14 million baht, 0.06 million baht, and 0.16 million baht, respectively. Financial costs mainly consist of Interest arising from debt under financial lease agreements interest payments on loans from financial institutions, etc. When comparing 2022 and 2021, it was found that the company has financial costs equal to 0.06 million baht, or calculated as the ratio of financial costs to total income. Equal to 0.005 percent, a decrease of 0.08 million baht from the same period last year, or a decrease of 56.16 percent, because in 2022 the company will only have interest arising from debt under financial lease agreements.

For 2023, the company has financial costs of 0.16 million baht, an increased of 0.10 million baht from the same period last year, or an increased of 166.67 percent, which is caused by interest arising from debts under financial lease agreements that the company has. Invest in additional assets

### **Gross profit margin and net profit**

In 2021 - 2023, the company had gross profit from the financial statements equal to 186.95 million baht, 186.75 million baht, and 146.68 million baht, respectively, or equivalent to gross profit margins equal to 18.87 percent, 15.62 percent, and 15.30 percent, respectively.

When considering the net profit from the financial statements, it was found that in 2021 - 2023 the company had a net profit of 101.65 million baht, 105.27 million baht, and 73.58, respectively, or a net profit margin of 9.91 percent, 8.48 percent, and 7.45 percent, respectively. Comparing 2022 and 2021, it was found that the company had a net profit of 105.27 million baht, representing a net profit margin of 8.48 percent, an increased of 3.62 million baht from the same period last year, or an increased of 3.56 percent. The increase was in line with increased sales and the prices of main raw materials, such as silicon and copper wire, decreased in line with world market prices and the Company's profits from foreign exchange increased because the US dollar improved more than the previous year.

For 2023, the company's gross profit from the financial statements was 146.68 million baht, or a gross profit margin of 15.30 percent, a decreased of 40.07 million baht from the same period last year, or a decreased of 21.46 percent.

When considering net profit in 2023 equal to 73.58 million baht, representing a net profit to total income ratio of 7.45 percent, a decreased of 31.69 million baht from the same period last year, or a decreased of 30.10 percent, a decreased in net profit. This is in line with the decreased in sales and the company's profit from foreign exchange also decreases, which is in line with the decrease in foreign sales as well.

### **Financial status**

#### **Asset**

As of December 31, 2021, 2022, and 2023, the Company has total assets from the consolidated financial statements equal to 1,017.96 million baht, 1,112.61 million baht, and 1,274.58 million baht, respectively, by the list of important assets which affects changes in the Company's total assets as follows:

### Current assets

As of December 31, 2021, 2022, and 2023, the Company has current assets from the consolidated financial statements equal to 596.42 million baht, 665.07 million baht, and 837.10 million baht, respectively, or calculated as a proportion to total assets equal to 58.59 percent, 59.78 percent, and 65.68 percent, respectively, with details on each important item as follows:

- Cash and cash equivalents: as of December 31, 2021, 2022, and 2023, the value was equal to 25.05 million baht, 82.15 million baht, and 40.54 million baht, respectively, or calculated as a proportion to total assets equal to 2.46 percent, 7.38 percent, and 3.18 percent, respectively. In 2023, there were cash and cash equivalent items. Consisting of savings account deposits of 38.75 million baht, current deposits of 1.63 million baht, cash of 0.16 million baht, the savings account contains foreign currency in the form of United States dollars (USD) of 2.98 million baht, when comparing 2023 and 2022, there was a decrease in cash and cash equivalents of 41.61 million baht or a decrease of 50.65 percent, mainly from investing money in additional assets and part of it being used to pay dividends of net profits from the operating results of the second half of 2022 and paid dividends of the net profits from the operating results of the first half of 2023, total dividends paid in the amount of 36.75 million baht, the rest the company used for circulation within the business.

- Trade receivables: as of December 31, 2021, 2022, and 2023, the value was equal to 187.78 million baht, 153.27 million baht, and 166.96 million baht, respectively, or calculated as a proportion to total assets equal to 18.45 percent, 13.78 percent, and 13.10 percent, respectively, with details as per the table as follows:

	As of 31 Dec. 2021	As of 31 Dec. 2022	As of 31 Dec. 2023
Trade accounts receivable	187.78	153.27	166.96
<u>Less allowance for doubtful accounts</u>	(0.00)	(0.00)	(0.00)
	<b>187.78</b>	<b>153.27</b>	<b>166.96</b>

When compared 2023 and 2022, it was found that the company had an increased in trade receivables of 13.69 million baht, or a proportion of 8.93 percent. In 2021 - 2023, the company had an average debt collection period of 61 days, 57 days, and 61 days, respectively. The normal repayment period for trade debtors is set to be 30 days but not more than 120 days, except for foreign customers who provide trade credit for approximately 30 - 75 days. However, the company is still aware of the consideration providing credit terms to new customers to control the quality of lending this will help reduce the occurrence of bad debts and doubtful debts. For giving credit to new customers, the company will accept payment in cash and will consider granting credit after the customer has traded products with the company has been here for a period of 6 months, taking into account the purchase amount and frequency of orders. Except for industrial motor and water pump products. The policy for granting credit to new customers states that start your first 3 trades in cash. For medium-sized and large-sized stores, consider the policy for granting credit to new customers by having sales staff propose appropriate credit lines and credits to the relevant approvers.

- Inventories: As of December 31, 2021, 2022, and 2023, the value was equal to 314.49 million baht, 415.92 million baht, and 418.95 million baht, respectively, or calculated as a proportion to total assets equal to 30.89 percent, 37.38 percent, and 32.87 percent, respectively, with details in the table as follows:

Unit: million baht			
	As of 31 Dec. 2021	As of 31 Dec. 2022	As of 31 Dec. 2023
Finished product	63.34	82.30	77.71
Work in process	58.64	57.40	60.90
Raw material	199.71	283.18	287.66

	As of 31 Dec. 2021	As of 31 Dec. 2022	As of 31 Dec. 2023
Material and supplies	0.00	0.00	1.81
<b>together</b>	<b>321.69</b>	<b>422.88</b>	<b>428.08</b>
<u>Less</u> allowance for the value of inventories	(7.20)	(6.96)	(9.13)
<b>Inventories – net</b>	<b>314.49</b>	<b>415.92</b>	<b>418.95</b>

When comparing 2023 with 2022, it can be seen that the company has a slight increased in inventory in the amount of 3.03 million baht, or 0.73 percent, because in the past the company has continued marketing. As a result, there will be an additional new customer base. The Company therefore needs to consider increasing the production volume of products and order additional raw materials in order to be sufficient and consistent with the sales target set. In 2021 - 2023, the company has an average sales period of 111 days, 135 days, and 191 days, respectively. The company has set a policy for In case of reducing the value of inventories from considering the deterioration of inventories most of the raw materials and finished products are made from copper wire, silicon and aluminum. Therefore, there is a relatively low chance of deterioration. The finished products and sample products are made by the engineering department as prototypes. An allowance will be made for devaluation of inventories if they are more than 3 years old. In terms of raw materials, they will be grouped according to the type of raw materials and consider the age of such raw materials To make appropriate allowances for the devaluation of inventories, such as tires, they generally have a shelf life of approximately 6 months. After 6 months, tires will begin to deteriorate and harden making it impossible to use there will be an allowance for a reduction in the value of such inventories, etc. In 2021, 2022, and 2023, the company has set an allowance for a reduction in the value of inventories at 7.20 million baht, 6.96 million baht, and 9.13 million baht, respectively.

#### **Non-current assets**

As of December 31, 2021, 2022, and 2023, the Company had non-current assets from the financial statements equal to 421.55 million baht, 447.55 million baht, and 437.48 million baht, respectively, or calculated as a proportion to total assets equal to 41.41 percent, 40.22 percent, and 34.32 percent, respectively, with details on each important item as follows:

- Land, buildings, and equipment, net: As of December 31, 2021, 2022, and 2023, the Company has a net value of land, buildings, and equipment equal to 413.16 million baht, 439.41 million baht, and 429.15 million baht, respectively, or calculated as a proportion to total assets equal to 40.59 percent, 39.49 percent, and 33.67 percent, respectively. When compared year 2022 and year 2021, it was found that there was an increased in land, Buildings and equipment amounted to 26.25 million baht or increased of 6.35 percent.

The Company arranged for an appraisal of the land price by an independent appraiser on September 27, 2021 using the market price comparison criteria (Sales Comparison Approach). The result of the appraisal showed the land value increased by 117.80 million baht. The increase from such revaluation is recorded in other comprehensive income and is recognized as accumulated in the accounts "Surplus from asset valuation" in the shareholders' equity.

When comparing 2023 and 2022, it was found that there was an increased in land, Buildings and equipment amounted to 10.26 million baht or an increased of 2.33 percent due to investment in machinery and additional equipment.

When comparing 2023 and 2022, it was found that there was a decrease in land. Buildings and equipment amounted to 10.26 million baht or a decrease of 2.33 percent. This year the company, there is an investment in machinery including some additional equipment and another part is assets that have reached the end of their useful life.

## **Debt**

As of December 31, 2021, 2022, and 2023, the Company has total liabilities from the consolidated financial statements equal to 341.46 million baht, 280.73 million baht, and 249.10 million baht, respectively, or calculated as a proportion to debts and shareholders' equity equal to 33.54 percent, 25.23 percent, and 19.54 percent, respectively, with a total debt to equity ratio over the past 3 years equal to 0.50 times, 0.34 times, and 0.24 times, respectively. The items of debt that have had significant changes are as follows:

### **Current liabilities**

As of December 31, 2021, 2022, and 2023, the Company has total current liabilities from the financial statements equal to 293.82 million baht, 233.89 million baht, and 198.58 million baht, respectively, or calculated as a proportion to total assets equal to 28.86 percent, 21.02 percent, and 15.58 percent, respectively. The details of each important item are as follows.

- Trade accounts payable: as of December 31, 2021, 2022, and 2023, the value is equal to 252.40 million baht, 209.43 million baht, and 174.66 million baht, respectively, or calculated as a proportion to total liabilities and shareholders' equity equal to 24.80 percent, 18.82 and 13.70 percent, respectively. When comparing 2022 and 2021, it was found that the company had a decreased in trade payables of 42.97 million baht, or a decreased of 17.02 percent. When comparing 2023 and 2022, it was found that the company had decreased in trade payable by 34.77 million baht, or a decrease of 16.60 percent. In 2021 - 2023, the company had debt repayment periods equal to 102 days, 84 days, and 86 days, respectively. The company received credit terms from its supply. Most suppliers are approximately 90 days, in 2023, the repayment period will be faster compared to 2022, where the average credit term from foreign suppliers will be approximately 75 days.

- Accrued income tax: as of December 31, 2021, 2022, and 2023, the value is equal to 12.29 million baht, 2.93 million baht, and 2.24 million baht, respectively, or calculated as a proportion to total liabilities and shareholders' equity equal to 1.21 percent, 0.26 and 0.18 percent, respectively. When comparing 2022 and 2021, it was found that the company had accrued income tax decreased by 9.36 million baht, or decreased equivalent to 76.16 percent. When comparing 2023 and 2022, it was found that the company had accrued income tax decreased by 0.69 million baht or a decrease of 23.52 percent because in 2023 the company used the special privilege of being exempt from corporate income tax for net profits obtained from business operations from investment promotion in the amount of 11.60 million baht, which It is considered a quantitative indicator of the company. According to the goal of operating a sustainable business (ESG), the company produces energy-saving products. These products can reduce electricity costs. Save energy and costs for customers. This can be seen from the table below:

### **Special privileges received from investment promotions**

**Unit: million baht**

The company received 4 investment promotion certificates.	Tax exemption rights		Exercise of tax rights				
	number of Years	Amount of Money	Year 2019- Year 2020	Year 2021- Year 2022	Year 2023	accumulate	remaining
Card 1: Automated systems or robots and renewable energy systems	3 Year	18.94	16.10	2.84	-	18.94	-
Card 2: Using alternative energy	3 Year	3.87	-	3.87	-	3.87	-
Card 3 Motor for electrical appliances	3 Year	15.83	-	2.71	11.60	14.31	-
Card 4: Production of motors for electric motorcycles	8 Year	10.09	-	-	Not yet exercised	-	10.09
<b>Total</b>		<b>47.21</b>	<b>16.10</b>	<b>9.42</b>	<b>11.60</b>	<b>37.12</b>	<b>10.09</b>



### **Non-current liabilities**

As of December 31, 2021, 2022, and 2023, the Company has total non-current liabilities from the financial statements equal to 47.64 million baht, 46.84 million baht, and 50.52 million baht, respectively, or calculated as a proportion to liabilities and shareholders' equity equal to is 4.68 percent, 4.21 percent, and 3.96 percent, respectively. List of non-current liabilities that have significant changes are as follows:

- Liabilities under financial lease agreements: as of December 31, 2021, 2022, and 2023, the value is equal to 0.71 million baht, 0.22 million baht, and 1.91 million baht, respectively, or calculated in proportion to total liabilities and shareholders' equity equal to 0.07 percent, 0.02 percent, and 0.15 percent, respectively. The Company has entered into hire purchase agreements with leasing companies for rental of machinery and vehicles for use in the operation whereby it committed to pay fixed rental on a monthly basis, the term of the agreements are generally between 3 to 5 years.

- Employee benefit obligations: as of December 31, 2021, 2022, and 2023, the value is equal to 30.52 million baht, 31.03 million baht, and 33.58 million baht, respectively, or calculated in proportion to total liabilities and shareholders' equity Equal to 3.00 percent, 2.79 percent, and 2.63 percent, respectively. The Company has an obligation for severance pay to be paid to employees upon retirement according to labor law. The Company considers this severance payment to be a post-employment benefit program for employees and debt will be calculated according to the employee's post-employment benefit plan using the Projected Unit Credit Method by independent experts. The said obligation has been assessed according to actuarial principles. The actuarial calculation criteria include many factors: The number of employees increases as the company grows. Employees' salaries increased through promotions and employees resigned less makes it more likely that employees will retire and on April 5, 2019, the labor protection Act (No. 7) B.E. 2019 was announced in the Royal Gazette which has specified additional compensation rates in the event of termination of employment by the employer for employees who have worked continuously for 20 years or more, they are entitled to receive compensation of not less than 400 days' wages at the last rate. The law will come into effect from May 5, 2019 onwards.

When compared 2023 and 2022, it was found that the company had an increased in the value of employee benefits from 2022, with an increase of 2.55 million baht or an increase of 8.22 percent. The weighted average duration of the liabilities for long-term employee benefits is 11.9 years. (2022: 11.7 years)

### **Shareholder's equity**

As of December 31, 2021, 2022, and 2023, the Company had total shareholders' equity from the financial statements equal to 676.50 million baht, 831.89 million baht, and 1,025.49 million baht, respectively, or calculated in proportion to debt and shareholders' equity equal to 66.46 percent, 74.77 percent, and 80.46 percent, respectively. The items of shareholders' equity that have had important changes are as follows:

- Registered and paid-up capital: as of December 31, 2021, 2022, and 2023, the value is equal to 154.12 million baht, 166.98 million baht, and 189.41 million baht, respectively, calculated as a proportion to debt and shareholders' equity equal to 15.14 percent, 15.01 percent, 14.86 percent, respectively.

- Retained earnings: As of December 31, 2021, 2022, and 2023, the company has unallocated retained earnings of 199.25 million baht, 264.59 million baht, and 301.19 million baht, respectively, or calculated in proportion to debt and shareholders' equity. Shares equal to 19.57 percent, 23.78 percent, and 23.63 percent, respectively.

- Surplus from asset valuation: As of December 31, 2021, 2022, and 2023, the company had a surplus from asset valuation of 94.24 million baht, or a proportion to liabilities and shareholders' equity equal to 9.26 percent, 8.47 percent, and 8.47 percent.

### **Important financial ratios**



Important financial ratios	Unit	Year 2021	Year 2022	Year 2023
<b>Profitability ratio</b>				
Profit before tax and finance cost ratio	Percentage	12.12	9.73	7.90
Earnings before interest, tax and depreciation	Percentage	14.95	12.42	11.56
net profit margin	Percentage	9.91	8.48	7.45
<b>Liquidity ratio</b>				
Working capital ratio	Equal	2.03	2.84	4.22
Trade receivable turnover ratio	Equal	5.99	7.01	5.99
Inventory turnover ratio	Equal	3.28	2.71	1.91

### Liquidity

The company has a liquidity ratio from the financial statements as of December 31, 2021, 2022, and 2023 equal to 2.03 times, 2.84 times, and 4.22 times, respectively. It can be seen that in 2023, the company's liquidity ratio has improved from 2022.

In addition, if considering the quick current ratio from the financial statements, it was found that as of December 31, 2021, 2022, and 2023, the company had a quick current ratio equal to 0.96 times, 1.07 times, and 2.11 times, respectively. Liquidity flows quickly in 2023, improving from 2022 and in the same direction as the liquidity ratio from the financial statements. And if considering the cash cycle ratio, it will be found that as of December 31, 2021, 2022, and 2023, the company's cash cycle ratio was 71 days, 104 days, and 166 days, respectively, from the examination, it was found that, The Company has a consistent average debt collection period and average product sales period but the product turnover rate is slower, causing the cash turnover ratio to increase in days.

Cash flow for the year	Unit: million baht		
Details	Year 2021	Year 2022	Year 2023
Net cash provided by operating activities	8.51	31.80	65.95
Net cash provided by (used in) investing activities	3.65	(22.00)	(227.01)
Net cash provided by (used in) financing activities	(34.13)	47.30	119.46
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(21.97)</b>	<b>57.10</b>	<b>(41.61)</b>
Cash and cash equivalents at the beginning of the year	47.02	25.05	82.15
<b>Cash and cash equivalents at the end of the year</b>	<b>25.05</b>	<b>82.15</b>	<b>40.54</b>

### Net cash provided by operating activities

In 2023, the company had cash received from operating activities from the financial statements equal to 65.95 million baht, mainly due to the company able to make a profit before income tax expenses equal to 77.86 million baht and there was an adjustment to net profit to cash received from depreciation equal to 35.08 million baht. Trade receivables increased causing cash to decrease by 15.51 million baht. Other receivables decreased by 8.73 million baht and inventories increased by 5.19 million baht. Cash flow decreased from trade creditors in the amount of 34.44 million baht, while there was a decrease in cash flow from other creditors in the amount of 0.60 million baht and short-term debt estimates decreased by 0.39 million baht, and cash flow increased from payments. Income tax amount 5.47 million baht

### Net cash used in investing activities

In 2023, the Company had net cash used in investing activities from the financial statements equal to 227.01 million baht, resulting from an increase in investments in other current financial assets equal to 203.26 million baht, which the Company invested in mutual funds and short-term debt instruments of financial institutions. And there is an investment payment to purchase land. Buildings and equipment amounting to 23.56 million baht, cash paid to purchase computer programs in the amount of 0.63 million baht, and advance payments for purchasing equipment in the amount of 0.54 million baht.

**Net cash provided by financing activities**

In 2023, the Company had net cash received from financing activities from the financial statements equal to 119.46 million baht, mainly arising from the Company received money from exercising the right to purchase common shares according to the warrant in the amount of 157.00 million baht and paid dividends in the amount of 36.75 million baht and paid debts under the financial lease agreement in the amount of 0.63 million baht.

**Financial ratios: Pioneer Motor Public Company Limited and its subsidiaries**

Financial ratios	Unit	Separate	Consolidated	Financial Statements	
		financial	Financial		
		Statements	Statements	Year 2021	Year 2021
<u>Liquidity ratio</u>					
Liquidity ratio	Equal	2.03	2.03	2.84	4.22
Quick ratio	Equal	0.96	0.96	1.07	2.11
Cash flow ratio	Equal	0.03	0.03	0.12	0.30
Trade receivable turnover ratio	Equal	5.99	5.99	7.01	5.99
Average debt collection period	Day	61	61	52	61
Inventory turnover ratio	Equal	3.28	3.28	2.71	1.91
Average sales period	Day	111	111	135	191
Payable turnover ratio	Equal	3.59	3.59	4.37	4.23
Debt repayment period	Day	102	102	84	86
Cash Cycle	Day	71	71	104	166
<u>Profitability Ratio</u>					
gross profit margin	Percentage	18.87	18.87	15.62	15.30
Operating profit margin	Percentage	8.56	8.60	6.27	8.14
Other profit margins	Percentage	3.84	3.85	3.69	2.88
Cash-to-profitability ratio	Percentage	10.02	9.95	42.40	132.85
net profit margin	Percentage	9.86	9.91	8.48	7.45
Rate of return on equity	Percentage	17.11	17.18	13.96	7.92
<u>Efficiency Ratio</u>					
Rate of return on assets	Percentage	11.45	11.50	9.88	6.16
Rate of return on fixed assets	Percentage	40.55	40.58	32.27	25.02
Asset turnover rate	Equal	1.16	1.16	1.17	0.83
<u>Financial Policy Ratio</u>					
Debt to equity ratio	Equal	0.50	0.50	0.34	0.24
Interest coverage ratio (EBITDA/Interest paid)	Equal	1,102.13	1,102.57	2,516.60	709.85
Obligation payment ability ratio (cash basis)	Equal	0.06	0.06	0.31	1.06
Dividend payout rate	Percentage	38.18	37.95	38.04	39.60

**Remark:** At the Board of Directors' Meeting No. 1/2024 on February 27, 2023, it was resolution to propose to the 2023 Annual General Meeting of Shareholders on April 25, 2024 to approve the allocation of net profits as dividends to shareholders Holds 757.64 million shares at the rate of 0.04 baht per share, totaling 30.30 million baht. The company has already paid interim dividends at the rate of 0.01 baht per share, totaling 7.57 million baht, with remaining dividends paid at the rate of 0.03 baht per share, a total of 22.73million baht.

### **Developing the organization towards sustainability (Sustainability Development)**

“Sustainable development” is development for Respond to current needs and still need to provide The next generation can Respond to needs in future in the next generation by focusing on balance in Develop in both the economic dimension and the environmental dimension. (Environment), social dimension (Social) and governance (Governance) or ESG

The company has planned its business operations to adapt and develop the organization to support risks and opportunities that will occur in the future. To be able to grow steadily and sustainably we have focused on implementing sustainable business planning to support activities covering both the economic dimension and the environmental dimension. (Environment), social dimension (Social) and good governance (Governance) or ESG, which the company has implemented since the foundation of sustainability continued by driving sustainable business by improving the corporate governance policy (Corporate Governance (CG) Policy), in addition, the format has been adjusted to become a corporate governance for sustainability working team (E/S/CG Working Team) to drive economic, environmental, social, and natural work. Governance, there are also meetings with executives at all levels. To prepare an annual business plan for sustainability, setting goals to create sustainability for the organization by delivering value to all stakeholder groups. Add plans related to ESG matters.

ESG aspect for 2022, in the environmental dimension, each department has been assigned to propose projects related to Giving value to the environment Including developing work and using technology to save energy. and use alternative energy, which is called the 3Rs project (Reduce, Reuse, and Recycle) and the executives have participated Training seminars on topics related to the environment, society and economy (Environment Social and Governance: ESG) in order to develop the organization to keep up with the changes in ESG that are currently on the world agenda. In addition, the Company continue to develop the ESG work that has been started in order to aim for a sustainable business in the areas of environment, society, and economy (Environment Social and Governance (ESG)).

Currently, “the concept of sustainable business operations” (Environmental, Social, Governance: ESG) is gaining widespread attention from both listed companies and investors around the world. We can see that Fund Manager especially Institutional investors and foreign investors They are giving more importance to investing in companies that have business practices that take into account the sustainability of both the business and society as a whole, because every decision reflects The vision of investors who want to invest responsibly and seek returns that are not in the form of profits alone But it also takes into account the environmental, social, and corporate governance factors of the business.

For Thailand This sustainable investment It is becoming more and more popular and well-known in the capital market. Many leading listed companies have used ESG information to disclose to shareholders, investors, and the public the operations of their businesses in the form of Format of sustainability reporting (Sustainability reporting) along with reporting financial information. In addition, there are many investment management companies. that have issued mutual funds with a policy to invest in stocks that operate businesses more sustainably As for the Stock Exchange of Thailand itself has supported the creation of a list of sustainable stocks (Thailand Sustainability Investment: THSI) to provide an alternative for investors who want to invest in this group of stocks including creating the SETTHSI index

The sustainability report It will be like an important book that reflects the image of the business operations of the business in the long term. Because if any company is outstanding in ESG, it means that that company has a strategy and business model and risk management processes that are standardized in quality (taking into account ESG dimensions) and quantitatively (Sustainable operating results) truly

## 5. General information and other important information

### 5.1. General information

Issuing company	: Pioneer Motor Public Company Limited
Company registration number	: 0107558000164
Securities abbreviation	: PIMO
Nature of business	: Manufacture and sale of motors for air conditioners, industrial motor and submersible pumps, centrifugal pumps and motors for pools and spas. Design and manufacture of submersible pumps, centrifugal pumps, swimming pool pumps, electric motor for air conditioner, Motors for home pumps and induction motors
Head office location	: No. 78, 78/4, 78/5 Moo 3, Don Tum-Nakhon Chaisri Road, Nakhon Chai Si District, Nakhon Pathom Province 73120
Telephone	: (66) 34 265 111-8
Telefax	: (66) 34 265 119
Website (URL)	: <a href="http://www.pioneermotor.th.com">www.pioneermotor.th.com</a>
Registered capital As of May 2023	: 213,149,676.75 baht (Two hundred thirteen million one hundred forty nine thousand six hundred seventy six baht seventy five satang)
Issued and paid-up capital As of May 2023	: 189,408,817.25 baht (One hundred eighty-nine million four hundred eight thousand eight hundred and seventeen baht Twenty-five satang)
Paid-up capital from the offering of warrants to purchase shares to ordinary shareholders of Pioneer Motor Public Company Limited No. 4 (PIMO – W2) not exceeding 176,133,046 units As of May 2023	: 15,672,683.75 baht (Fifteen million six hundred seventy two thousand six hundred eighty three baht seventy five satang), amounting to 62,690,735 units.
par value per share	: 0.25 baht (twenty five satang)

**Remark:** In July 2021, the subsidiary has already registered its dissolution with the Ministry of Commerce.

### 5.2. Information of other references

Ordinary shares registra	Stock Exchange of Thailand (Next to the Chinese Embassy) 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400 Telephone : (66) 2009 9000 Telefax : (66) 2009 9991 SET Call center : (66) 2009 9999
Auditor	AST Master Company Limited Certified Public Accountant No. 218 Thonglor Tower Building, 790/12 Soi Thonglor 18, Sukhumvit 55 Road, Khlong Tan Subdistrict, Khlong Toei District, Bangkok 10110 Telephone : (66) 2714 8843, (66) 2185-0342

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Legal advisor	Legal Office, Legal Advisory Council Co., Ltd. 16th Floor, Olympia Thai Building, 444 Ratchadaphisek Road, Samsen Nok, Huai Khwang, Bangkok 10320 Telephone (66-2) 512-6090 Telefax (66-2) 512-6091 Website <a href="http://www.lacllaw.com">www.lacllaw.com</a>
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### 5.3. Legal disputes

As of 31 December 2022, the Company has no legal disputes that have not yet been finalized that may have an impact on the Company's business operations significantly and there are no legal disputes that may have a negative impact on the Company's assets with an amount higher than 5 percent of shareholders' equity

## Part 2

### Good Corporate Governance

#### 6. Corporate Governance Policy

##### 6.1. Overview of corporate governance policies and practices

Board of Directors Must comply with the law Objectives, regulations and resolutions of the shareholders' meeting of the company Including adhering to and following the principles of good corporate governance according to the guidelines set by the Stock Exchange of Thailand as guidelines for the company's operations. To achieve efficiency in operations it also creates transparency for investors, which will create confidence in the company's business operations to outsiders By the policy regarding good corporate governance of the company Covers 5 principles as follows:

##### Section 1 The Rights of Shareholders

The company recognizes and gives importance to the rights of shareholders. It will encourage shareholders to exercise their rights and not violate the rights of shareholders. Both as securities investors and owners of the company, such as the right to buy, sell, and transfer the securities they hold. The right to receive a share of profits from the company Basic rights to receive appropriate, sufficient and timely information, as well as being able to participate in meetings, vote and express opinions fully the right to participate in decision-making on important matters of the company, such as dividend allocation appointment or removal of directors Appointment of auditors Approval of important transactions that affect the direction of the company's business operations including amending the memorandum and regulations of the company, etc.

The Company has policies, guidelines and missions to facilitate and promote the exercise of shareholders' rights to attend meetings as follows:

##### Schedule for the 2023 Annual General Meeting of Shareholders

Board of Directors Arrange a shareholder meeting as an annual general meeting once a year within 4 months from the end of the company's fiscal year and may call an extraordinary meeting of shareholders on a case by case basis. If there is an urgent need to propose a special agenda that affects the interests of shareholders.

The company has scheduled a general shareholder meeting on April 25, 2023 at 2:00 p.m. in a hybrid meeting format at the conference room, 1st floor, Pioneer Motor PCL., No. 78, 78. /4, 78/5 Village No. 3, Don Tum-Nakhon Chai Si Road, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province 73120 according to the Emergency Decree on Meetings via Electronic Media B.E. 2020, other laws and regulations related to the company and has followed the guidelines of the shareholder meeting quality assessment project (AGM Checklist) of the Thai Investors Association Listed Companies Association and the Securities and Exchange Commission (SEC). In 2023, the company received a full score of 98 points and did not call an extraordinary meeting of shareholders.

##### Notification of meeting invitation in advance

The Board of Directors No. 1/2023 on February 24, 2023 resolved to hold the 2023 Annual General Meeting of Shareholders on April 25, 2023, including setting March 10, 2023 as the date for determining the list of shareholders. Shares that will have the right to attend the 2023 Annual General Meeting of Shareholders (Record Date) and determine the names of shareholders who have the right to receive dividends on May 3, 2023 and dividend payment on May 23, 2023 by notifying through Company website as well

The company has published the invitation to the 2023 annual shareholder meeting and various meeting documents. Both Thai and English versions Through the news channels of the Stock Exchange of Thailand and disclosed on the company website in advance of the meeting date not less than 28 days from March 23, 2023 and assigned to the company The Thailand Securities Depository Co., Ltd., the company's securities registrar, sent the meeting invitation



letter to shareholders by mail starting March 27, 2023 and announced it in the daily newspaper for 3 consecutive days. (April 18-20, 2023) to inform calling a shareholder meeting in advance is sufficient for preparation before attending the meeting.

### **Meeting proceedings**

Before the start of the general meeting of shareholders the moderator will introduce the meeting chairman, the board of directors, the management team, the company auditor and legal advisor who acts as a mediator and witness for the meeting to know and inform shareholders meeting participants of the method of counting the votes of shareholders who cast votes on each agenda including clearly exercising the right to vote in each agenda ready to provide an opportunity for all meeting participants to express their opinions, suggestions, and questions on each agenda. Then the chairman Executives will answer questions clearly. Be to the point and give importance to every question. Then let the meeting vote on that agenda. For the agenda for the election of directors The Chairman will have shareholders vote individually.

The Chairman conducted the meeting according to the agenda order and did not add additional agenda items without notifying shareholders in advance. In the 2023 Annual General Meeting of Shareholders, there was no change in the order of the agenda and there was no request for the meeting to consider any other matters not specified in the meeting.

At every meeting, minutes will be recorded accurately and completely and concludes with voting and counting of votes. The 2023 Annual General Meeting of Shareholders has been scheduled for 2:00 p.m., with the registration system opening at the meeting location and entering the meeting room via electronic media starting at 12:30 p.m., with shareholders attending the meeting in person. At the meeting location and through electronic channels and a total of 44 proxies, with a total of 408,234,100 shares, accounting for 58.74 percent of the total number of shares sold.

When the meeting is finished The Company publishes meeting resolutions and voting results for each agenda within the meeting date. and submit minutes of shareholder meetings (which records meeting minutes with clearly separated agendas Specify the number of directors attending the meeting questions from shareholders and clarifications from the board How to count votes and the complete voting results for each agenda item) to the Stock Exchange of Thailand and the Securities Commission and the Stock Exchange (SEC) within 14 days and has also published the minutes of the meeting on the company's website.

In selecting the location for the meeting, in addition to considering the convenience of traveling for shareholders, the Company is also aware of the health and safety of shareholders as important. Under the situation of the spread of the COVID-19 virus, the company has prepared a meeting room of an appropriate size. There is distancing and can adequately accommodate attendees. as well as strictly adhering to policies and measures to prevent the spread of the COVID-19 virus.

### **Section 2: The Equitable Treatment of Shareholders**

The Company has determined to treat all shareholders equally regardless of gender, age, race, nationality, religion, belief, social status, disability or political opinion and whether they are major shareholders or minor shareholders Shareholders who are executives or shareholders who are not executives Shareholders of Thai or foreign nationality the details are as follows:

The company has given shareholders an opportunity to nominate individuals for consideration and selection as company directors. Propose an agenda and submit questions in advance from September 9, 2022 to January 26, 2023, when the said time is due. It appears that there were no shareholders to propose persons for consideration and selection

as company directors. No shareholder proposed an agenda and submit questions in advance for the 2023 Annual General Meeting of Shareholders

In order to preserve the rights of shareholders who are unable to attend the 2023 Annual General Meeting of Shareholders in person, shareholders can authorize others or any of the company's independent directors to act as proxies on behalf of shareholders. The company will specify names in the proxy invitation letter in a format that is consistent with the announcement of the Department of Business Development regarding specifying the proxy form (No. 5, 2007). You can attend the meeting and vote on behalf of shareholders unconditional In the event that a shareholder appoints a proxy to another person, the Company will grant rights and treat the proxy as a shareholder by voting for approval, disapproval, and abstention as specified in the proxy form.

The Company has required directors to report their interests in any meeting agenda at least before considering the relevant agenda in the Board of Directors' meeting and record such interests in the minutes of the Board of Directors' meetings including prohibiting directors who have significant interests in such a way that they are unable to express their opinions freely on the relevant agenda from participating in the meeting on that agenda.

The Company has established guidelines for preserving and preventing the use of inside information that is important and may affect changes in the price of the Company's securities. It prohibits individuals or agencies that know inside information from disclosing such information to the public unrelated agencies or other persons until the company such information will be disclosed to the public. Including the company It is also required that the directors of the company Executive directors, executives, employees and employees of the company Including advisors to the executive committee who have received inside information that is important and may affect changes in the price of the Company's securities Including financial information, you must refrain from trading in the Company's securities during the 30 days before the financial statements or internal information are disclosed to the public and during the period of 24 hours after the Company's information has been disclosed to the public. In the case of violation of the above regulations, the Company will consider it a disciplinary offense and consider punishment as appropriate for the case.

### **Section 3 Consideration on the Role of Interested Persons**

The company places importance on the rights of all groups of stakeholders whether it is internal stakeholders, including shareholders and employees or external stakeholders such as business partners, customers, etc. The Company realizes that support and opinions from all groups of stakeholders will be beneficial to the operations and business development of the Company. Therefore, the Company will comply with the law and Relevant regulations so that the rights of such stakeholders are well taken care of. In addition, the company also takes into account the rights of all stakeholders and principles of ethics in conducting business According to the following guidelines

**Shareholders** : The company will conduct business with transparency and efficiency. By striving to create good operating results and stable growth. To provide maximum benefit to shareholders in the long run. Including disclosing information with transparency and reliability to shareholders.

**Employee** : The Company will treat all employees equally, fairly and provide appropriate compensation. In addition, the Company also places importance on skill development. Knowledge, abilities and potential of employees regularly, such as organizing training, seminars and workshops. By providing thorough opportunities to all employees and trying to motivate employees with high knowledge and ability to remain with the company. To develop the organization further It has also established guidelines for combating corruption. Including inculcating all employees to comply with relevant laws and regulations, such as strictly prohibiting the use of inside information, etc.

The company provides training to employees to provide knowledge about business ethics policy. Policies and guidelines for combating corruption Personal Data Protection Policy PDPA and other policies regularly

The company will determine and disclose employee compensation policies that are consistent with the company's operating results in both the short and long term.

**Partners** : The Company has a process for selecting suppliers by allowing them to compete on equal information and select business partners fairly under the Company's criteria for evaluating and selecting business partners. In addition, the Company has prepared contract forms that are appropriate and fair to all contracting parties and provide a monitoring system to ensure that the contract conditions are fully complied with and prevent corruption and misconduct in every step of the procurement process. The Company purchases products from trading partners according to trade conditions, as well as strictly complying with contracts with trading partners

**Policy on treatment of trading partners**

The company places importance on selecting business partners who have ethical business practices. Doing business that is similar or related to the Company, has a reputation and experience Have technical expertise and has a strong financial status To help / exchange / develop the abilities of personnel and technology together.

Guidelines

1. The Company is committed to treating its trading partners equitably and equally according to the terms of the contract between them.
2. The company will provide correct information. Not taking advantage Based on honesty Sincere and fair
3. The company avoids receiving Payment of any benefits In doing business with trading partners dishonestly
4. In the case that the company Unable to comply with conditions Partners must be informed in advance. to find solutions to solve problems together

**Customer** : The company is responsible to customers by maintaining the quality and standards of products and services. Including responding to customer needs as completely and comprehensively as possible. To focus on creating long-term customer satisfaction, the company also provides accurate information about the company's products. It also provides channels for the company's customers. You can report product problems or receive inappropriate services so that the company can prevent and solve problems with the company's products and services. quickly

**Creditor** : The Company will strictly comply with various conditions according to the contract with creditors, including repayment of principal. Interest and maintenance of various collaterals under relevant contracts Taking into account the stability or financial stability of creditors is important. The company The date and time for billing including payment to creditors has been thoroughly established. In the case that the payment date falls on a holiday, the company will have the creditor pick up the check on the next business day, or in the case that the automatic bank transfer falls on a holiday, the company will process the automatic bank transfer on a business day. next as well

**Policy on treatment of creditors**

The company must comply with contracts, agreements, obligations and liabilities that may arise. Including various conditions strictly towards creditors By adhering to conducting business with principles and discipline. To build trust with creditors Transparently and without concealing information This may cause damage to creditors.

Guidelines

1. In the event that the company is unable to comply with the conditions will quickly notify creditors in advance. to jointly consider solutions to problems
2. The company will avoid receiving Payment of any benefits In doing business with creditors dishonestly
3. The Company places importance on capital management to have an appropriate structure to support the Company's business operations. and maintain confidence with creditors
4. The Company reports debt obligations that are accurate, complete, and timely to creditors upon request.

**Competitors** : The company behaves according to the framework of good competition. Have ethics and be within the framework of the law Including supporting and promoting the policy of free and fair competition.

**Policy on Treatment of Trade Competitors**

The Company is committed to and gives importance to free trade competition within the framework of good, transparent, and fair competition, without distorting information or use any other methods to attack competitors. They must conduct business that is not exploitative. and avoid dishonest methods

Guidelines

1. The company conducts business under fair competition, transparency, and does not take advantage.
2. The company will avoid dishonest methods. slander creating false news or attacking competitors
3. The company will not make any agreements. with competitors or any person in a way that reduces or limits trade competition
4. The company will not reveal or neglect to disclose company secrets. Falling into the hands of competitors

In 2023, there were no legal disputes between the company and its competitors.

**Social responsibility** : The company cares and gives importance to safety for society. The environment and quality of life of people involved in the company's operations and encourage the company's employees to Have conscience and responsibility for the environment and society Including ensuring strict compliance with various related laws and regulations. In addition, the company tries to participate in various activities that create and preserve the environment and society, as well as promote culture in the local areas where the company operates. Carrying out business

In addition, interested parties can ask for details report complaints or clues to legal wrongdoing. Inaccuracies in financial reports Defective internal control systems or violations of the Company's business ethics can be passed through the Company's Audit Committee. Information on complaints and clues reported to the Company will be kept secret The Audit Committee will inspect the information and find solutions (if any) and will report to the Board of Directors.

### **Reporting of Interests**

The company has designated directors Executive Committee and Executives According to the definition of the Securities and Exchange Commission (SEC), interests must be reported and conflicts of interest of oneself and related persons when starting to hold positions or when various information is changed and review various information Annually according to the rules and methods for reporting the interests of directors and executives of the company. By designating the committee Executive committee and executives submit reports on their interests to the company secretary for compilation and summary reporting to the Audit Committee and the Board of Directors. This will help the Company, directors and executives perform their duties in accordance with the law and prevent conflicts of interest.

### **Section 4 Disclosure and Transparency**

1. The company gives importance to financial statements and financial information appearing in the annual report The Audit Committee will review the quality of financial reports and internal control systems. Including adequate disclosure of important information in the notes to the financial statements and reporting to the Board of Directors. In addition, the Board of Directors It also supports the preparation of management discussion and analysis (Management Discussion and Analysis or MD&A) to accompany the disclosure of financial statements every quarter.

2. In giving approval to the disclosure of information the committee must consider relevant factors in the case of financial reports. At least the following factors should be considered.

- Results of the assessment of the adequacy of the internal control system
- Auditor's opinion on financial reports and the auditor's observations regarding the internal control system. Including the auditor's observations through other communication channels (if any).
- Opinion of the Audit Committee
- Consistency with objectives The main goals, strategies and policies of the company

3. The company will arrange for the disclosure of information about each director. Roles and duties of the Board of Directors and the Company's sub-committees Number of meetings and attendance in the past year

In the case where the disclosure of any information relates to a particular director, that director should take care that his or her part of the disclosure is complete and accurate, such as information on shareholders of his or her group. Disclosure in connection with shareholders' agreement of their group

4. The Company will disclose the audit fees and other service fees that the auditors provide to the Company.

5. The Board of Directors ensures that the information disclosed is important and reflects practices that will lead to sustainable value creation for the Company. There will be a policy report on corporate governance. Business ethics Risk management policy Anti-corruption policy Treatment of employees and stakeholders this includes fair treatment and respect for human rights and policies regarding social responsibility and the environment that has been approved in summary and the results of compliance with the said policy, including cases where such policy cannot be followed along with the reasons.

6. The company places importance on a good internal control system and has established an internal audit department to inspect the operations of each line of work to prevent errors and operate with transparency. It is periodically inspected and reports are prepared and sent to the Audit Committee for consideration.

7. The company has organized investor relations to communicate important information to investors retail investors, shareholders, and securities analysts. The Company places importance on disclosing information that is accurate,

complete, transparent, and thorough, including presenting work results and informing information about the organization to institutional investors. Retail investors, shareholders and securities analysts, as well as related parties by participating in providing information in the Opportunity Day activity of the Stock Exchange of Thailand. Regularly every quarter

There are also various activities organized. To publish and inform information including giving participants an opportunity to ask questions in a transparent manner, with senior executives participating in the activity and explaining about investor relations work as follows:

1. Participating in activities “Listed Companies Meet Investors” (Opportunity Day) organized by the Stock Exchange of Thailand 4 times, with analysts and investors attending the event.
  - Tuesday 28 February 2023
  - Monday 15 May 2023
  - Wednesday 9 August 2023
  - Wednesday 8 November 2023
2. News interviews with the media, 1 times
3. Meeting and providing information to analysts 3 times.

## **Section 5 Responsibilities of the Board of Directors**

### **1. Structure of the Board of Directors and sub-committees**

Board of Directors Consists of people who have knowledge, ability and experience that can benefit the company. They play an important role in setting policies and the overall picture of the organization. As well as playing an important role in supervising, inspecting and evaluating the Company's operations. To be as planned

Board of Directors there are at least 5 people and there are company directors. Who have independent qualifications of not less than one-third of the total number of directors and not less than three persons, which will create a balance in considering and voting on various matters appropriately. In this regard, the Company's directors each term of office shall not exceed 3 years in accordance with relevant laws. The independent directors will have a continuous term of office not exceeding 9 years, except for the Board of Directors. It is considered that that person is suitable to hold the position of independent director of the company further for the highest benefit of the Company. In addition, the Company's directors can serve as a director of another company. This must be in accordance with relevant laws and/or regulations and must be informed to the Board of Directors' meeting. Be informed every time before assuming the position.

In addition, the Board of Directors we have also appointed sub-committees to assist in supervising the Company's operations as follows:

(1) Audit Committee Consisting of at least 3 independent directors, at least 1 member of the audit committee must have sufficient knowledge and experience in accounting or finance to be able to perform the duty of reviewing the reliability of the financial statements in order to help support. Board of Directors in supervising and inspecting administration internal control Accuracy of financial reports and compliance with relevant laws including helping to support the formulation of risk management policies and supervise the establishment of a risk management system or process. In addition, the Audit Committee will be responsible for reviewing the adequacy and efficiency of the Company's management including reviewing financial reports to enable the operations and disclosure of information of the company. It is transparent and trustworthy.

(2) Executive Committee Consisting of not less than 5 members, the executive committee does not have to hold the position of company director or executive or employee of the company. To perform duties to help support the Board of Directors in managing the company's business to be in accordance with policies, plans, regulations and any orders, including goals set within the framework assigned by the Board of Directors.

(3) Nomination and Remuneration Committee The Nomination and Remuneration Committee consists of at least 3 members. The Chairman of the Nomination and Remuneration Committee must be an independent director. To carry out the duty of recruiting qualified persons to serve as directors of the Company. Audit Committee and Managing Director Prepare policies and criteria for determining compensation and other benefits (whether in the form of cash, securities or anything else) of the Board of Directors Audit Committee and Managing Director Including the salary adjustment of the managing director. To present opinions to the Board of Directors to present to the Company's Board of Directors meeting and/or the shareholders' meeting for further consideration and approval (depending on the case).

In addition, the Audit Committee has considered appointing a Risk Management Committee (RMC) to help support the formulation of risk management policies to cover the entire organization. Supervise the establishment of a risk management system or process to reduce the impact on the Company's business appropriately. Set rules and guidelines in various areas, including supervision of the organization's operations and compliance with governance policies good business and present risk management reports and recommendations to the Audit Committee.

In addition, the company has arranged for a company secretary. To perform duties related to the Board of Directors' meetings and shareholder meetings Including supporting the work of the Company's Board of Directors By providing advice on legal requirements and various regulations related to the performance of duties of the committee Including coordinating to ensure compliance with the resolutions of the Board of Directors.

## **2. Roles, duties and responsibilities of the Board of Directors**

Board of Directors Be responsible to shareholders regarding the Company's business operations and is responsible for setting policies and directions for the Company's operations including supervising management to be in line with goals and guidelines for long-term benefits to shareholders within the framework of legal requirements and business ethics. At the same time, the interests of all stakeholders are taken into account, with details as specified in the charter of the Board of Directors.

Scope of duties of the committee Managing Director and Management Consideration is divided into main considerations as follows:

### Matters that should be taken care of

- A. Setting the main objectives and goals in conducting business for sustainability.
- B. Creating an organizational culture that adheres to ethics and behaves as a model.
- C. Overseeing the structure and operations of the committee to be appropriate for achieving the objectives and main goals of operating the business efficiently.
- D. Recruiting, developing, determining compensation and evaluating the performance of the President.
- E. Setting a compensation structure that motivates personnel to perform their jobs in accordance with

### Matters handled in collaboration with the management

- A. Setting and reviewing objectives, goals, strategies, and annual plans. Including for the medium term of 3-5 years.
- B. Ensuring the suitability and adequacy of the risk management system and internal control
- C. Determination of authority to take action appropriate to the responsibilities of the management.
- D. Setting the framework for resource allocation development and budget, such as policies and Personnel management plan and information technology policy
- E. Monitoring and evaluating performance
- F. Ensuring the disclosure of financial information and financial statements to be reliable

### **2.1. Policy on corporate governance**



The Company has established a policy regarding corporate governance of the Company. In writing To present to the Company's Board of Directors meeting has given approval to the said policy In this regard, the preparation of the corporate governance manual The objective is to provide guidelines for directors, executives, and employees in complying with the said policy. The Company will organize a review of the said policy annually.

The board must oversee the business to lead to results (Governance outcomes) in creating sustainable value for the business as follows:

- 1) can compete and have good operating results taking into account long-term impacts (Competitiveness and performance with long-term perspective)
- 2) Conduct business ethically Respect the rights and have responsibility to shareholders. and stakeholders (Ethical and responsible business)
- 3) beneficial to society and develop or reduce negative impacts on the environment (Good corporate citizenship)
- 4) Able to adapt under change factors (Corporate resilience)

The Board has a duty to ensure that all directors and executives perform their duties with responsibility, caution (duty of care) and honesty towards the organization (duty of loyalty) and to ensure that operations are in accordance with laws, regulations and resolutions of the shareholders' meeting share.

- 1) The company must comply with various laws, rules and regulations. related According to the Securities and Exchange Act B.E. 2535
- 2) The board of directors must take care of the company. Is there a sufficient system or mechanism to ensure that Company's operations Comply with laws, regulations, resolutions of shareholder meetings, as well as policies or guidelines that have been established, including a process for approving important operations (such as investments, transactions that have a significant impact on the business Making transactions with connected persons Acquisition and disposal of property Dividend payments, etc.) are as required by law.

## 2.2. Business ethics

The Company intends to conduct its business with transparency, morality, and responsibility towards stakeholders. as well as society and the environment. The Company has set a code of conduct in writing for the Board of Directors, executives, and employees to adhere to as follows:

- (a) Code of Ethics on Responsibility to Shareholders
- (b) Code of Ethics on Customer Relationships
- (c) Code of Ethics on Relationships with Business Partners Trade competitors and creditors
- (d) Code of Ethics on Responsibility to Employees
- (e) Code of Ethics on Social and Environmental Responsibility

The company will announce and notify all employees to be informed and strictly follow.

## 2.3. Conflict of interest

The Company has a policy to eliminate conflicts of interest problems carefully and with honesty. Be reasonable and independent within the framework of good ethics. For the benefit of the Company, it is important that those who are involved or related to the items being considered disclose information about their interests and those involved to the Company and must not participate in the consideration including having no authority to approve such items.

The company has a policy for conducting connected transactions and transactions with conflicts of interest that are consistent with relevant laws or regulations.

## 2.4. Internal control

The company has established an internal control system for internal supervision and control. Both at the management level and at the operational level with efficiency, the company has hired internal auditors from outside (outsourced) to inspect and evaluate the adequacy of the internal control system and report the results to the audit committee according to the plan. Check where you put it.

#### **2.5. Risk management**

The company has established a risk management policy to cover the entire organization. Including supervision to have a system or risk management processes to appropriately reduce impacts on the Company's business

#### **2.6. Report of the Board of Directors**

The Audit Committee is responsible for reviewing financial reports with the accounting department and Auditors meeting together and present financial reports to the Board of Directors every quarter is responsible for the company's consolidated financial statements including financial information.

### **3. Meeting of the Board of Directors and self-assessment**

The Company organizes a meeting of the Board of Directors at least every quarter and additional special meetings as necessary. The meeting agenda is clearly set in advance. There is an agenda to consider and follow up on performance on a regular basis. The company will send a meeting invitation letter to all directors at least 7 days in advance of the meeting date. Except in cases of urgent necessity to preserve the rights or benefits of the company to be able to notify the meeting by other means or set the meeting date earlier than that. This is so that the committee has enough time to study the information before attending the meeting except in the case of urgent necessity and will arrange to record meeting minutes and collect certified documents for reference and inspection. In every meeting, executives and related people will attend the meeting to provide accurate and timely information and details for decision making.

In the meeting of the Board of Directors Must have company directors attending the meeting is not less than half of the total number of the Company's directors to constitute a quorum. In the case where the Chairman of the Board of Directors Not at the meeting or unable to perform duties to the Company's directors who came to the meeting to select the company's directors One person is the chairman of the meeting. Voting must be made by a majority vote and if there is a committee member opposing the resolution. Objections shall be recorded in the minutes of the meeting to vote Company Director One person is entitled to one vote in voting. Except for the company's directors who have an interest in any matter will not have the right to vote on that matter if the votes are equal, the chairman of the meeting shall cast an additional vote as the deciding vote.

In addition, the Board of Directors Support performance evaluation at least once a year in order to improve and correct operations. The topics that will be discussed are clearly specified before the assessment results are measured to collect opinions and present them to the Board of Directors' meeting.

### **4. Compensation**

Directors' remuneration includes meeting allowances. In this regard, directors' remuneration will be in a manner comparable to the level practiced in the industry including considering guidelines for determining the remuneration of the Managing Director to be consistent with the objectives and main goals of the Company and is consistent with the long-term interests of the company executives will receive compensation in the form of annual salary and bonus considering the Company's operating results is important.

In this regard, the combined annual remuneration of the directors and executives must not be an abnormally high amount when compared to the average remuneration of directors and executives of the Company listed on the Stock Exchange of Thailand The highest benefit of shareholders will be taken into account.

In this regard, the Company has established a Nomination and Remuneration Committee to consider the format and criteria for remuneration of directors to be presented to the shareholder meeting for consideration and approval.

## **5. Recruiting and developing company directors and executives**

**Board of Directors** There is a policy to promote and facilitate training and knowledge of those involved in the company's corporate governance system, such as company directors, audit committee members, executives, and company secretaries, etc., in order to improve work performance continuously. Training and education may be done internally within the company. Or you can use the services of outside institutions.

The Board of Directors must consider or assign the Selection Committee to consider criteria and methods for recruiting qualified individuals to hold the position of Managing Director.

In order to conduct business operations continuously the board must supervise the creation of a succession plan in order to prepare for succession to the position of president and senior executives and have the President report the results of operations according to the succession plan to the Board of Directors periodically, at least once a year.

The Board of Directors must clearly establish policies and procedures for the President and senior executives to serve as directors at other companies both the type of director position and the number of companies in which the position can be held.

In the case of a change of directors or new directors the management will provide documents and information that are useful to the new directors' performance of duties including providing an introduction to the nature of the business and business practices of the company given to new directors.

**Board of Directors** May arrange for rotation of assigned work according to the aptitude of executives and employees mainly considering the appropriateness of the work and time. The managing director will determine the time period and consider the said performance as a development and succession plan for the company. This is to develop executives and employees to have more knowledge and ability to work and to be able to work in place of each other.

### **Monitoring and ensuring compliance with the code of conduct**

- 1) In the event that a violation of the law, rules, regulations, code of conduct or company policy is found or the subordinate has consented to such violation. The executive or employee must report directly to the Human Resources Department. The Human Resources Department will carry out the steps specified in the policies and procedures for further work on such matters.
- 2) The company will review its business ethics every 1 year to make it appropriate for the changing circumstances and business environment.
- 3) Publicize all employees to be aware of the corporate governance policy and guidelines. Via voicemail, E-mail, public relations board and through the company's website.

## **6.2. Business ethics**

Pioneer Motor Public Company Limited has established a code of ethics and guidelines for executives and employees to adhere to the following:

### **1. Code of practice for executives**

Executive means Employees who have subordinates. In addition, executives must abide by every code of ethics. As an employee of the company, Executives must have good practices to enhance being good executives. And as the employee's supervisor, he must be a leader and be an example of good behavior for employees in general. Therefore, guidelines for executives have been established as follows.

#### **1. Executives treat shareholders**

Executives must perform their duties with honesty, caution, care, and a broad vision. Do not seek benefits for yourself and your friends according to information from the organization which has not yet been disclosed to the public.

and does not disclose the organization's secret information to outsiders including not taking any action which may cause conflicts of interest

2. Management treats employees

Management must treat employees fairly. Manage work without bias Support in creating the potential for advancement and increasing the work efficiency of employees including promoting employees' understanding of ethics that employees must do providing appropriate welfare for employees and treat employees with honesty Listen to opinions and suggestions with reason.

3. Executives treat customers

Executives must treat customers in accordance with business ethics that the company strictly specifies

4. Executives treat trading partners

Executives must treat trading partners fairly do not demand or receive any benefits that is unfair from trading partners and if any conditions cannot be complied with Urgently inform trading partners in advance so that we can jointly find solutions.

5. Executives treat business competitors

Executives must treat business competitors. Under the framework of good competition rules and do not seek confidential information of business competitors through dishonest means

6. Executives treat society and the environment

Executives must act or control compliance with relevant laws and regulations and be socially responsible, including cooperating, helping, supporting, and volunteering in activities that are beneficial to the community and society.

**2. Code of conduct for employees**

In order to strengthen good work effective Employees should have the following guidelines:

- 2.1 Employees should perform their duties with honesty and integrity. And with perseverance diligent and improve work efficiency for the benefit of yourself and the company
- 2.2 Employees should behave according to the rules. The company's work regulations are strictly enforced.
- 2.3 Employees should respect and obey supervisors who give orders in accordance with policy. and company regulations
- 2.4 Employees should have unity with each other and generously helping each other Does not cause conflict This will lead to damage to other people and the company.
- 2.5 Employees should respect each other's rights and honor each other and avoid using other people's information or stories regarding work performance and personal matters being disclosed or criticized in a manner that will cause damage to both the employees and the company.
- 2.6 Employees should avoid accepting any gifts that may make them feel uncomfortable in performing their duties in the future. If unavoidable, please notify your supervisor immediately.
- 2.7 Employees do not use their positions. or benefits from work duties Seeking personal benefits or those of friends or doing business in competition with the company
- 2.8 Employees should treat customers and business partners with honesty and integrity. and with equality
- 2.9 Employees should strictly maintain the confidentiality of customers, business partners, and the organization.
- 2.10 Employees should report matters they become aware of to their supervisors without delay. When matters are acknowledged that may have an impact on operations or the reputation of the company

- 2.11 Employees should take care of their benefits and the company's assets to be in good condition for full use, saving, not wasting, wasting, damaged, or deteriorating before the appropriate time.

### **Penalties**

In the case where the management and employees behave in a manner that creates a conflict of interest with the company. Consider according to the organizational structure of the company and regulations regarding work In this regard, each department is the one to consider it themselves initially and summarize the matter and forward it to senior commanders and related lines of work in order to determine the offense and specify the punishment as appropriate but if the conflict of interests occurs is severe and causes a lot of damage. It cannot be under the decision of the agency. Then bring the matter to the management of the company to consider and draw conclusions and determine further punishment

### **Imposition of punishment**

1. Verbal warning
2. Warn with a book
3. Cut wages
4. Take a break from work
5. Termination without compensation under the law on labor protection.
6. Proceed according to law

### **Important changes and developments in policies, practices, and corporate governance systems over the past year.**

The Company has reviewed the Corporate Governance Policy by referring to the Principles of Good Corporate Governance for Listed Companies 2012 of the Stock Exchange of Thailand and the Principles of Good Corporate Governance. For listed companies in 2017 (CG Code) of the Securities and Exchange Commission, the management has considered and found that the company has already adopted most of the principles and presented them to the board for acknowledgment in principle. In the Board Meeting No. 4/2023 on Tuesday, November 7, 2023, and in accordance with the aforementioned principles, the Board has reviewed and requested approval of the original policy and additional policies in accordance with corporate governance policy standards. The following are good policies: 1. Policy on giving or receiving gifts entertainment and donations, 2. Personal data protection policy, 3. Society and environment policy, 4. Political neutrality policy, 5. Tax treatment policy, 6. Procurement policy, 7. Conflict of Interest Policy Including the company has revised and improved the director evaluation form and consider reviewing and improving corporate governance policies to be consistent with corporate governance principles. Good for listed companies in 2017 (CG Code) of the Securities and Exchange Commission The details of the policy that has been implemented are as follows and have communication public relations and follow up to make all employees aware of such policies and guidelines via email Company website public relations board and the company's voice

#### **1. Policy on giving or receiving gifts Entertainment and donations**

For executives and employees of Pioneer Motor Public Company Limited have an understanding of the policy for giving or receiving gifts. entertainment throughout various donations Including understanding the scope Various criteria for correct implementation Appropriate for disbursing gift expenses entertainment and participation in recreational activities Including donating money and various items.

### **General principles**

1. Executives and employees must avoid giving or receiving gifts and entertainment from customers, partners, contractors, or business related persons.

2. In cases where this cannot be avoided, executives and employees must follow the company's policy regarding giving or receiving gifts. Entertainment and donations by giving or receiving must not violate the law, selling or bribery. or support political activities
3. Donations in cases where it is unavoidable the donation must be made to a legal person, agency, or organization.
4. Do not make demands or do anything that may cause customers, business partners, or related parties to understand that all forms of gifts must be given.
5. Do not receive or give gifts to related people. Whether it's a customer partners or any other persons in the form of cash or anything else that can be exchanged for cash in any case
6. Giving or receiving gifts

**In the case of receiving** to be sent to the central office Human Resources/Administration Department Then the Human Resources/Administrative Manager or designee collects the gifts received. Propose to executive directors and supervisors for charitable donations as appropriate. In the case of easily perishable items such as food, snacks, or fresh produce, return them to that party. To distribute within the agency

**In case of giving** must receive approval from the department manager. If the value exceeds 1,000 baht (one thousand baht), it must be approved by the supervising executive committee and must follow the company's purchasing or disbursement procedures. Strictly

#### **Receiving or giving support**

1. Receiving or providing support must be proven that the person requesting support has actually carried out activities according to the said project and is carried out to support the success of the project's objectives. To advertise and promote the business Company brand or information about the environment and water resources, in line with the objectives of conducting business with true social responsibility.
2. Receiving or providing support from business partners or private organization to promote and support research, development, production in innovation and technology. Finance, banking, and marketing must receive approval for project implementation from those with authority in the chain of command and it can be proved that receiving or providing support has nothing to do with reciprocal benefits to any director, executive, or employee or any agency this is not an excuse for corruption.
3. Receiving or providing support must be legal. and traditions of the community and society

#### **Entertainment**

1. In the case of having to receive or have to entertain the person who adopts the animal or the person who is the agent in raising it is prohibited from adopting or raising it if this is the issue.
  - A. Contrary to regulations or orders or policies of the Company. or contrary to the law in every case
  - B. Is considered corruption or bribery (Create influence in business decisions).
  - C. luxurious or wasteful or support political activities causing damage to the reputation of the company
  - D. Is considered obscene and obscene. Mon in such Representatives of the party and adopter must be present until the end of the party.
2. In accepting the reception or entertainment, the representative must have a position not lower than section manager or higher.
3. A party worth more than 1,000 baht (one thousand baht) must be approved by the executive director who oversees the line of work every time.

## **2. Personal Data Protection Policy**

The company is committed to conducting business with ethics. Respect and obey applicable laws. As well as being aware of the importance of respecting the personal rights of customers, shareholders, employees of the company and various persons related to the company and to ensure that such persons' rights will be protected fully in accordance with the Personal Data Protection Act 2019, the Company has established a Personal Data Protection Policy. This policy specifies how the Company treats personal data, such as collecting, storing Maintain use, disclosure, and various rights of personal data owners with strict measures to maintain the security of personal information to ensure that Personal information received by the Company will be used according to each individual's needs and according to the law.

## **3. Policy regarding society and environment**

The company intends to conduct business sustainably based on environmental responsibility by giving importance to reducing environmental impacts from various business operations. The company therefore has a policy to promote the development of production processes create innovation to reduce environmental impacts that may occur It controls and reduces various pollutants, including water, air, and contaminants that will be released into the outside environment. Reduce waste disposal from production processes and general use including finding ways to reduce sending waste outside for disposal as much as possible.

In addition, the company has improved the working environment to be safe and suitable for each section. Guidelines have been established to prevent and control accidents from operations, including employees, contractors and related third parties. As well as promoting and creating awareness of taking care of the health of employees and their families. Society and communities surrounding the factory are supported through community participation processes to ensure sustainable development.

## **4. Political neutrality policy**

1. The company has a policy not to provide financial support or company resources. Whether directly or indirectly for the benefit of any politician or political party or for the benefit of the Company in obtaining contracts or drafting laws to benefit the Company's business.
2. The company does not do anything related to politics. Not participating in campaigning or advertise for any political party or politician in the company's area including not using the company's resources and assets for that purpose. There are no guidelines for giving political assistance. whether directly or indirectly
3. The company gives importance to being politically neutral. Do not participate and do not support any political party. or any person with political power
4. The company encourages employees at all levels to comply with the law and the Constitution and adhere to democracy and encourage employees at all levels to exercise their political rights in accordance with the law as good citizens able to express themselves Participate in supporting the exercise of political rights outside of the Company's working hours.
5. Employees at all levels of the company Able to exercise the political rights one has by acting on behalf of the individual. Including not using the position in the company or the name or the company logo. Inducing others to pay subsidies or giving support to any politician or political party
6. The Company does not have a policy for employees at all levels of the Company to give orders or influence through any means. That causes employees and subordinates to participate in all types of political activities, which may cause conflict within the organization. and cause damage to the company in every case

## **5. Tax compliance policy**

### **1. Tax planning and practices**



- Provide management. Tax planning and paying taxes according to the guidelines specified by law. To maintain the reputation and image of the company. As well as having tax practices that are consistent in the same direction so that the company Receive appropriate tax benefits
- Arrange for tax remittance or request a tax refund correctly within the deadline of relevant laws or regulations in the country in which the company operates currently operating including adhering to roles and responsibilities good citizenship by following the tax laws of that country to reflect transparency in tax operations.
- Arrange planning, study, and analysis of tax impacts. For various investment projects of the company to be appropriate before investing in accordance with the investment structure and investment policy by using the benefits and tax structure legally.

## **2. Tax coordination**

- Arrange for a person responsible for tax matters to coordinate. Contact the government tax department that has knowledge and skills in taxation. By providing accurate tax information based on the facts of business operations.
- Knowledge is provided. Consultation with various agencies and employees within the company about taxation to be able to work correctly according to tax laws and provide continuous training in tax laws. To enable operators to increase their knowledge and can be used correctly in working
- Disclose tax policy to stakeholders.

## **3. Tax consultant**

- Providing expert tax consultants and provide advice to ensure transparency and correctly according to the guidelines that the law specifies for tax planning and practice.

## **6. Procurement policy**

1. Procurement taking into account value for money Efficient and effective both in terms of quality, price and service. To achieve maximum benefit to the company
2. Procurement with a focus on business ethics Do not take advantage of business partners and provide accurate, complete, clear information, disclose and treat partners equally including listening to opinions Partner suggestions
3. Procurement is transparent, fair, verifiable, and strictly complies with relevant regulations and laws.
4. Procurement and management of business partners in a sustainable manner. Taking into account environmental impacts Social responsibility and good governance or good supervision of activities (Environmental, Social and Governance: ESG) including consideration of regulated trading partners. Suppliers must follow the supplier guidelines of Pioneer Motor Public Company Limited, which is part of sustainable supply chain management.
5. Procurement taking into account value for money. Efficient and effective both in terms of quality, price and service. For maximum benefit to Pioneer Motor Public Company Limited.
6. Manage knowledge as well as pushing the use of technology and innovation To develop procurement potential

## **7. Conflict of Interest Policy and Guidelines**

The Board of Directors considers conflicts between personal interests and benefits of the company It is an important policy defined as good corporate governance policy and set guidelines for directors, executives, and employees in the ethics and code of ethics for conducting business that requires directors, executives, and employees to report their own interests and related persons who may have conflicts of interest in order to avoid taking the opportunity of being a

director, executive, or employee of the company Seeking personal gain The Company has therefore set out a request for compliance for the Company's directors, executives, and employees as follows:

1. Ensure that the company complies with the rules, procedures, and disclosure of information on connected transactions. As strictly specified by law or regulatory agency. and according to the company's regulations
2. Avoid making transactions related to yourself or related persons/entities. that may cause conflicts of interest with the company
3. In the case of a connected transaction that does not comply with general trading conditions in accordance with the principles approved by the Board of Directors or the nature and size of the transaction is not within the power of management's consideration. Must be reviewed and given opinions by the Audit Committee. Before presenting, request approval from the board of directors or shareholders.
4. In the event that it is necessary to make a connected transaction. The transaction must be in accordance with general commercial conditions in accordance with the principles approved by the Board of Directors. With transparency and fairness It is like doing a transaction with an outsider. and taking into account the highest benefits of the company
5. Those with vested interests must not take part in considering items with which they have a conflict of interest.

In the past year The Company provides knowledge to directors, executives, and employees about preventing conflicts of interest. By passing a training course on prevention of conflicts of interest the policy is publicized through e-mail and public relations boards. The company has not found any offenses that violate the conflict of interest policy.

In the past year The Company has not committed any violations regarding the organization's ethics and code of ethics.

### **6.3. Important development changes in policies, practices, and corporate governance systems in the past year.**

The Board of Directors reviews the Company's good corporate governance practices annually including following developments in corporate governance in order to analyze and apply them to suit the company's business operations and improve the performance evaluation form of the committee Sub-committee and Managing Director By applying the board evaluation form of the Thai Institute of Directors (IOD) Ready to use the results of the evaluation to develop and improve to be consistent and suitable for business operations.

In the past year The Company has been ranked as a listed company with corporate governance in the "Excellent" 5-star criteria (Excellent CG Scoring) from a survey according to the Corporate Governance Survey Project of Listed Companies 2023 (CGR 2023) by the association. Promote the Thai Institute of Directors (IOD) under the support of the Stock Exchange of Thailand (SET).



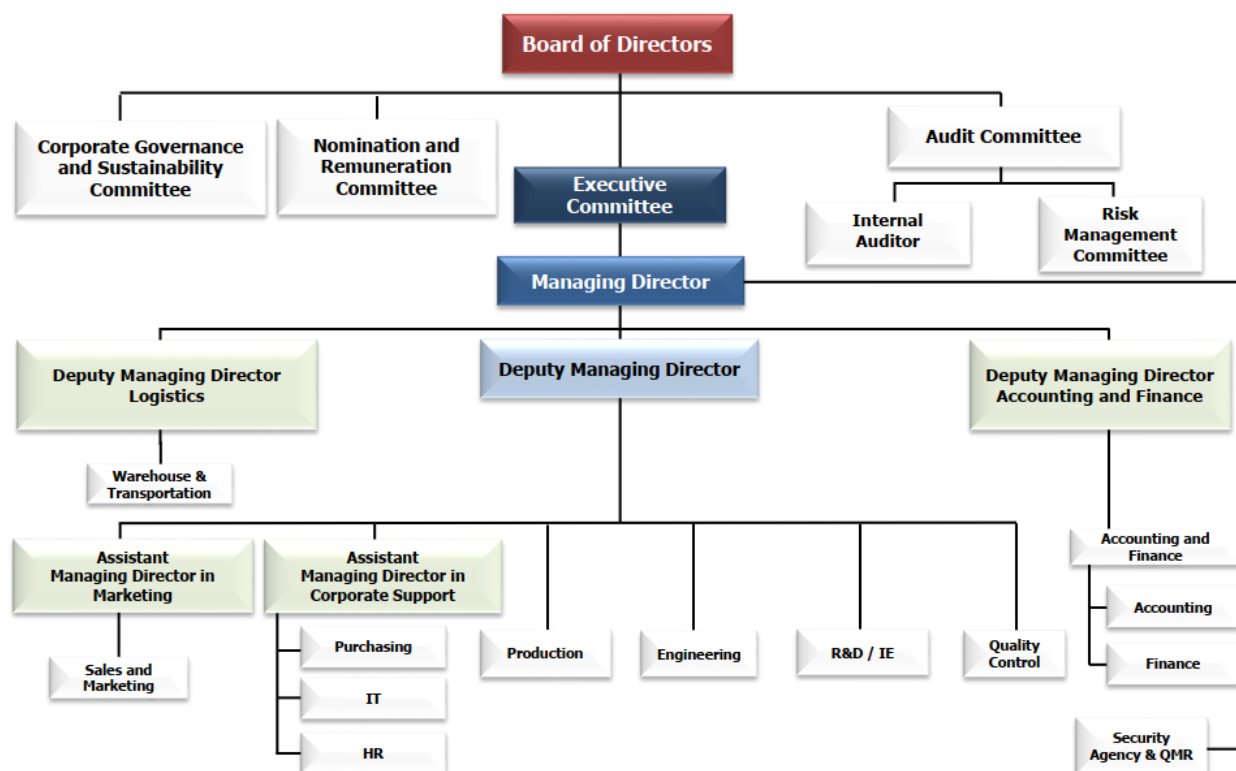
In the past year The Company still cannot comply with the principles of good corporate governance for various important topics (CG CODE) with the following reasons.

**Guideline number 1:** The chairman of the company's board of directors should be an independent director.

**Rationale:** The Chairman of the Board of Directors needs to be a leader with knowledge, ability, experience, and expertise in the industry, even though the Chairman of the Board of Directors is not an independent director. The Board of Directors has clearly defined the roles and duties of the Chairman of the Board. There is a balance of power. Focus on the benefits of the company, shareholders, and all stakeholders and encourage all directors to freely express their opinions and suggestions at meetings.

## 7. Corporate governance structure and information about the committee

### 7.1. Corporate governance structure



**Remark:** - The definition of "executive" accords to the announcement of the Securities and Exchange Commission No.KorJor. 17/2008 will be in the thick frame.

- The company's internal auditors are hired by outsiders (Outsource) by appointing Act-Plus Consultants Co., Ltd. perform such duties
- Information about directors and executives such as name, position, and biography of directors Each executive as per attachment 1

### 7.2. Information about the committee

#### 7.2.1. Composition of the Company's Board of Directors

Board of Directors It must consist of at least five (5) directors, with not less than half of the total number of directors. Board of Directors It consists of a variety of skills, expertise, knowledge and experience, gender and age which will be beneficial to business operations. The Company has an appropriate proportion of independent directors. The Company's Board of Directors consists of 8 directors, which are sufficient to oversee the Company's operations.

The structure of the Company's Board of Directors as of December31, 2023 has a total of 8 directors, consisting of:

- 3 independent directors, accounting for 37.50 percent of the number of the company's board of directors
- 4 executive directors, accounting for 50 percent of the number of the company's board of directors
- 4 non-executive directors, representing 50 percent of the number of the company's board of directors



3 : 8

4 : 8

Independent directors to all directors

Non-executive directors to all directors

### Proportion of directors separated by gender

	Percentage		Percentage
Female Committee	50 %	Male Committee	50 %

### Board Skills Matrix

Name list/specialized knowledge	Motor Business	Retail business	International business	Financial account	Management	Law	Risk management	Marketing and Communication	Environment and safety
1. Mr. Satian Pooprasert			X		X		X	X	X
2. Miss Jirayong Anuman-rajadhon		X	X	X	X	X	X	X	X
3. Mrs. Pennapha Dhanasarnsilp		X	X	X	X	X	X	X	X
4. Police general. Sakda TechaKriengKrai					X	X	X	X	X
5. Mr. Wasun Itthirojanakul	X	X	X	X	X		X	X	X
6. Mr. Christopher Robert Tape	X	X	X	X	X		X	X	X
7. Mrs. Podjamarn Wongsuwan	X	X		X	X		X	X	X
8. Miss Sirirat Itthirojanakul	X	X		X	X		X	X	X
<b>Total</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>8</b>	<b>8</b>	<b>8</b>

### Results of the assessment of current board qualifications according to the Board Skills Matrix.

The current Board of Directors consists of Director who has knowledge and ability and experiences that are beneficial to the company There is still a lack of non-executive directors with industry knowledge in the company's business operations.

Name - Surname	Position
1. Mr. Satian Pooprasert	Chairman of the Board
2. Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director / Chairman of the Risk Management Committee / Nomination and Remuneration Committee
3. Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director / Chairman of the Nomination and Remuneration Committee
4. Police general. Sakda TechaKriengKrai	Audit Committee Director / Independent Director/ Chairman of the Corporate Governance and Sustainability Committee
5. Mr. Wasun Itthirojanakul	Board of Directors / Risk Management Committee / Nomination and Remuneration Committee/ Corporate Governance and Sustainability Committee
6. Mr. Christopher Robert Tape	Board of Directors / Risk Management Committee
7. Mrs. Podjamarn Wongsuwan	Board of Directors
8. Miss Sirirat Itthirojanakul	Board of Directors / Company secretary/ Corporate Governance and Sustainability Committee

**Remark:** - Board of Directors was appointed by the 2015 Annual General Meeting of Shareholders on March 26, 2015 and by the Board of Directors' Meeting No. 1/2015 (the first time after conversion) on April 29, 2015.

In the past year The Board of Directors has no cases of non-executive directors resigning due to corporate governance issues. And there is no news of being compared, fined, accused, or civil action taken by the SEC or NACC regarding corruption offenses.

#### **Authorized directors**

The authorized directors to sign on behalf of the company are Mr. Wasun Itthirojanakul, Mrs. Podjamarn Wongsuwan, Miss Sirirat Itthirojanakul, two of these three directors jointly sign with the company's seal.

#### **7.2.2. Information about the roles and responsibilities of the Board of Directors, scope of authority, duties and responsibilities of the Board of Directors.**

1. Perform duties responsibly caution Honesty, honesty and caution, as well as performing duties in accordance with the law, objectives, company regulations, as well as shareholder resolutions.
2. Consider and approve the appointment of persons who have qualifications and do not have prohibited characteristics as specified in the Public Company Limited Act B.E. 1992 and the Securities and Exchange Act, including announcements, regulations and/or rules related to the director position in the event that the director position is vacant for reasons other than retirement by rotation.
3. Consider appointing the Executive Committee by selecting from the Company's directors as well as specifying the scope of authority, duties and responsibilities of the Executive Committee.
4. Consider the appointment of independent directors and audit committee members by considering the qualifications and prohibited characteristics of independent directors and audit committee members in accordance with the law on securities and the stock exchange, including announcements, regulations and/or related regulations of the Stock Exchange or propose to the shareholders' meeting to consider appointing them as independent directors and audit committee members of the company.
5. Consider specifying and amending the names of directors who have authority to bind the company.
6. Appoint any other person to run the company's business under the control of the board of directors or may authorize such person to have power and/or within the time the board deems appropriate, which the board may cancel, revoke, change or amend that power. You can.
7. Consider and approve transactions regarding the acquisition or disposal of the company's assets. Except in cases where such transactions must be approved by a shareholder meeting. Such approval must be in accordance with the relevant announcements, rules and/or regulations of the Stock Exchange.
8. Consider and approve connected transactions. Except in cases where such items must be approved by a shareholder meeting. In this regard, such approval must be in accordance with announcements, regulations and/or regulations related to the Stock Exchange.
9. Consider and approve the payment of interim dividends to shareholders. When it is seen that the company is reasonably profitable to do so and report such dividend payment to the shareholders' meeting at the next shareholders' meeting.
10. Set the vision Policy and direction of the company's operations Annual budget business strategy and supervise the management to carry out the specified policies with efficiency and effectiveness in order to maximize economic value for shareholders. and sustainable growth
11. Evaluate the performance and determine the remuneration of directors. and senior executives

12. Responsible for the operating results and performance of duties of the management team. With intention and caution in work
13. Follow up and supervise the implementation of the company's strategies. At every quarterly board meeting, the board follows up on the performance of the management. It is required to report the operating results and operating results of the company. Especially in terms of financial goals and various plans to be in line with the strategies laid out. Including the management team having an appropriate and efficient risk management system.
14. Supervise the management team to have an appropriate and efficient risk management system.
15. Supervise the establishment of clear and measurable business goals to be used as guidelines for setting operational goals. Considering the possibility and reasonableness
16. Be responsible to shareholders on a regular basis, operate in a manner that protects the interests of shareholders, and disclose important information to investors correctly, completely, with standards, and with transparency.
17. Evaluate the performance and determine compensation of senior executives.
18. Supervise the management team to have an appropriate and efficient risk management system.
19. Consider and decide on important matters such as Policy and business plan for large investment projects, management authority for the acquisition or disposal of assets and any other items specified by law
20. Set authority and level of approval for transactions and various actions related to the work of the company to groups or individuals as appropriate and in accordance with relevant laws by preparing an authority manual. and to be reviewed at least once a year
21. Establish a reliable accounting, financial reporting, and auditing system, including maintaining a process for evaluating the suitability of internal controls.
22. Give approval to the proposal to appoint an auditor and consider the annual audit fee to present to shareholders in consideration of approving the appointment.
23. Report on the responsibilities of the board of directors in preparing financial reports, shown together with the auditor's report in the annual report and covering important matters in accordance with the policy of good practices for directors of listed companies of the Stock Exchange of Thailand.
24. Supervise the work of various sub-committees to be in accordance with the established charter.
25. The committee must evaluate its own performance and evaluate its overall performance.
26. Consider to develop corporate governance in the following matters:
  - 26.1. Set the number of listed companies in which each committee member holds positions to not exceed 5, without exception.
  - 26.2. Set a policy for the CEO / Managing Director to serve as a director at another company.
  - 26.3. Set a policy regarding the minimum number of quorum at the time the directors will vote at the board meeting: There must be no less than two-thirds of the total number of directors.
  - 26.4. Arrange a meeting between non-executive directors without the management attending the meeting. In the past year the number of times or the date of the meeting is also specified.
  - 26.5. Arrange for evaluation of the committee's work both as a group and individually. Including revealing the criteria and the evaluation process
  - 26.6. Arrange an annual performance evaluation of the organization's chief executive (CEO) and disclose it for information.
  - 26.7. Consider the framework for disclosing the CEO's compensation policy, both short-term and long-term. Including compensation based on the performance of the CEO.
  - 26.8. Consider appointing the CG Committee (director level)

## Scope and roles and responsibilities of the Chairman of the Board of Directors

In order to clearly separate authority and duties in setting policy and managing the company. The Company has appointed the chairman of the board of directors executive Chairman Each person is different the Chairman of the Board has the following roles and responsibilities:

1. Call a meeting of the Board of Directors Chairing meetings of the Board of Directors and shareholder meetings As well as having a role in setting the meeting agenda together with the general manager.
2. Play a role in controlling meetings to be efficient and in accordance with regulations. Company regulations Support and provide opportunities for directors to express their opinions independently (Manage Board Meetings).
3. Support and encourage the Board of Directors. Perform duties to the best of your ability According to the scope of authority, duties, and responsibilities and according to the principles of good corporate governance (Ensure Board Effectiveness)
4. Supervise and follow up on management and strengthen the core relationships of the Board of Directors. and other subcommittees to achieve the stated objectives (Manage Key Relationships)
5. Be the deciding vote in the event of a meeting of the Board of Directors. Annual General Meeting of Shareholders In the case of voting and the votes on both sides are equal.

## Board of Directors Meeting

1. Board of Directors a meeting must be held to acknowledge the Company's operating results at least every 3 months. At the meeting, the directors must express their opinions and use independent judgment Directors should attend every meeting in addition to force majeure which must be reported to the secretary of the board of directors In advance, the company must report the number of times the committee has attended meetings in the annual report in each committee meeting to let all committee members know in advance. The committee secretary must send meeting invitation letters to all committee members. In order to know Date, time, place and agenda it is delivered at least 7 days in advance and is the person who collects meeting documents from the directors. And management to send to the committee in advance and such documents must provide sufficient information for decision-making and independent use of discretion by the committee. The committee secretary must record the issues in the meeting. To prepare a meeting report which must have complete content and completed within 15 days from the date the meeting was completed. To propose to the Chairman of the Company for signature and must provide a good storage system. Convenient for searching and keeping secrets well.
2. Company Director Who has a stake in any matter? There is no right to vote on that matter.
3. Voting at Board of Directors meetings the opinion of the majority shall be taken into account. In the event that the votes are equal, the chairman of the meeting shall cast one additional vote as the deciding vote. However, the opinions of other directors who did not vote in agreement shall be stated in the minutes of the meeting.

The company has set the 2024 annual board meeting schedule in advance. (This meeting schedule is subject to change) excluding special agenda meetings as follows:



The time	Board of Directors Meeting	Audit Committee Meeting	Annual General Meeting of Shareholders 2024
1.	Tuesday 27 February 2024	Tuesday 27 February 2024	Thursday 25 April 2024
2.	Tuesday 14 May 2024	Tuesday 14 May 2024	
3.	Tuesday 13 August 2024	Tuesday 13 August 2024	
4.	Tuesday 12 November 2024	Tuesday 12 November 2024	

#### **Segregation of responsibilities between the board of directors and management.**

The Company has clearly separated roles and responsibilities between the Board of Directors and the management according to power manual Company operations The Company's directors, are responsible for setting policies and supervising the management's operations at the policy level, while the management is responsible for managing work in various areas. To be in accordance with the specified policy, therefore, the Chairman of the Board and the President Therefore, they are different people. Both positions must be selected by the Board of Directors in order to find the most suitable person. In addition, the Board of Directors also determines the succession plan for senior executives. The plan is reviewed annually with a meeting between non-executive directors without management Attend the meeting on the said agenda

The Chairman of the Board is not an executive director. and does not participate in the management of the company as well as having no authority to sign Binding the company to separate duties between commercial supervision The overall policy of the company and management are clearly visible. For the management department, they have been assigned authority and responsibility to operate under various policies that have been established, be responsible for overall operating results, control expenses and investment budgets to the extent approved by the board in the annual work plan, carry out the personnel policy, edit problems or conflicts that affect the organization and maintain effective communication with stakeholders.

#### **Qualifications and criteria for selecting company directors**

- The Board of Directors will consider selecting individuals to serve as directors of the Company. From various sources as follows
  - Providing opportunities for minor shareholders to nominate individuals to be elected as directors by the Company's shareholders.
  - Selection from major shareholders to propose
  - Recommendations from other directors in the company
  - Recruiting from director databases (Director Pool) of various agencies.
  - Recruitment by external consultants
  - Recruitment by other processes that the Board of Directors deems appropriate and appropriate
- Consideration of the suitability of knowledge, abilities, skills, and experience in the business that the company operates and specialized expertise Diversity in various fields To integrate knowledge and abilities that are beneficial to the company's operations. By creating a Board Skill Matrix table to determine and check the qualifications of directors to be recruited in 9 areas as follows:
  - Motor business
  - Retail business
  - International business
  - Accounting Accounting
  - Management aspects
  - Legal aspects related to business
  - Risk management
  - Marketing and communication
  - Environmental and safety aspects

3. Check that the person who will be nominated has the qualifications according to the laws and requirements of the regulatory agency, including: Public Limited Companies Act B.E. 2535 (including amendments), Securities and Exchange Act B.E. 2535 (including amendments), related announcements, rules and/or regulations. Including the principles of good corporate governance of the company.
4. Consider the time dedication of directors. If it is an appointment of an existing director who will return to office for another term. The Board of Directors may consider performance during the period of office. Including considering the number of companies in which the director holds positions to be appropriate to the nature or business conditions of the company which should not exceed 5 listed companies To ensure that directors can devote adequate time to performing their duties in the company.
5. In the case of appointing independent directors the independence of the person proposed to be an independent director will be considered in accordance with the criteria set by the SEC Office and the company's criteria as well as the need to recruit additional company directors.
6. Consider the term of office of independent directors. If it is the former independent director who will return to office for another term There should be a continuous term of office from the date of first appointment to the position of independent director not exceeding 9 years in the event that the independent director is to be appointed to continue in that position. will reasonably consider such necessity
7. Proceed with approaching individuals whose qualifications correspond to the specified qualification criteria. This is to ensure that the said person is willing to accept the position of director of the company. If appointed by shareholders

#### **Selection of persons to serve as directors of the company**

Election of Company Directors: The shareholder meeting elects Company Directors according to the criteria. and the following methods

- (1) One shareholder has votes equal to one (1) share per one (1) vote.
- (2) Each shareholder may use all of his or her votes under (1) to elect one or more persons as directors. In the case of selecting several people as directors, the votes cannot be divided among anyone, however much.
- (3) The persons who receive the highest number of votes in descending order are elected as directors equal to the number of directors that should be or will be elected at that time. In the event that the persons elected in descending order have the same number of votes, the number of directors to be elected at that time will exceed the number. The chairman of the meeting will have the deciding vote.

At every annual general meeting of shareholders, one-third (1/3) of the directors shall retire from office at that time. If the number of directors cannot be divided exactly into three parts the number closest to one-third (1/3) of the directors who retire from office must be removed may be selected to return to the position again Directors who must retire from office in the first and second years after the company is registered. Let the lottery be drawn. As for the following years, the director who has been in office the longest will be the one who retires from the position.

#### **Term of office of company directors**

- Number of years in office for each term Company directors have a term of office not exceeding 3 years as required by relevant laws. And when the term expires, they may be considered for election as the next director of the company.
- Number of consecutive terms of office of independent directors Independent directors will have a maximum consecutive term of office not exceeding 9 years from the date of the 2015 Annual General Meeting of Shareholders (29 April 2015), unless the shareholders' meeting considers it based on reasons and necessity. As proposed and approved by the Company, the selection of independent directors who have

held the position of independent director for more than 9 consecutive years will continue to be independent directors.

#### **Qualifications of independent directors**

1. Hold shares not exceeding 1 percent of the total number of shares with voting rights of the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company  
This must include the shareholdings of related persons of that independent director as well.
2. Must not be or have ever been a director who participates in management, an employee, a staff member, a consultant who receives a regular salary, or a controlling person of the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company Unless it has been free from having the aforementioned characteristics for not less than 2 years.
3. Not a person related by blood or by legal registration of other directors Company executive Major shareholders controlling person or persons who will be nominated to be directors Executives or controlling persons of the company or subsidiary
4. Do not have or have ever had a business relationship with the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company in a manner that may hinder Use your own independent judgment including not being or having never been a significant shareholder. or controlling persons of those who have business relationships with the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company Unless it has been free from having the aforementioned characteristics for not less than 2 years.
5. Not being or having been an auditor of the company, parent company, subsidiary company, associated company, major shareholder. or the controlling person of the company and not being a significant shareholder controlling person or a partner of an auditing firm which has an auditor of the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company Unless it has been free from having the aforementioned characteristics for not less than 2 years.
6. Not being or having ever been a professional service provider. This includes providing services as a legal advisor or financial advisor. which receives service fees in excess of 2 million baht per year from the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company and not being a significant shareholder controlling person or a partner of that professional service provider as well Unless it has been free from having the aforementioned characteristics for not less than 2 years.
7. Not being a director appointed to represent the company's directors, major shareholders, or shareholders who Being a person related to a major shareholder
8. Do not operate a business that has the same nature and is in significant competition with the company's business. or subsidiary company or not being a significant partner in the partnership or being a director who participates in management, an employee, a staff member, an advisor who receives a regular salary or holds shares exceeding 1 percent of the total number of shares with voting rights of another company which operates a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries.
9. Not having any other characteristics that prevent him from giving independent opinions regarding the company's operations.

### 7.3. Information about sub-committees

The Board of Directors has also appointed subcommittees to assist in overseeing the Company's affairs. In addition, the scope of duties and responsibilities of each subcommittee has been determined. Currently, the Company there are 4 sub-committees as follows:

#### 7.3.1. Audit Committee

Consisting of at least 3 independent directors, at least 1 member of the audit committee must have sufficient knowledge and experience in accounting or finance to be able to perform the duty of reviewing the reliability of the financial statements in order to help support, Board of Directors in supervising and inspecting administration internal control Accuracy of financial reports and compliance with relevant laws including helping to support the formulation of risk management policies and supervise the establishment of a risk management system or process. In addition, the Audit Committee will be responsible for reviewing the adequacy and efficiency of the Company's management including reviewing financial reports to enable the operations and disclosure of information of the company it is transparent and trustworthy.

**The list of the Audit Committee as of December 31, 2023 consisted of 3 people as follows:**

Name - Surname	Position
1. Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director
2. Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director
3. Police general. Sakda TechaKriengkrai	Audit Committee Director / Independent Director

**Remark:** - Audit Committee Who has knowledge and experience in reviewing the reliability of financial statements is Miss Jirayong Anumanrajathon, who graduated with a bachelor's degree. Bachelor of Business Administration (Finance), Faculty of Commerce and Accountancy Thammasat University, Master's Degree, Master's Degree (Finance), Faculty of Commerce and Accountancy Thammasat University and Postgraduate Diploma Business Administration (Fashion) London College of Fashion, University of the Arts London and have past work experience. Important details are as follows:

Year 2023 - present	Independent Director/ Chairman of the Audit Committee/ Chairman of the Risk Management Committee	GMM Music Company Limited
Year 2023 - present	Independent Director/ Audit Committee/ Nomination and Remuneration Committee Member/ Risk Management Committee Member	Eastern Technical Engineering Public Company Limited
Year 2023 - present	Director and Chairman of the Investment Committee	Dara Insurance PLC. (General insurance companies in Cambodia)
Year 2023 - present	Director and Chairman of the Investment Committee	Sovannaphum Life Assurance PLC. (Life insurance companies in Cambodia)
Year 2023 - present	Independent Director/ Audit Committee/ Chairman of the Risk Management Committee	MTM Holding Company Limited
Year 2022 - present	Director	CirPlas Tech Company Limited
Year 2019 - present	Director/ Chairman of the Risk Management Committee	CPanel Public Company Limited
Year 2016 - present	Director / Managing Director	Brand & Business Venture Company Limited

Year 2015 - present	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee	Pioneer Motor Public Company Limited
Year 2006 - present	Director / Managing Director	Jay Capital Advisory Company Limited (Formerly known as JD Partner Company Limited)
Year 2000 - present	Director	Second Opinion Company Limited

With Miss Sirirat Itthirojanakul being the secretary of the audit committee, who was appointed by the 2015 Annual General Meeting of Shareholders on 26 March 2015 and by the Board of Directors' Meeting No. 1/2015 (the first time after conversion) on 29 April 2015.

#### **Qualifications of the Audit Committee**

1. Appointed by the Company's Board of Directors and approved by the Company's shareholders.
2. Have the qualifications as specified in public law, the law on securities and the stock exchange, and the regulations of the stock exchange.
3. At least 1 member of the audit committee must be knowledgeable in accounting and finance.
4. Audit committee members must be independent directors and have the qualifications to be an independent committee as follows:
  - 1) Hold shares not exceeding 1 percent of the total number of shares with voting rights of the company, parent company, subsidiaries. A company associated with a major shareholder or controlling person of the company, including shares held by related persons of that independent director as well.
  - 2) Not be or have ever been a director who participates in management, an employee, a consultant who receives a regular salary, or a controlling person of the company, the parent company, a subsidiary company, a joint company, a subsidiary company of the same level, a major shareholder or an authorized person control of the company unless they have been free from such characteristics for not less than 2 years before the date of filing the application for permission with the Securities and Exchange Commission. However, such prohibited characteristics do not include cases where independent directors were previously Civil servants or advisors to government agencies that are major shareholders or controlling persons of the company.
  - 3) Not a person related by blood or legal registration in the manner of father, mother, spouse, sibling, and child, including the spouse of the child of an executive, major shareholder, controlling person, or person who will has been offered to be an executive or controlling person of the company or its subsidiaries.
  - 4) Do not have or have ever had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder, or controlling person of the Company in a manner that may obstruct the use of one's independent judgment, including not being or having been a significant shareholder or controlling person of a person who has a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company, unless he or she has resigned from Has had the aforementioned characteristics for not less than 2 years before the date of filing the application for permission with the Securities and Exchange Commission.
  - 5) Not being or having been an auditor of the company, parent company, subsidiary company, associated company, major shareholder or controlling person of the company and not being a significant shareholder, controlling person or partner of the firm Auditor with the auditor of the company, parent company, subsidiary

company, associated company, major shareholder or controlling person of the company, unless he has been free from such characteristics for not less than 2 years. Before the date of submitting the application for permission to the Securities and Exchange Commission

- 6) Must not be or have ever been a professional service provider, including legal or financial advisors, receiving service fees exceeding 2 million baht per year from the company, parent company, subsidiaries, associated companies. Major shareholder or controlling person of the company and not being a shareholder with significant controlling power or a partner of that professional service provider unless he has been free from such characteristics for not less than 2 years before the date of filing the application for permission with the Securities and Exchange Commission
  - 7) Not being a director appointed to represent the company's directors, major shareholders, or shareholders who are related to the major shareholders.
  - 8) Do not operate a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries or is not a significant partner in a partnership or a director who participates in management, employees, consultants who receive a regular salary or holding shares exceeding 1 percent of the total number of shares with voting rights of another company which operates a business of the same nature and which is in significant competition with the business of the Company or its subsidiaries.
  - 9) Do not have any other characteristics that prevent you from giving independent opinions regarding the Company's operations.
  - 10) Independent directors with the above qualifications may be assigned by the Board of Directors to make decisions on the operations of the Company, parent company, subsidiaries, associated companies, same-level subsidiaries, major shareholders or controlling persons, with Can make decisions in the form of a collective decision.
5. Be a person who can perform duties and express opinions or independently report the performance of assigned duties without being under the control of executives or major shareholders of the company. including related persons or close relatives of such persons
  6. Be a person who is trusted and generally accepted.
  7. Able to devote sufficient time to perform the duties of the Audit Committee.

#### **Scope of powers, duties and responsibilities of the Audit Committee**

1. Review financial reports to ensure that It is accurate and reliable including adequate disclosure of information By coordinating with external auditors and executives responsible for preparing both quarterly and annual financial reports.
2. Review for the company there is a system of internal control (Internal Control) and internal audit (Internal Audit) to be appropriate and effective and consider the independence of the internal audit department. As well as giving approval in considering the appointment, transfer, and termination of the head of the internal audit department or any other agency responsible for internal auditing and may suggest that there be a review or inspection of any items that are considered necessary and important. As well as presenting recommendations regarding important and necessary improvements to the internal control system to the Company's Board of Directors. By reviewing together with external auditors. and the manager of the internal system audit department
3. Review compliance with the law on securities and stock exchange or the requirements of the Stock Exchange of Thailand, policies, rules, regulations, and other laws. related to the company's business

4. Consider selecting, nominating, appointing, and terminating individuals who are independent to act as auditors. Including considering proposing the remuneration of the Company's auditors to the Board of Directors. Including attending a meeting with the auditor without the management attending at least once a year.
5. Review the company's internal audit plan. according to generally accepted methods and standards
6. Consider connected transactions. or items that may have conflicts of interest in accordance with the law and regulations of the Stock Exchange as well as disclosing information of the company in such matters to be accurate and complete. This is to ensure that the said transaction is reasonable. and is the most beneficial to the company
7. Review for the company there is an appropriate and efficient risk management system.
8. Report on the performance of the Audit Committee to the Board of Directors Know at least 4 times a year
9. Prepare a report of the Audit Committee and disclose it in the company's annual report. The report must be signed by the Chairman of the Audit Committee and must contain at least the following information:
  - (a) An opinion on the accuracy, completeness, and reliability of the Company's financial reports.
  - (b) Opinions on the adequacy of the company's internal control system.
  - (c) Opinions regarding compliance with the law on securities and exchange. Stock Exchange Requirements or laws related to the company's business
  - (d) Opinion on the suitability of the auditor.
  - (e) Opinions on connected transactions or items that may have conflicts of interest
  - (f) Number of audit committee meetings and attendance of each audit committee member.
  - (g) Overall opinions or observations received by the Audit Committee from performing their duties in accordance with the Charter.
  - (h) Other items that shareholders and general investors should know. Under the scope of duties and responsibilities assigned by the Board of Directors
10. Participate in giving opinions in considering the appointment, removal, and evaluation of the performance of officials of the internal audit department.
11. In performing duties according to the scope of duties The Audit Committee has the authority to invite management and executives or employees of the company related to give opinions attend meetings or submit documents that are deemed relevant or necessary.
12. To have authority to hire consultants or outsiders according to the company's regulations come give your opinion or give advice if necessary.
13. The Audit Committee must evaluate its performance by self-assessment and report the results of the evaluation together with problems and obstacles in the work that may cause the work to not achieve the objectives in establishing the Audit Committee to the Board of Directors every year.
14. Consider reviewing and improving the Audit Committee Charter.
15. Perform other duties as assigned by the Board of Directors. Assigned within the scope of duties and responsibilities of the Audit Committee

#### **Term of office of the Audit Committee**

1. The Audit Committee shall hold office for a term of 3 years, where 1 year here means the period between the dates of the general meeting of shareholders of the year in which they are appointed. Until the date of the next year's general meeting of shareholders and the Audit Committee who vacate their positions upon the expiration of their terms. May be nominated and appointed to a new position.
2. In addition to retiring from office according to the term mentioned above. Audit committee members leave their positions when



- (a) Dead
  - (b) Resign
  - (c) Lack of qualifications to be an audit committee member according to this charter, or according to the regulations of the Stock Exchange of Thailand
  - (d) Termination from holding the position of director of the Company
3. Any member of the Audit Committee who wishes to resign from his position must submit a resignation letter to the Chairman of the Board of Directors. This should be notified in writing at least 1 month in advance with reasons and to the Board of Directors. The Company will notify the resignation along with a copy of the resignation letter to the Stock Exchange of Thailand in the event that the entire Audit Committee leaves their positions. The Audit Committee who vacates office must remain in office to continue operations until a new Audit Committee assumes duties.
  4. In the event that the position of the Audit Committee is vacant for reasons other than retirement at the end of the term to the Board of Directors Appoint a person with complete qualifications to be a replacement member of the Audit Committee within 90 days so that the number of Audit Committee members is complete as determined by the Board of Directors. The person who becomes a replacement member of the Audit Committee will be in office only for the remaining term of the director. Check on your behalf

#### **Audit Committee Meeting**

1. Have a meeting of the audit committee to consider the financial statements Report the results of internal audits and other matters at least 4 times a year by requiring a meeting to be called at least 3 days before the meeting of the Board of Directors or having the Chairman of the Audit Committee call a special meeting. To consider other urgent matters as you deem appropriate.
2. What matters does the Audit Committee have an interest in? There is no right to vote on that matter.
3. Voting at a meeting of the Audit Committee shall be based on the opinion of the majority. In cases where the votes are equal, the chairman of the meeting shall cast an additional vote as the deciding vote. However, the opinion of the Audit Committee Examine other people who did not vote in agreement to present their opposing opinions to the Board of Directors.
4. The Chairman of the Audit Committee will report the results of the meeting to the Board of Directors' meeting next time to know every time.
5. The secretary of the audit committee or the person assigned will record the minutes of the meeting.

#### **Reporting of the Audit Committee**

1. The Audit Committee shall report its performance to the Company's Board of Directors. In the meeting of the Board of Directors
2. In performing the duties of the Audit Committee, if it is found or suspected that there are any of the following items or actions: This may have a significant impact on the financial position and operating results of the Company. The Audit Committee shall report to the Company's Board of Directors. To make improvements within the time period that the Audit Committee deems appropriate.
  - (a) List of conflicts of interest
  - (b) corruption or abnormalities or there are significant deficiencies in the internal control system
  - (c) Violation of the law or any regulations of the Stock Exchange of Thailand and other related laws
3. If the Audit Committee reports to the Board of Directors to things that have a significant impact on the financial position and operating results and there was a joint discussion with the Board of Directors and executives that

improvements must be made When the mutually designated time expires If the audit committee finds that such corrective action has been neglected without reasonable reason. Any member of the audit committee may report such findings directly to the Securities and Exchange Commission. And the Stock Exchange or the Stock Exchange of Thailand.

### Reporting of listed companies to the stock exchange

1. Appointment of the Audit Committee
  - (a) Report on the resolution of the Board of Directors' meeting. Regarding the appointment of the audit committee Ready to submit a form informing the names and scope of the audit committee in accordance with the regulations of the Stock Exchange.
  - (b) Submit the certificate and biography of the audit committee member. Along with reporting the resolution of appointing the Audit Committee to the Stock Exchange within 3 days from the date the Board of Directors It was resolved to appoint an audit committee member.
2. Change of Audit Committee Members
  - (a) Report on the resolution of the Board of Directors' meeting. Regarding the change of members of the audit committee To the Stock Exchange According to the regulations of the Stock Exchange of Thailand
  - (b) Submit the certificate and biography of the audit committee member. For the newly appointed Audit Committee along with a report on the resolution of the appointment of the Audit Committee
3. Report on the resolutions of the Board of Directors' meeting. Regarding changes in duties and scope of work of the Audit Committee to the Stock Exchange of Thailand According to the regulations of the Stock Exchange, within 3 days from the date of the resolution of the Board of Directors. about such changes

### 7.3.2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of at least 3 members. The Chairman of the Nomination and Remuneration Committee must be an independent director to carry out the duty of recruiting qualified persons to serve as directors of the Company Audit Committee and Managing Director Prepare policies and criteria for determining compensation and other benefits (whether in the form of cash, securities or anything else) of the Board of Directors Audit Committee and Managing Director Including the salary adjustment of the managing director. To present opinions to the Board of Directors to present to the Company's Board of Directors is meeting and/or the shareholders' meeting for further consideration and approval (Depending on the case).

The list of the Nomination and Remuneration Committee as of December 31, 2023 consists of 3 people as follows:

Name - Surname	Position
1. Mrs. Pennapha Dhanasarnsilp	Chairman of Nomination and Remuneration Committee
2. Miss Jirayong Anuman-rajadhon	Nomination and Remuneration Committee
3. Mr. Wasun Itthirojanakul	Nomination and Remuneration Committee

### Scope of duties and responsibilities of the Nomination and Remuneration Committee

#### Recruitment

1. Determine methods for selecting suitable persons to serve as directors to suit the nature and business operations of the organization. By specifying properties and knowledge and expertise in each area that you want to have

2. Selection of directors: When it is time to propose the names of directors to the Board of Directors for consideration, the selection may consider existing directors to continue in the position or open for nominations from shareholders or using the company external help recruiting or consider people from the professional directory or having each director nominate an appropriate person, etc.
3. Consider the list of nominated persons and select persons whose qualifications correspond to the specified qualification criteria.
4. Check that the person to be nominated has the qualifications according to the laws and requirements of the relevant agencies.
5. Proceed with approaching individuals whose qualifications correspond to the specified qualification criteria. This is to ensure that the said person is willing to take on the position of director of the company. If appointed by shareholders
6. Propose a name to the board for consideration and include it in the shareholder meeting notice. for the shareholder meeting to consider appointing
7. Consider recruiting senior executives. As assigned by the Board of Directors

#### **Consideration of remuneration**

1. Consider the criteria for remuneration of directors and senior executives in order to be appropriate By reviewing the appropriateness of the criteria currently used. Compare with compensation data of other companies in the same industry as the company and set appropriate criteria to produce results as expected. To be fair and to reward people who help the company's work be successful
2. Review all forms of compensation. such as regular compensation Compensation based on performance and meeting allowance Taking into account the practices used by the same industry Performance and size of the company's business and the responsibilities, knowledge, abilities and experiences of directors and senior executives required by the company.
3. Consider the criteria for evaluating the performance of the Managing Director. Line Executive Committee and senior executives as assigned by the Board of Directors
4. Determine the annual remuneration of directors. Managing Director Line Executive Committee and senior executives According to the payment criteria has been considered and present it to the Board of Directors for approval of the Managing Director's remuneration. Line Executive Committee and senior executives Director's section The Board of Directors will present it to the shareholder meeting for approval.
5. Consider suitability and give approval. In the case where new securities are offered to directors and employees by adhering to the principle of being fair to shareholders and create incentives for directors and employees to perform their duties in order to create added value for shareholders in the long term and be able to truly retain quality personnel.

#### **Term of service of the Nomination and Remuneration Committee**

Members of the Nomination and Remuneration Committee hold office for a term not exceeding 3 years, where 1 year here means the period between the date of the general meeting of shareholders of the year in which they are appointed until the date of the next year's general meeting of shareholders and members of the Nomination and Remuneration Committee who vacate their positions upon completion of their terms. May be nominated and appointed to a new position.

## Meeting of the Nomination and Remuneration Committee

Nomination and Remuneration Committee set the number of meetings as appropriate. To be able to perform duties as assigned but it must not be less than once a year.

## Reporting on the performance of the Nomination and Remuneration Committee

The Nomination and Consideration Committee has a duty to report the results of its duties to the Board of Directors on a regular basis. It may report important matters and meeting resolutions to the Board of Directors. Know every time there is a meeting of the Nomination and Remuneration Committee and report the performance of duties in the past year in the company's annual report in the shareholder meeting as well

In addition, the Audit Committee has considered appointing a Risk Management Committee (RMC) to help support the formulation of risk management policies to cover the entire organization. Supervise the establishment of a risk management system or process to reduce the impact on the Company's business appropriately. Set rules and guidelines in various areas, including supervision of the organization's operations and compliance with governance policies. Good business and present risk management reports and recommendations to the Audit Committee.

### 7.3.3. Risk Management Committee

The list of the Risk Management Committee as of December 31, 2023 consists of 3 people as follows:

Name - Surname	Position
1. Miss Jirayong Anuman-rajadhon	Chairman of the Risk Management Committee
2. Mr. Wasun Itthirojanakul	Risk Management Committee
3. Mr. Christopher Robert Tape	Risk Management Committee

**Remark:** The meeting resolved to approve the appointment of the Risk Management Committee. For efficiency in risk management of the management system and to support the Company there are operations that create added value for the organization in a concrete way.

## Scope of powers, duties and responsibilities of the Risk Management Committee

1. Establish risk management policy and structure. To present to the Executive Committee in accordance with and Guidelines for risk management of the Stock Exchange of Thailand and the Association of Internal Auditors of Thailand.
2. Set strategies in line with risk management policies. To be able to evaluate Monitor and control each type of risk to an acceptable level. By allowing various departments to participate in risk management and control.
3. Assess risks at the organizational level and determine methods for managing that risk to an acceptable level. Including controlling and overseeing risk management according to the established methods.
4. Review the risk management policy and improve it to be sufficiently efficient and effective. to control risk
5. Have the power to call relevant people to provide clarification or appoint and define roles for employees at all levels to have risk management duties as appropriate. and report to the Risk Management Committee so that risk management achieves its objectives
6. Report the results of risk management to the executive board and the audit committee. To present to the Board of Directors On a quarterly basis
7. Prepare a risk management manual.
8. Identify various risks. Along with analysis and assess potential risks including trends that have an impact on the company.
9. Create a plan to prevent or reduce risk

10. Evaluate and prepare risk management reports. Set up an integrated risk management system by linking information systems. Perform other duties as the Board of Directors deems appropriate.

In addition, the company has arranged for a company secretary. To perform duties related to the Board of Directors' meetings and shareholder meetings including supporting the work of the Company's Board of Directors by providing advice on legal requirements and various regulations related to the performance of duties of the committee including coordinating to ensure compliance with the resolutions of the Board of Directors. The Board of Directors' Meeting No. 1/2015 (after conversion) on April 29, 2015 resolved to appoint Ms. Sirirat Itthirojanakul as the Company Secretary. The roles, duties and responsibilities of the Company Secretary have been specifically defined as follows:

1. Prepare and maintain the following documents.
  - (a) Register of directors
  - (b) Notice of meeting of the board of directors Board meeting minutes and the company's annual report
  - (c) Notice of shareholder meeting and minutes of shareholder meetings
2. Keep reports on interests. reported by the committee or executives
3. Send a copy of the report of interest according to Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the company receives the report. and the company must provide a document preservation system or evidence related to displaying information and ensure that it is kept accurate, complete and can be inspected Within a period of not less than 10 years from the date such documents or information are created.
4. Carry out other actions as announced by the Capital Market Supervisory Board.
5. The company secretary must perform duties responsibly caution and honest including having to act in accordance with the law, objectives, and regulations of the company. Board resolution as well as shareholder resolutions by
  - 5.1 Decisions must be made based on information that is honestly believed to be sufficient.
  - 5.2 The decision was made without any personal interest. whether directly or indirectly in the matter decided
  - 5.3 Act honestly for the highest benefit of the company.
  - 5.4 Act with a legitimate and appropriate aim and do not act in a manner that is significantly contrary to or contrary to the Company's interests.
  - 5.5 Do not take advantage from using company information that you have known. Unless it is information that has already been disclosed to the public or use the company's assets or business opportunities in a manner that violates the rules or general practices as announced by the Capital Market Supervisory Board.
  - 5.6 Do not enter into any agreement or contract which may cause a conflict of interest with the company or its employees or customers. It is also contrary to the performance of one's duties.

In the event that the Company Secretary vacates his position and is unable to perform his duties. The Board of Directors shall appoint a new Company Secretary within 90 days from the date the previous Company Secretary leaves office or unable to perform duties

#### **7.3.4 Corporate Governance and Sustainability Committee**

The Corporate Governance and Sustainability Committee as of December 31, 2023, we have 3 members: 1 independent director and 2 executive directors. The independent director serves as the chairman of this committee, Corporate Governance and Sustainability Committee Have a role and responsibility in setting good corporate governance policies and policy framework for social responsibility activities and the environment, focusing on impacts on shareholders

and stakeholders. For sustainable development and growth of the organization by the duty of Corporate Governance and Sustainability Committee as follows:

Name - Surname	Position
1. Police general. Sakda TechaKriengkrai	Chairman of the Corporate Governance and Sustainability Committee/ Independent Director
2. Mr. Wasun Itthirojanakul	Corporate Governance and Sustainability Committee / Board of Directors
3. Miss Sirirat Itthirojanakul	Corporate Governance and Sustainability Committee / Board of Directors

**Remark:** Details of executives appear in the attached document.

#### **Scope of authority and duties of the Corporate Governance and Sustainability Committee**

1. Create a corporate governance and sustainability policy. Anti-Corruption Policy and related practices including business ethics and guidelines for good corporate governance presented to the Board of Directors
2. Review related policies at least once a year to ensure they are continuous and current. In line with international guidelines and recommendations from the Good Governance Promotion Department and partners. Securities and Exchange Commission and related government agencies
3. Supervise the work of executives and employees. To be in accordance with relevant policies Practices for corporate governance of the company and practices for good corporate governance of the Securities and Exchange Commission.
4. Supervise the provision of training for executives and employees. To provide knowledge about business ethics policy and related practices Policies and guidelines for combating corruption Personal Data Protection Policy PDPA
5. Review and evaluate policy compliance with directors and management.
6. Corporate Governance and Sustainability Committee Must hold meetings as necessary and appropriate at least twice a year and report meeting results. To the Board of Directors
7. Report to the Board of Directors regarding the Company's good corporate governance practices by providing comments and guidelines. and suggestions to improve as appropriate
8. Report to the Board of Directors. If it is found that there is a practice that is not in accordance with the business ethics policy and related guidelines. Policies and guidelines for combating corruption PDPA Personal Data Protection Policy stipulates penalties to be presented to the Board of Directors.
9. Prepare a report summarizing the performance and corporate governance of the Supervisory Committee. which will be compiled in the company's annual report
10. Perform any other duties assigned by the Board of Directors.

In this regard, the Corporate Governance and Sustainability Committee Meeting No. 1/2021, the meeting acknowledged the progress of the implementation of the Personal Data Protection Policy or PDPA, which came into effect in June 2022, with relevant agencies. Carry out, organize, and inspect according to various regulations including the implementation of anti-corruption or corruption policies. The Company has announced its intention to join the fight against corruption in the Thai private sector (CAC: Collective Action against Corruption) and is in the process of following the steps under the supervision of the responsible agency. And the meeting considered appointing Ms. Sirirat Itthirojanakul to serve as secretary of the Corporate Governance Committee to ensure that the committee oversees corporate governance and sustainability Comply with policies and laws as well as various regulations related Prepare meeting invitation letter meeting minutes and conduct meetings of the Corporate Governance and Sustainability Committee including reports of

practices that are not in accordance with the business ethics policy. In 2023, the company did not find any notifications or complaints about non-compliance with the business ethics policy.

#### 7.4. Information about executives

##### 7.4.1. Management Team

The list of executives as of December 31, 2023 consisted of 8 people as follows:

Name – Surname	Position
1. Mr. Wasun Itthirojanakul	Managing Director
2. Mr. Christopher Robert Tape	Deputy managing director
3. Mrs. Nutcharat Itthirojanakul	Deputy Managing Director in Logistics
4. Mrs. Podjamarn Wongsuwan	Deputy Managing Director in Accounting and Finance
5. Miss Sirirat Itthirojanakul	Assistant Managing Director in Marketing
6. Miss Narerat Itthirojanakul	Assistant Managing Director in Corporate Support
7. Mr.Papat Itthirojanakul	Production Manager
8. Mrs. Panun Pongpanich	Accounting and Finance

**Remark:** Details of the management team as per attached.

#### Scope of authority and duties of the Executive Committee

1. Responsible for controlling the management of the company in accordance with the policies set by the Board of Directors and reporting the results of operations to the Board of Directors. In conducting meetings of the Executive Committee, there must be no less than a committee member attending the meeting. More than half of the executive committee members. The resolution of the executive committee must receive a majority vote from the meeting and such votes count as at least half of the total executive committee votes.
2. Consider determining the authority and level of approval of each person. To be appropriate and provide for the separation of duties that may facilitate corruption. Including setting the steps and how to conduct transactions with Major shareholders, directors, executives or persons related to such persons appropriately to prevent the transfer of benefits and present to the Board of Directors for principle approval. Including controlling to ensure compliance with approved principles and regulations.
3. Consider the annual budget and steps in spending the budget to present to the Board of Directors and supervise spending according to the budget approved by the Board of Directors.
4. Consider improving the company's business plan to be appropriate. For the benefit of the company
5. Consider approving investments and set investment budgets. According to the authority in the authority manual
6. Consider making various contracts. That is binding on the company according to the authority in the authority manual.
7. Responsible for having sufficient important information of the company for use in decision-making by the board of directors and shareholders, including preparing reliable financial reports. Adhere to good standards and be transparent.
8. Consider the company's profits and losses and propose annual dividend payments to the board of directors.
9. Consider new business operations. or termination of business to propose to the Board of Directors
10. Supervise that there is a procedure for workers to report incidents or abnormal actions or illegal acts to the Executive Committee in a timely manner and in the event that such event has a significant impact It must be reported to the Board of Directors for consideration and correction. within a reasonable period of time



11. Take any action to support the above operations. or according to the opinion of the Board of Directors or as authorized by the Board of Directors
12. Proposing to the Executive Committee meeting any matter which has been voted and/or approved by the Executive Committee meeting. It must be reported to the Board of Directors at the next Board meeting.

#### **Scope of powers, duties and responsibilities of the Managing Director**

1. Controlling business operations Plan operational strategies and manage the daily operations of the company
2. Decide on important matters of the Company determine the mission, objectives, guidelines, and policies of the company. Including controlling management in various lines of work
3. Be the person with authority to command, contact, give orders, as well as sign legal contracts, documents, orders, and any notifications. As specified in the authority manual
4. Have the authority to hire, appoint, and transfer persons as deemed appropriate. as well as specifying the scope of authority and duties and appropriate remuneration and having the power to dismiss to be removed as appropriate of employees at various levels As specified in the authority manual
5. Have the power to determine trade conditions. For the benefit of the company
6. Consider investing in a new business or termination of business to present to the executive committee and/or company directors.
7. Approve and appoint various consultants. necessary for operations
8. Carry out any actions as assigned by the Executive Committee and/or the Company's directors.

In this regard, the assignment of powers, duties and responsibilities of the Managing Director as mentioned above is The Managing Director must comply with various regulations and agendas that has been approved by the Board of Directors and will not include authority and/or delegation of authority to approve any items that he or she or sub-attorney or persons who may have conflicts (as defined in the announcement of the Capital Market Supervisory Board) has conflicts of interest or interests in any other manner with the Company. Approval of such transactions must be presented to the board of directors' meeting and/or the shareholders' meeting (as the case may be) to consider and approve such transactions in accordance with the Company's regulations or related laws stipulated.

#### **Policy to limit the number of companies in which directors can serve as directors**

1. Company directors may hold directorship positions in no more than 5 companies listed on the Stock Exchange of Thailand, without exception.
2. Company directors may serve as directors at other companies listed on the Stock Exchange of Thailand. But it must not be an obstacle to the performance of the duties of the Chairman of the Board of Directors and that business must not be the same type of business or compete with the Company's business. They must receive approval from the Board of Directors before assuming such positions.

#### **7.4.2. Remuneration for directors and executives**

##### **Compensation for company directors**

##### **Policy and criteria for remuneration of company directors**

The Company has established a Nomination and Remuneration Committee to consider the format and criteria for remuneration of directors Considering suitability and consistency with the scope of duties and responsibilities of the directors. Related risks Long-term strategy and goals and compare with the remuneration rates of directors in industry groups that are at the same level to present opinions to the Board of Directors and/or present to the shareholders' meeting for consideration and approval.

The Ordinary General Meeting of Shareholders No. 1/2023 on 25 April 2023 approved the remuneration rate for directors. It shall be effective until the shareholder meeting determines otherwise. The directors who are assigned to be members of the sub-committees receive such remuneration which changes according to suitability and the performance of their duties by the committee. Except that directors who are executives and executives will not receive compensation from serving as sub-committees.

#### **Monetary compensation**

The 2023 Annual General Meeting of Shareholders on April 25, 2023 passed a resolution approving the determination of remuneration for the Company's directors in the form of meeting allowance per meeting. The details are as follows:

Position	Meeting allowance per Time Year 2022	Meeting allowance per Time Year 2023
Chairman of the Board	18,000	20,000
Chairman of Audit Committee	14,000	16,000
Chairman of the Nomination and Remuneration Committee	14,000	16,000
Chairman of the Risk Management Committee	14,000	16,000
Chairman Corporate Governance and Sustainability Committee	14,000	16,000
Board of Directors	12,000	14,000
Audit Committee Director	12,000	14,000
Nomination and Remuneration Committee	12,000	14,000
Compensation and benefits other than meeting allowances	None	None

**Remark:** - Directors who are involved in managing the company's business operations there will be no right to receive Directors' remuneration, the said remuneration is effective from 2015 onwards. The said remuneration Amount changes according to suitability and performance of duties of the committee.

- Incidentally, the company does not pay compensation and any other benefits to directors other than those specified above. Same as 2022
- Non-monetary compensation and other compensation - None -

In this regard, the meeting has determined the remuneration of directors in a total amount not exceeding 2,000,000 baht per year as of December 31, 2023, remuneration for each company director. In the form of meeting allowances, the details are as follows:

Unit: Baht

List of directors	Year 2022						Year 2023					
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Committee	Corporate Governance & Sustainability Committee	Total	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Committee	Corporate Governance & Sustainability Committee	Total
1.Mr. Satian Pooprasert	108,000	-	-	-	-	108,000	76,000	-	-	-	-	76,000
2.Miss Jirayong Anuman-rajadhon	74,000	56,000	12,000	28,000	-	170,000	76,000	62,000	12,000	16,000	-	164,000
3.Mrs. Pennapha Dhanasarnsilp	72,000	48,000	14,000	-	-	134,000	66,000	54,000	14,000	-	-	134,000
4.Police general. Sakda TechaKriengKrai	72,000	48,000	-	-	-	120,000	66,000	54,000	-	-	30,000	150,000
5.Mr. Wasun Itthirojanakul	-	-	-	-	-	-	-	-	-	-	-	-
6.Mr. Christopher Robert Tape	-	-	-	-	-	-	-	-	-	-	-	-
7.Mrs.Podjamarn Wongsuwan	-	-	-	-	-	-	-	-	-	-	-	-
8.Miss Sirirat Itthirojanakul	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>326,000</b>	<b>152,000</b>	<b>26,000</b>	<b>28,000</b>	<b>-</b>	<b>532,000</b>	<b>282,000</b>	<b>170,000</b>	<b>26,000</b>	<b>16,000</b>	<b>30,000</b>	<b>524,000</b>

**Source:** Information from the company as of 31 December 2023.

**Remark:** 1 The 2023 Annual General Meeting of Shareholders will consider approving the remuneration of the Board of Directors for the year 2023

## Total remuneration of executive directors and executives

The Board has established a compensation policy for senior executives to ensure appropriateness under clear and transparent criteria. The Nomination and Remuneration Committee will consider and review the compensation of senior executives and present them to the Board of Directors for approval. By considering performance results that are consistent with the company's goals in both the short and long term. Business strategy Company performance Including being in line with the duties and responsibilities of senior executives. The purpose of compensation is to create motivation. The details are as follows:

- Short-term: Pay compensation in the form of salary and bonuses based on performance.
- Long-term: Guidelines for considering compensation in the form of common shares if in the future there are subsidiaries of the company.

The Board of Directors is the person who evaluates the performance of the executives by looking at data for the current year and comparing historical data on various factors as follows:

1. Results of the company's operations each year
2. Compare operating results of operations in the same industry
3. Ability to develop the business and improve the efficiency of the company's operations each year. and ESG performance results as the company has set goals

In 2023, the company paid compensation consisting of salary and bonuses to 7 executives, totaling 24,861,505 baht (not including accounting and finance staff).

Compensation for the management	2021		2022		2023	
	No. (Persons)	Amount (Baht)	No. (Persons)	Amount (Baht)	No. (Persons)	Amount (Baht)
Salaries and bonus	7	24,694,887	7	25,835,293	7	23,961,647
Provident fund contributions	7	358,467	7	377,080	7	375,858
Others	4	424,000	4	532,000	4	524,000
<b>Total</b>		<b>25,477,354</b>		<b>26,744,373</b>		<b>24,861,505</b>

**Source:** Information from the company as of 31 December 2023

**Remark:** The Company has established a provident fund on July 31, 2014, which is managed by Kasikorn Asset Management Company Limited

/1 Other executive compensation includes meeting allowances.

## 7.5. Information about employees

### Personnel

As of December 31, 2023, the company has a total of 525 employees, of whom 273 are male and 252 are female. In 2023, the company pays remuneration for such personnel (excluding executives), which consists of salary, wages. Overtime pay, bonuses and provident fund contributions not including other employee expenses, totaling 122.72 million baht.

## Personnel compensation

Total employee compensation Company employee and the nature of returns

Unit : Million baht	2021	2022	2023
Compensation of full-time employees in the form of salaries and wages	86.39	93.13	93.71
Provident Fund, Bonus and other benefits <sup>/1</sup>	40.33	40.05	29.01
<b>Total</b>	<b>126.72</b>	<b>133.18</b>	<b>122.72</b>

**Remark:** /1 Other benefits include overtime pay (OT), shift pay, hot pay, extra pay for pumping work, position pay, delivery department allowances. Social security costs Compensation fund.

## Provident fund

The Company has assigned Kasikorn Asset Management Company Limited to be the manager of the Company's provident fund. In 2023, as of December 31, 2023, the proportion of employees participating in the provident fund compared to the total number of employees is as follows:

list	Pioneer Motor Public Company Limited		
	2021	2022	2023
No. of Employees Joining Provident Fund (Person)	241	230	199
Prop of Employees Joining Provident Fund/Total Employees	47.16%	41.74%	37.90%
Amount of money contributed by the company to the provident fund (Baht)	1,297,905.92	1,265,267.76	1,247,595.79

## Other compensation

- Do not have -

## Important labor disputes in the past 3 years

The Company has no labor disputes with executives or employees regarding rights violations or breaches of employment contracts.

### 7.6. Other important information

#### 7.6.1. Company Secretary

The Board of Directors' Meeting No. 1/2015 (after transformation) on April 29, 2015 resolved to appoint Ms. Sirirat Itthirojanakul as the Company Secretary. Who has knowledge and ability and has been trained in courses related to the performance of duties of a company secretary. They must perform their duties responsibly. caution and honesty According to the Securities and Exchange Act (No. 4) B.E. 2008, Section 89/15 and Section 89/16, which specifically defines the roles, duties and responsibilities of the Company Secretary as follows:

### Roles, duties and responsibilities of the company secretary

1. Prepare and keep the following documents.
  - (a) Register of directors
  - (b) Notice of meeting of the board of directors Board meeting minutes and the company's annual report
  - (c) Notice of shareholder meeting and minutes of shareholder meetings
2. Keep reports on interests. that are reported by directors or executives

3. Send a copy of the report of interest according to Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the company receives the report. and the company must provide a document preservation system or evidence related to displaying information and take care of the storage to be accurate, complete, and able to be inspected Within a period of not less than 10 years from the date such documents or information are created.
4. Carry out other actions as announced by the Capital Market Supervisory Board.
5. The company secretary must perform duties responsibly. Caution and honest including having to act in accordance with the law, objectives, and regulations of the company. Board resolution as well as shareholder resolutions by
  - 5.1. Decisions must be made based on information that is honestly believed to be sufficient.
  - 5.2. The decision was made without any personal interest. whether directly or indirectly in the matter decided
  - 5.3. Act honestly for the highest benefit of the company.
  - 5.4. Act with a legitimate and appropriate aim and do not act in a manner that is significantly contrary to or contrary to the Company's interests.
  - 5.5. Do not take advantage from using company information that you have known. Unless it is information that has already been disclosed to the public or use the company's assets or business opportunities in a manner that violates the rules or general practices as announced by the Capital Market Supervisory Board.
  - 5.6. Do not enter into any agreement or contract which may cause a conflict of interest with the company or its employees or customers. It is also contrary to the performance of one's duties.

#### **Principles of work of the company secretary**

The company secretary must perform duties responsibly caution and honest Including having to act in accordance with the law, objectives, and regulations of the company Board resolution as well as shareholder resolutions by

1. Decisions must be made based on information that is honestly believed to be sufficient.
2. The decision was made without any personal interest. Whether directly or indirectly in the matter of death
3. Act honestly for the highest benefit of the company.
4. Act with a legitimate and appropriate goal and do not act in a manner that significantly conflicts with or conflicts with the Company's interests.
5. Do not take advantage of the company's information. Unless it is information that has already been disclosed to the public. or use the company's assets or business opportunities in a manner that violates the rules or general practices as announced by the Capital Market Supervisory Board.

#### **Brief history of the company secretary**

##### **Miss Sirirat Itthirojanakul**

Education: Bachelor's degree, Faculty of Commerce and Accountancy (English Program) Bachelor of Business Administration Program (Finance and Banking) Thammasat University  
Master of International Business, Thunderbird University Arizona, USA

Training course: Director Accreditation Program (DAP) course, class SEC/2015  
 Company Secretary Program, Class 64/2015  
 Ethical Leadership Program (ELP) course, class 19/2020  
 Ethics course for directors that should not be missed

Skills and experience in performing duties: has the ability to coordinate Summary of issues Preparation of meeting minutes Have flexibility in working Have creative ideas Good human relations, leadership, communication techniques and strategic planning

#### 7.6.2. Head of internal audit and performance of duties

Audit Committee It was resolved to appoint Act-Plus Consultant Co., Ltd. ("Act-Plus Co., Ltd."), which is an external organization (Outsourcing) to perform the duties of the company's internal auditor and assigned Ms. Wanna Meluennon, managing director of Act-Plus Consultant Co., Ltd., to be the main person responsible for performing her duties as the head of the company's internal audit department.

**Remark:** Information about the internal audit supervisor and performance of duties appears in attachment 3.

#### 7.6.3. The supervisor oversees the company's operations. (compliance)

The company has defined roles and responsibilities, including reporting and supervising compliance with laws and regulations and assigned Ms. Sirirat Itthirojanakul to act as the supervisor of the company's operations.

### Roles, duties and responsibilities

- (1) Support the policies and objectives of the organization and senior management in ensuring that compliance is adequately monitored.
- (2) Bring information obtained from analysis and evaluation to executives in order to increase efficiency in supervising compliance with regulations and enable executives to receive adequate information regarding the status of Compliance Risk.
- (3) Educate employees to learn about compliance issues.
- (4) Establish a central agency responsible for answering questions and concerns regarding risks in complying with regulations.
- (5) Prepare best practices and a manual so that personnel in the business can comply with the criteria appropriately. and improve the best practices and manual to suit the situation
- (6) Compliance risks are measured and assessed in order to obtain risk information in advance and can prepare organizations and employees to respond to compliance risk events. Timely
- (7) Gather information on compliance issues. Especially customer complaints Opinions from the regulatory agency to develop and improve additional supervision measures.
- (8) Testing of the effectiveness of supervision is followed up as necessary.

#### 7.6.4. Head of Investor Relations

### Roles and duties of investor relations

To communicate important information to investors Retail investors, shareholders and securities analysts The Company places importance on disclosing information that is accurate, complete, transparent, and thorough, including presenting work results and informing corporate information to institutional investors Retail investors, shareholders and securities analysts as well as those involved In addition, shareholders, investors and those interested You can contact the investor relations department to inquire about the company through various channels as follows:

Miss Sirirat Itthirojanakul serves as Head of Investor Relations.

Investor Relations Department, Pioneer Motor Public Company Limited

Office No. 78, 78/4, 78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120

Website: [www.pionermotor.th.com](http://www.pionermotor.th.com)



## 7.6.5. Auditor's remuneration

The 2023 Annual General Meeting of Shareholders on April 25, 2023 resolved to approve the appointment of AST Master Company Limited as the Company's auditor in 2023 for the fiscal year ending December 31, 2023.

**1. Audit Fee**

The Company paid audit fees to AST Master Company Limited in the amount of 1,175,000 baht, which consisted of: Fee for reviewing quarterly financial statements Annual audit fee Information system inspection fee Observation fee for product destruction and overtime pay Travel expenses Other expenses actually withdrawn (Out-of-Pocket Expense) related to quarterly financial statement review and auditing

	Unit: Baht		
	2021	2022	2023
1. Annual audit fee	800,000	820,000	845,000
2. Fee for reviewing interim financial statements	330,000	330,000	330,000
<b>Total</b>	<b>1,130,000</b>	<b>1,150,000</b>	<b>1,175,000</b>

**Remark:** 1. Fee for reviewing interim financial statements. It is the fee for reviewing the quarterly financial statements for 3 quarters each year.  
2. The fee for auditing this year's financial statements the cost of auditing the financial statements of the Board of Investment (BOI) has been included.

**2. Non Audit Fee**

The company does not pay compensation for other services to the auditing office in the fiscal year 2023.

**8. Report on key performance results in corporate governance**

8.1. Summary of the performance of the committee's duties in the past year.

8.1.1 Recruiting, developing and evaluating the performance of the committee's duties.

**(1) Selection and appointment of directors**

The Board of Directors must consider or assign the Selection Committee to consider criteria and methods for recruiting qualified persons to hold the position of Managing Director in order to ensure continuous business operations. The board must supervise the creation of a succession plan in order to prepare for succession to the position of president and senior executives and have the President report the results of operations according to the succession plan to the Board of Directors periodically, at least once a year.

**Recruitment guidelines and selection criteria**

Nomination and Remuneration Committee Is the person who prepares the succession plan executive Chairman Managing Director and executives of the company to propose to the Board of Directors for consideration for recruiting and selecting individuals to hold executive positions in the company. Nomination and Remuneration Committee Arrangements have been made to follow up on the progress of the succession plan including reporting the progress of the succession plan to the Board of Directors. It covers the following positions:

## **1. Managing Director level**

When the position of executive director at the managing director level is vacant or the person in the position is unable to perform their duties in the position, the company will have a recruitment guideline by hiring executives at similar levels. or at the secondary level as an acting person in the position until the recruitment and selection of persons with primary qualifications According to the company's criteria Determined by consideration of the Nomination and Remuneration Committee as the recruiter to present to the Board of Directors Consider and approve the appointment of a suitable person to continue in the position.

### **The main qualifications of a managing director are as follows:**

1. Education not lower than bachelor's degree
2. Have knowledge and ability Experience in industrial management
3. Have leadership and a broad vision.
4. Have the ability to plan strategies and manage organizations.
5. There is a decision. Discreet problem solving Consider society, the environment, and the highest benefits of the company.

### **Individual development guidelines**

1. Attend seminars on directors' courses that are necessary to benefit the performance of duties.
2. Always support the exchange of ideas with organizations and external experts of various organizations.

## **2. Executive level**

When an executive level position resigns or the person in the position is unable to perform their duties, the Company will present the selected successor to the Executive Committee in this regard, the Company's succession planning at the executive level. There is a process as follows:

1. Analyze the company's business situation. In terms of company strategy, policy, investment plan, expansion plan
2. Evaluate the readiness of manpower to be consistent with the company's strategy. Both in the short term and in the long term
3. Set a plan to create readiness of manpower. It will develop employees or recruit new employees. To prepare to replace employees who have left.
4. Create an employee recruitment plan. (Recruitment) and develop employee training (Employee Training and Development) in advance by providing training courses. to develop employees Prepare employees
5. Define abilities (Competencies), which means the knowledge, skills, personality, and desirable attitude of employees in that position.
6. Select, evaluate the performance, and evaluate the potential of employees to determine their suitability.
7. Use personnel testing and evaluation tools to analyze employee potential

### **Criteria and methods for selecting individuals**

1. The Compensation and Selection Committee selects qualified persons by considering the names and profiles of those nominated as directors to replace the original committee who vacated their positions upon the expiration of their terms. Propose by shareholders or from a list of professional directors to be in line with the company's business strategy by creating a Board Skill Matrix for selection based on good qualifications. Diversity in terms of qualifications, profession, skills, age, experience, gender, race, religion, origin, expertise and specific abilities there are required in the current situation.

2. It is the right of every shareholder equally to nominate other persons to be considered by the Company. Guidelines for nominations and announcements have been established through the news system of the Stock Exchange of Thailand for 90 days in advance of the end of the accounting period.

3. The Compensation and Nomination Committee is responsible for screening and checking the names of those who will be nominated as directors with the relevant agencies to ensure that they are qualified and do not lack trustworthiness.

4. The Nomination and Remuneration Committee presents the names of the persons who have passed the consideration to the meeting of the Board of Directors. If it is the case that the directors have completed their terms, the Board of Directors will present them to the meeting of shareholders for consideration and approval, and if in other cases, they can be appointed by the Board of Directors.

5. In voting to elect directors, shareholders have one vote per share and will use the individual election method. The board of directors must clearly establish policies and procedures for the managing director and executives to serve as directors at other companies both the type of director position and the number of companies in which the position can be held

## (2) Development of directors and executives

The Board of Directors encourages directors and executives to participate. Seminars and training to continuously develop knowledge that is beneficial to the performance of duties, including meeting and exchanging ideas with the Board of Directors the Company Secretary has been assigned to coordinate with directors and executives to attend training. Director courses and other courses of the Thai Institute of Directors and the Stock Exchange of Thailand, etc., with training courses related to the performance of duties of directors organized by the Thai Institute of Directors Association (IOD). And in the case of new directors, the company will support them to pass the Training and receiving a certificate as soon as possible from the date of appointment, such as Director Certification Program, Direct Accreditation Program (DAP), Audit Committee Program (ACP), anti-Corruption.

In addition, every member of the Board of Directors has completed 100% of the training courses organized for directors as follows:

Name-Surname	Position	Training course for the Thai Institute of Directors Association (IOD)					
		Director Accreditation Program(DAP)	Role of the Chairman Program (RCP)	Advanced Audit Committee Program (AAP)	Directors Certification Program (DCP)	CFO's Orientation Course for New IPOs	TLCA CFO Professional Development Program (TLCA CFO CPD)
Mr. Satian Pooprasert	Chairman of the Board	✓	✓		✓		
Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director			✓	✓		
Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director	✓			✓		

Name-Surname	Position	Training course for the Thai Institute of Directors Association (IOD)					
		Director Accreditation Program(DAP)	Role of the Chairman Program (RCP)	Advanced Audit Committee Program (AAP)	Directors Certification Program (DCP)	CFO's Orientation Course for New IPOs	TLCA CFO Professional Development Program (TLCA CFO CPD)
Police general. Sakda TechaKriengkrai	Audit Committee Director / Independent Director	✓					
Mr.Wasun Itthirojanakul	Board of Directors / Managing Director	✓					
Mr.Christopher Robert Tape	Board of Directors / Deputy managing director	✓					
Mrs. Podjamarn Wongsuwan	Board of Directors / Deputy Managing Director of Accounting and Finance	✓				✓	✓
Ms.Sirirat Itthirojanakul	Board of Directors / Assistant Managing Director in Marketing	✓					
Total		7	1	1	3	1	1

#### Courses that company directors will receive training in 2023

No.	Name-Surname	Position	Name of the course being trained in 2023
1.	Mr.Wasun Itthirojanakul	Board of Directors / Managing Director	<ul style="list-style-type: none"> <li>- Joint Government-Private Sector Administration of Society's Peace and Order Course : 10</li> <li>- PDPA Going Forward</li> <li>- Seminar on the topic "Role and Duties of Directors and Executives of Listed Companies"</li> <li>- Hot issue for Director course: Climate Governance</li> </ul>
2.	Mrs. Podjamarn Wongsuwan	Board of Directors / Deputy Managing Director of Accounting and Finance	<ul style="list-style-type: none"> <li>- PDPA Going Forward</li> <li>- Topic courses "Company valuation techniques to suit the business In the present era" 2nd generation</li> <li>- Hot issue for Director course: Climate Governance</li> <li>- TLCA CFO CPD training No. 6/2023, topic: What is the future of the CFO role?</li> <li>- TLCA CFO CPD training No. 7/2023, topic: Economic Update for CFO (2nd time)</li> <li>- TLCA CFO CPD Training No. 8/2023, Topic: Guidelines for issuing and offering debt instruments for environmental conservation.</li> </ul>

No.	Name-Surname	Position	Name of the course being trained in 2023
			- "Role and Duties of Directors and Executives of Listed Companies"
3.	Ms.Sirirat Itthirojanakul	Board of Directors / Assistant Managing Director in Marketing	<ul style="list-style-type: none"> <li>- Business and human rights course for listed companies and guidelines for self-inspection of business operations with respect for human rights in all aspects.</li> <li>- PDPA Going Forward</li> <li>- Training to prepare before the THSI 2023 sustainability assessment</li> <li>- Training, workshops to develop organizational potential to become a model organization in human rights in the year 2023</li> <li>- Training "Techniques for organizing committee meetings"</li> <li>- CGR Workshop 2023: "Seminar to clarify criteria for surveying CGR projects for the year 2023"</li> <li>- Training on "Disclosing information through the SETLink system" No. 3/2023 for listed companies</li> <li>- Training on "Disclosing sustainability information according to ISSB standards and linking it to the 56-1 One Report"</li> <li>- Seminar on the topic: Board Retreat   NED Meeting</li> <li>- CYBER VISION 2023: Protect and Detect: Don't Let Your Guard Down</li> <li>- Seminar on the topic "Impacts of Climate Change on Business"</li> <li>- Intensive training and tutoring to get 100 percent for the AGM Checklist evaluation form.</li> <li>- Seminar on the topic of guidelines for disclosing ESG information in One Report</li> <li>- Training on the topic COSO-ERM 2017, organizational risk management</li> <li>- "Role and Duties of Directors and Executives of Listed Companies"</li> </ul>
4.	Ms.Narerat Itthirojanakul	Assistant Managing Director in Corporate Support	<ul style="list-style-type: none"> <li>- PDPA Going Forward</li> <li>- Operational meeting to develop the organization's potential to become a model organization in human rights in 2023</li> <li>- Seminar on the topic "Role and Duties of Directors and Executives of Listed Companies"</li> <li>- CYBER VISION 2023: Protect and Detect: Don't Let Your Guard Down</li> </ul>
5.	Mr.Papat Itthirojanakul	Production Manager	<ul style="list-style-type: none"> <li>- PDPA Going Forward</li> <li>- Operational meeting to develop the organization's potential</li> </ul>

No.	Name-Surname	Position	Name of the course being trained in 2023
			to become a model organization in human rights in 2023
			- Seminar on the project to develop the robot and automation industry to enhance competitiveness towards Industry 4.0
			- Seminar on the topic "Role and Duties of Directors and Executives of Listed Companies"

The company realizes the importance of continuously developing the knowledge of directors. This includes developing relevant skills, knowledge, and abilities including changes in laws, rules and regulations. Related to business operations, there is also an orientation for new directors. Emphasis is placed on ensuring that the directors' performance of duties achieves the objectives, goals and provides maximum benefit to the organization. The company has set guidelines as follows:

#### Board

Board of Directors Executive Committee Nomination and Remuneration Committee Audit Committee and the Corporate Governance Committee Should attend training/seminar courses that are beneficial to performing duties. Both in terms of laws, regulations or requirements organized by the Thai Institute of Directors Association (IOD), Office of the Securities and Exchange Commission. Stock Exchange of Thailand Capital Market Supervisory Board Thai Institute of Directors Association or other institutions related to the performance of duties

#### New director

Directors accepting new positions Or new directors will receive orientation according to the director development plan to receive important information regarding the Company's business operations. Business goals Overall nature of the company's business, roles, duties and responsibilities Including creating an understanding of the organization's objectives, goals, vision, mission, and values. As well as providing legal advice, regulations, announcements, requirements, and related acts. Various conditions of being a director of a company listed on the Stock Exchange of Thailand Including company regulations from the board of directors adequately before performing their duties according to the Board Orientation Guidelines of the Stock Exchange of Thailand (SET). In addition, the company also promotes and supports new directors to attend. train Seminars on courses related to the performance of duties, including the courses of the Thai Institute of Directors Association (IOD), especially the Director Certification Program (DCP) and the Director Accreditation Program (DAP), as well as the Office of the Securities and Exchange Commission (A.K.) Stock Exchange of Thailand (SET) or other agencies related To develop knowledge, abilities, and increase skills beneficial to the performance of directors' duties according to the continuous director development plan to comply with relevant requirements, laws and regulations.

#### Company secretary

The Board of Directors encourages and supports the Company Secretary to continuously attend training/seminars in necessary and relevant courses that will be beneficial to the performance of duties including certified courses (Certified Program) for developing skills in performing duties annually. including legal, accounting, rules or regulations organized by the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand. Thai Investors Association (TIA), Social Business Institute (CSRI), Thai Development Institute, Thai Company Secretary Club (TCSC), Association of Companies Listed on the Market for

Alternative Investment (maiA) or other institutions on related topics regularly to develop the potential to perform duties in accordance with regulations and requirements according to relevant laws.

#### Orientation for new directors

The company is aware of the importance of new directors performing their duties. Therefore, an introduction to the overall operating guidelines of the company is provided. Subsidiary structure and related business companies In order to understand both the working methods and the shareholding structure between each other. It also provides important information necessary for the performance of the directors' duties, such as business goals. Overall nature of the company's business Roles and duties of directors working structure within the company Company regulations Company objectives Business Ethics of the Board of Directors Listed Company Directors' Manual Good corporate governance policy Relevant laws, financial statements, notes to the financial statements including arranging a meeting with the Chairman of the Board of Directors. Board of Directors Company sub-committee to receive information about the company's business operations

#### Policy on succession plans

The company is aware of the importance of the policy regarding succession plans which is considered part of human resource planning the compensation and benefits for personnel are determined and maintained appropriately and fairly to maintain personnel and be ready to grow with the company in the long term. In addition, the company there is a plan for selecting personnel who will be responsible for important management positions at all levels in an appropriate and transparent manner to ensure that the company Get professional executives and to prepare personnel with adequate qualifications, knowledge and ability. To be ready to replace executives and senior executives In the event of resignation, retirement, completion of term, or inability to perform duties in any case, this is in order to ensure the smooth continuation of work in that position. Effective and reduce the risk of not having a successor

### **(3) Evaluation of committee performance Sub-committees and Chairman of the Executive Committee (CEO)**

Nomination and Remuneration Committee the Corporate Governance Committee organizes an evaluation of the performance of the Board of Directors. Both faculty and individual evaluation formats (self-evaluation) are done annually at least once a year and the overall criteria, procedures, and evaluation results are to be disclosed in the annual report, Form 56-1 One Report.

- Evaluation of the performance of the committee's duties.

#### Criteria

Nomination and Remuneration Committee the Corporate Governance Committee organizes an evaluation of the performance of the Board of Directors. Both faculty and individual evaluation formats (self-evaluation) are done annually, at least once a year, using the committee's self-evaluation guidelines. From the Stock Exchange of Thailand<sup>1</sup> adapted to suit the nature and structure of the committee. To be used as a framework for examining the performance of duties of the Board of Directors and encourage joint consideration of work and problems on various issues related to the operations of the company and good corporate governance and to disclose the overall criteria, procedures, and evaluation results in the annual report, Form 56-1 One Report.

#### **Topics for evaluating the performance of each committee's duties are as follows:**

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



- 3) Board meeting
- 4) Duties of directors
- 5) Relationship with management
- 6) Self-development of directors and development of executives
- 7) Results of the assessment of corporate governance of the Company's listed companies. By the Thai Institute of Directors Association

**Topics in evaluating the performance of individual committee members (self-assessment) are as follows**

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

**Step**

The Company organizes an annual evaluation of the performance of the Board of Directors to assess the performance of the past year. The Company Secretary will send the said evaluation form to each director to evaluate both as a group and individually (self-evaluation) and compile and present to the Nomination and Remuneration Committee. Corporate Governance Committee To evaluate performance and bring the evaluation results to discuss at the committee meeting this is for various suggestions. Received from the evaluation of the performance of the committee The Company It has been used to improve the effectiveness of the committee's work in order to maximize the benefits of corporate governance.

Results of the evaluation of the performance of the committee as a group and individually in 2023 on the topic of committee structure and qualifications roles, duties and responsibilities of the committee board meeting Duties of directors Relationships with management Self-development of directors and development of executives in 2023 found that the evaluation results were in good terms. The average score was 3.91.

- Evaluation of the performance of sub-committees.

Criteria

Board of Directors Organize an annual evaluation of the performance of each subcommittee at least once a year using the board self-assessment guidelines from the Stock Exchange of Thailand it has topics regarding the appropriate structure and qualifications of each sub-committee sSubcommittee meeting and the roles, duties and responsibilities of each sub-committee. It is important to take time to consider, review and act in accordance with various matters adequately.

Step

The Company arranges for an annual evaluation of the performance of each sub-committee. To evaluate operations in the past year The Company Secretary will send an evaluation form to the Executive Chairman to evaluate the performance of each sub-committee and bring the evaluation results to discuss at the committee meeting

The results of the performance evaluation of the sub-committees, consisting of the Audit Committee Nomination and Remuneration Committee Corporate Governance Committee and the Risk Management Committee in 2023 found that the evaluation results were in good terms.

- Performance evaluation of the Chairman of the Executive Committee (CEO)

Criteria

Board of Directors Provide an annual evaluation of the performance of the Chief Executive Officer (CEO) at least once a year on the topic of leadership Setting and implementing strategic plans Financial planning and performance Relationship with the committee external relations Administration and personnel relations succession Product and service

knowledge Risk management and internal control, corporate governance and personal characteristics Using evaluation guidelines from the Stock Exchange of Thailand

#### Step

The Company arranges for an annual evaluation of the performance of the Executive Chairman. To evaluate operations in the past year The Company Secretary will send the evaluation form to the Company's independent directors or all non-executive directors or Nomination and Remuneration Committee Corporate Governance Committee to evaluate performance and bring the evaluation results to discuss at the committee meeting and determine the suitability of compensation further.

The results of the evaluation of the performance of the Chief Executive Officer (CEO) in 2023 found that the evaluation results were in good terms. The results of all forms of evaluation above indicate satisfaction with the performance during the past year.

#### 8.1.2 Meeting attendance and compensation for individual committee members

##### Meeting attendance

Meetings of the Board of Directors and Subcommittees Meetings are scheduled quarterly and the schedule has been communicated. All yearly meetings are given in advance to all directors. The company secretary sent a meeting invitation along with regulations. Agenda and meeting documents are given to the committee 7 days in advance and a minimum number has been set. Committee quorum In voting at the meeting Each time there must be directors present at the meeting of not less than half (1/2) of the total number of directors to form a quorum.

The company has set the schedule for the 2024 annual board meeting in advance. (This meeting schedule is subject to change) excluding special agenda meetings as follows:

No.	Board of Directors Meetings	Audit Committee Meeting	Annual General Meeting of Shareholders 2024
1.	Tuesday, February 27, 2024	Tuesday, February 27, 2024	Thursday, April 25, 2024
2.	Tuesday, May 14, 2024	Tuesday, May 14, 2024	
3.	Tuesday, August 13, 2024	Tuesday, August 13, 2024	
4.	Tuesday, November 12, 2024	Tuesday, November 12, 2024	

The Board of Directors requires that independent directors and non-executive directors meet together at least once a year, with no executive directors or management attending the meeting. To provide an opportunity to discuss issues related to the Company's business together to discuss the views and expectations of the Board of Directors regarding the Company's management over the past year and bring forward suggestions with opinions. Freedom for executives To consider and apply it to the company's operations in the future.

In meetings of non-executive directors, the chairman of the board of directors shall be the chairman of the meeting. If the chairman of the board of directors is unable to attend the meeting, the meeting shall select one director to act as chairman of the meeting instead and the company secretary. Be the secretary of the meeting

In 2023, the company has provided meeting facilities via electronic media (E-meeting) for directors to attend meetings of the Board of Directors and sub-committees to provide opinions or suggestions that are beneficial to the board of directors. Company management or operations

Name - Surname	2022										2023									
	Board		Audit		Nomination		Risk		Corporate		Board		Audit		Nomination		Risk		Corporate	
	of Directors		Committee		and		Management		Governance&		of Directors		Committee		and		Management		Governance&	
			Director		Remuneration		Committee		Sustainability				Director		Remuneration		Committee		Sustainability	
	Physical	E-	Physical	E-	Physical	E-	Physical	E-	Physical	E-	Physical	E-	Physical	E-	Physical	E-	Physical	E-	Physical	E-
	meeting		meeting		meeting		meeting		meeting		meeting		meeting		meeting		meeting		meeting	
1. Mr. Satian Pooprasert	-	6/6	-	-	-	-	-	-	-	-	-	4/5	-	-	-	-	-	-	-	-
2. Miss Jirayong Anuman-rajadhon	-	6/6	-	4/4	-	1/1	-	2/2	-	-	-	5/5	-	4/4	-	1/1	-	1/1	-	-
3. Mrs. Pennapha Dhanasarnsilp	-	6/6	-	4/4	-	1/1	-	-	-	-	-	5/5	-	4/4	-	1/1	-	-	-	-
4. Police general. Sakda TechaKriengkrai	-	6/6	-	4/4	-	-	-	-	-	-	-	5/5	-	4/4	-	-	-	-	-	2/2
5. Mr. Wasun Itthirojanakul	6/6	-	4/4	-	1/1	-	2/2	-	-	-	1/5	4/5	-	4/4	-	1/1	-	1/1	-	2/2
6. Mr. Christopher Robert Tape	6/6	-	4/4	-	-	-	2/2	-	-	-	5/5	-	4/4	-	-	-	1/1	-	-	-
7. Mrs. Podjamarn Wongsuwan	6/6	-	4/4	-	-	-	-	-	-	-	5/5	-	4/4	-	-	-	-	-	-	-
8. Miss Sirirat Itthirojanakul	1/6	5/6	1/4	3/4	-	1/1	-	2/2	-	-	1/5	4/5	3/4	1/4	-	1/1	1/1	-	1/2	1/2

**Source:** Information from the company as of 31 December 2023

## **Directors' remuneration**

In 2023, the company paid remuneration to 4 directors, totaling 524,000 baht, in the form of meeting allowances, which were approved by the general meeting of shareholders. There is also no compensation and benefits other than those specified. The details of remuneration for the board of directors appear in section 7.4: Information about executives, subtopic 7.4.2: Remuneration of directors and executives.

### **8.1.3 Monitoring to ensure compliance with policies and guidelines.**

- 1) In the event that a violation of the law, rules, regulations, code of conduct or company policy is found or the subordinate has consented to such violation. The executive or employee must report directly to the Human Resources Department. The Human Resources Department will carry out the steps specified in the policies and procedures for further work on such matters.
- 2) The company will review its business ethics every 1 year to make it appropriate for the changing circumstances and business environment.

In addition, the company has to follow up to ensure compliance with good corporate governance in 4 other areas as follows:

#### **1) Preventing conflicts of interest**

Board of Directors a conflict of interest policy has been established based on the principle that business activities must be conducted for the highest benefit of the company only and should avoid various actions that may cause conflicts of interest. By requiring those who are involved or have an interest in the item being considered to notify the company. Be aware of your relationship or interest in the said transaction and must not participate in the decision making including disapproval of that transaction

#### **Policy to prevent conflicts of interest is as follows:**

1. Ensure that the company complies with the rules, procedures, and disclosure of information on connected transactions. As strictly specified by law or regulatory agency. and according to the company's regulations
2. Avoid making transactions related to yourself or related persons/entities. that may cause conflicts of interest with the company
3. In the case of a connected transaction that does not comply with general trading conditions in accordance with the principles approved by the Board of Directors or the nature and size of the transaction is not within the power of management's consideration. Must be reviewed and given opinions by the Audit Committee. Before presenting, request approval from the board of directors or shareholders.
4. In the event that it is necessary to make a connected transaction. The transaction must be in accordance with general commercial conditions in accordance with the principles approved by the Board of Directors. With transparency and fairness it is like doing a transaction with an outsider. and taking into account the highest benefits of the company
5. Those with vested interests must not take part in considering items with which they have a conflict of interest.

#### **Behavioral patterns of conflicts of common interests that are frequently seen**

1. Finding benefits for oneself or create an advantage from a position
2. Finding benefits for yourself or create an advantage from being an employee of the company
3. Using company information for personal and group benefits
4. Using company assets for personal gain and those of others.
5. Giving gifts or various gifts To progress in your career

6. Helping relatives to get jobs unfairly

The Company requires that directors, executives, and employees take any action based on the Company's interests and not involved in activities that may cause conflicts of interest

**Good practice**

1. Avoid getting involved in various things. that may result in damage to the company or cause conflicts of interest

**Penalties for violating the policy**

In cases where directors, executives, employees, and employees of the company violate, neglect, omit, or intend not to comply with the policy to prevent conflicts of interest or commit corruption. It is considered a violation of discipline which must be considered for punishment as determined by the company. In addition, you may be punished by law if your actions are illegal. Including claiming that you are not aware of this policy and/or related laws cannot be used as an excuse for not complying.

In the past year The Company provides knowledge to directors, executives, and employees about preventing conflicts of interest. By passing a training course on prevention of conflicts of interest the policy is publicized through e-mail and public relations boards. The company has not found any offenses that violate the conflict of interest policy.

**2) Using inside information to seek benefits**

Policy and guidelines for securities trading and use of inside information for profit

1. Directors and executives have a duty to report their securities holdings in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
2. The company must comply with the law regarding the use of inside information. By operating to be equitable and fair to all shareholders equally and in order to prevent illegal acts by personnel at all levels of the company and their families, everyone who is aware or may be exposed to inside information that has not yet been disclosed to the public. The Company therefore prohibits such persons from buying or selling shares or inviting others to buy or sell or offer to buy or offer Company shares either by yourself or through a broker while still in possession of information that has not yet been disclosed to the public. The Company and the Stock Exchange of Thailand regard such securities trading as securities trading for speculation or to create an advantage for a group of people. In this regard, directors, executives, officers, and employees of the company who are aware of material inside information that affects or may affect changes in the price of securities must refrain from trading in the company's securities within a period of 1 month before the change. Disclose quarterly and annual financial statements and within 24 hours after the company has disclosed such information to the public.
3. The Company has established a security system in the workplace to protect confidential files and documents and has taken steps to limit access to information that is not disclosed to the public. By only making known to relevant and necessary persons, it is considered the duty of the data owner or holder of information that has not yet been disclosed to the public to instruct those involved to strictly follow the security procedures. In this regard, violators Use of inside information will be subject to disciplinary action and/or the law, as the case may be.

In this regard, the securities trading policy Use of inside information and secrets of the company, directors, executives and all employees acknowledged for compliance in all respects. As well as supervise compliance with the established business ethics and employee ethics.

In the past year The Company Secretary Department will notify relevant persons via e-mail of the blackout period in advance, and the Company has no incidents where directors, executives, employees, or related persons violate the measures to prevent the use of inside information or there is any securities trading using inside information during the period specified by the company.

### **3) Anti-corruption**

The company is committed to conducting business with honesty and integrity. Management is transparent and verifiable and in accordance with the principles of good corporate governance (Good Corporate Governance) in order to continue to have business sustainability. The company is aware of the importance of running a clean business in order to conduct business efficiently, fairly and with responsibility towards society and stakeholders and prevent corruption that may occur in the organization in every case, the company has established business principles that do not support the business of groups or individuals who act illegally in seeking benefits.

#### **Anti-corruption policies and practices**

The Company's board of directors, executives, and employees are prohibited from requesting, performing, or accepting any form of corruption, both directly and indirectly to benefit the organization and its business operations and require regular reviews of compliance with the anti-corruption policy. Along with that, the roles, duties and responsibilities of the parties involved have been determined to be consistent with the company's policies and operations.

#### **Guidelines for following the anti-corruption policy**

Directors, managers and employees at all levels must comply with the company's anti-corruption policy. Strictly must not be involved in corruption in every case, whether directly or indirectly. This anti-corruption policy will include the work of contractors or business partners who come into contact with the company. The company has guidelines in accordance with the anti-corruption policy. According to the following types of corruption

##### **1. Giving bribes with money or giving benefits with other gifts**

The Company prohibits bribery with money or the provision of benefits through other gifts for personal gain. Regardless of the format with individuals or groups of people who have contact with each other both within the company and organizations outside the company such as government agencies and private agencies.

##### **2. Accepting bribes**

- 2.1. Employees at all levels are prohibited from accepting money, items, gifts or other gifts. That would be in the line of corruption. In order to prevent inefficient operations and impact on the company.
- 2.2. For various purchasing/hiring work Must be carried out according to the company's work procedures since proposing a bidding format Price comparison Selecting business partners and/or contractors by prohibiting employees in the company receive various offers or have hidden benefits with trading partners and/or contractors. The Company has a method of careful inspection through the relevant department manager and approval of the purchase/hiring must be made by the Managing Director.

##### **3. Charitable donation Public benefits and financial support**

The company has regulations for donating to charity. Public benefits and financial support are as follows:

- 3.1. In approving various donations must be in accordance with the approval authority of the organization. However, if the donation any format with a value of more than 10,000 baht must be approved by the company's directors.

- 3.2. The donation must be made in the name of the “Company” only. There must be clear and reliable evidence of the donation and must comply with the company's regulations and procedures. The company Donations will not be used as an excuse or used for any other purpose.

#### **4. Giving or receiving gifts, souvenirs, or entertainment.**

When giving or receiving gifts, souvenirs, or entertainment, the purpose is only to welcome or express congratulations without any other meaning.

#### **5. Convenience fee**

The Company does not have a policy to pay facilitation fees. However, facilitation payments can be made in cases where employees are in a situation that poses a physical threat or believe that their own life is in danger when such money has been paid, a written document must be prepared and submitted to the committee for review. The purpose and nature of such payments must be recorded correctly.

#### **6. Hiring government employees**

The company has established a policy for hiring government employees to hold positions as directors, executives, employees, and employees of the company or consultants of the company there must be a selection process. Employment approval determination of compensation and control processes to ensure that hiring government employees will not be in return for obtaining any benefits. Contribution to the Company destroys the image of trustworthiness and honesty in performing duties which is at risk of corruption.

The committee members and executives must be aware of the importance of disseminating knowledge and giving advice in order to create understanding for subordinates about anti-corruption. So that employees can comply with this anti-corruption policy. Including being a good role model. In terms of being honest. Ethics and Code of Ethics.

The company joined in announcing the intention of the Thai Private Sector Collective Action against Corruption (CAC) on April 22, 2021 and submitted a self-evaluation form to develop an anti-corruption system and reference documents according to the evaluation form to request certification from CAC in September 2022. The company was certified as a member of the Thai Private Sector Coalition against Corruption (CAC) for the first time on December 31, 2022.

#### **4) Reporting complaints and suggestions**

##### **Policy for reporting clues and receiving complaints**

To encourage all employees or customers or third parties to comply with the laws, rules, policies and regulations, including so that such persons can report any actions which is believed to be in conflict with the requirements of the law. Business ethics and standards for providing information.

##### **Matters received notification or file a complaint about corruption**

1. Witness corruption by people in the organization, such as giving or receiving bribes to outside people or agencies.
2. Perform work without following the company's procedures or regulations, which may result in corruption and damage to the organization.

##### **Guidelines and channels for receiving complaints Procedure for receiving complaints and conducting investigations**

So that the complainant or complainant can trust and believe in a fair investigation process in order to treat all stakeholders equally and with fairness and transparency, the company has provided channels for receiving clues or complaints or comments or any suggestions showing that stakeholders are affected or there is a risk of being affected,



causing damage to all groups of stakeholders from the Company's business operations or from the actions of the Company's employees regarding violations of laws, rules, regulations or ethics business Including behavior that may indicate corruption unequal treatment or actions that lack caution and lack of thoroughness the complainant or complainant can report clues or complaints ready to send details of various evidence via the following channels:

1. Company website                      www.pioneermotor.th.com
2. Email Audit Committee              jirayong@jaycapital.co.th  
Company                                      info@pioneermotor.th.com
3. By post or send directly to  
78, 78/4, 78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120
4. By telephone                      034 265 111 – 8
5. By fax                                      034 265119, 034 389222
6. Whistleblowing box (Located at the fingerprint scanning point opposite the raw material store department)

#### **Procedure for receiving complaints and conducting investigations**

1. The complainant sends the complaint to the Complaint Coordinator within 3 working days from the date of receiving the complaint from the complainant.
2. The Complaints Coordinator sends the complaints to the fact-finding working group for further consideration or investigation.
3. The matter received is a matter that the working group has considered and is of the opinion that It is not important. Submit the matter to the employee's direct supervisor for consideration. According to the Company's discipline and matters that are not factual or do not have conflicts of interest of the Company. Record it in the complaint register.
4. The matter received is a matter that the working group has considered and is of the opinion that there is a possibility that corruption will occur or related to conflicts of interest of the company the working group shall be responsible for the investigation and report the results of the investigation to the Audit Committee and Chairman of the executive Board to consider complaints and carry out according to the company's discipline or according to further legal punishment.

#### **Process for dealing with matters that have been reported/complaints**

1. When receiving a clue or complaint The Company will assign the internal audit department or other appropriate agencies to collect relevant facts in order to consider and screen the information received from whistleblowers. or complaint In the case of investigation, it is found that there is truth. The internal audit department or other assigned unit will present it to the audit committee. And the Board of Directors to consider and acknowledge and give orders or set guidelines for action and appoint a fact-finding committee to continue considering relevant matters.
2. After the investigation committee has examined the above facts, it will recommend action plans to the audit committee. And the Board of Directors to consider giving ordersand determines guidelines for correction and considers determining further penalties.

#### **Measures to protect complainants/informers**

- Those who report complaints those who provide useful clues including those who deny corruption will be protected and protected appropriately, such as no changes or transfers of job positions, job descriptions,

workplaces, suspensions, terminations, or negative consequences for the complainant. Even though that action will cause the company to lose business opportunities.

- Complainants can choose to remain anonymous. If it is seen that making a complaint will cause insecurity or damage to life and property
- The company will keep the information of the complainants and those involved secretly do not disclose information to unrelated persons and taking into account the safety of the complainant except in cases where it is necessary to disclose information in the process of processing or as required by law if you intentionally violate and disclose information, the company will take disciplinary action and/or take legal action against the violator, as the case may be.

The company requires executives at all levels in the organization to Take responsibility and consider it important to ensure that employees under your line of command know, understand, and comply with business ethics. The Company policies/practices/requirements Principles of good corporate governance including various laws seriously and setting guidelines for considering and investigating grievances or complaints there are systematic, transparent and verifiable.

### **Punishment**

The company has a process for punishing directors, executives, and employees of the company who do not follow the anti-corruption policy appropriately. This punishment includes verbal/written warnings, termination or dismissal according to the company's work regulations. Additionally, there may be legal penalties. If you do that violating the provisions of the law

In the past year The Company has no complaints or report any clues related to fraud or corruption to the Audit Committee, and there is no wrongdoing regarding the organization's ethics and code of conduct. There is no action that violates the regulations of regulatory agencies such as the SET and SEC.

#### **8.2. Report on the performance of duties of the Audit Committee in the past year.**

Please see the Audit Committee report at Attachment 6. Audit Committee Report.

#### **8.3. Report on the performance of duties of the sub-committees in the past year.**

Please see the reports of every sub-committee at Attachment 6 report of the Audit Committee report of the Nomination and Remuneration Committee Risk Management Committee Report and report the responsibility of the Board of Directors for financial reports.

### **9. Internal control and related transactions**

#### **9.1. Internal control**

The company has continuously placed importance on internal control. Emphasis is placed on having an internal control system that is adequate and appropriate for business operations. To increase efficiency and effectiveness in operations Use of resources and maintenance of assets including having an accounting and financial reporting system that is accurate and reliable. All laws, rules and regulations related to the Company's business operations are complied with. Strictly, the Board has assigned the Audit Committee to review the results of the internal control assessment and annual risk assessments

At present, the company has appointed Acc-Plus Consultant Co., Ltd. with Ms. Wanna Maluengnon, Head of Internal Audit. Perform duties as the company's internal auditor which evaluates facts by asking for information from the management team and documents received from the management team with Mrs. Panan Phongpanich, Accounting and Finance Officer. Is the person responsible for the internal control of the company and has a conclusion. From evaluating the company's internal control system in various aspects, 5 elements were found.

### 1. Internal control of the organization

The company has an appropriate organizational structure and support the management to be able to operate efficiently Policies and procedures are established that facilitate a good internal control system.

### 2. Risk management and assessment

The company places importance on risk management. The management has a risk assessment (Risk Assessment) that may have a significant impact on the company's business operations both from internal factors and external factors regularly The Company has appointed a risk management working group to be responsible for this duty.

#### The Risk Management Working Group consists of:

- Production working group
- Quality Control Working Group
- Engineering working group
- Human Resources Working Group
- Accounting and Finance Working Group
- Sales working group
- Purchasing working group
- IT working group

#### Scope of duties and responsibilities of the Risk Management Working Group

- 1) Consider or ponder the nature of the risks that the company is facing. or expected to suffer
- 2) Evaluate risks by analyzing the impact of such risks on the Company and the likelihood that such risks will occur.
- 3) Set measures to reduce risks to an appropriate level.
- 4) Prepare a risk management manual. and risk management plan
- 5) Present risk management measures/plans to the executive committee for approval.
- 6) Organize activities to operate according to the risk management plan, including informing/providing recommendations to various departments, acknowledging and following the risk management measures set in the same direction throughout the organization.
- 7) Establish measures to follow up on events that cause risk factors. Including measures to reduce risks regularly.
- 8) Consider and analyze all risks of the company and prepare a report for the Executive Committee to report to the Board of Directors.
- 9) Report risks to the internal auditor. and the Audit Committee every quarter
- 10) Ensure that risk communication is continually effective.

#### Summary of risk assessment

- S1 Technology change from AC Motor to DC Motor
- S2 Price competition from domestic and foreign competitors
- O1 Receiving orders from customers in advance that may affect raw material cost management.
- O2 Controlling raw material costs to remain competitive.

โอกาสเกิดผลกระทบ	1	2	3	4	5
5					
4			O11 O12	O7	
3	O14	O5 S1	O1		
2	O4 O10 O13	O3 S2 O16	O2 O8 O15	O9	
1					

S = Strategic Risk      O = Operational Risk  
F = Financial Risk      C = Compliance Risk

- O3 Prices of copper and aluminum wire change according to world market prices.
- O4 Finding a price comparison partner or compare prices from production sources
- O5 model and specs in the system are lost.
- O6 the delivery of the sample motor was not as scheduled.
- O7 There is only one machine or it is damaged or stopped for repairs, causing production to stop.
- O8 Production did not meet the target because parts did not arrive as scheduled.
- O9 QA the items that passed the inspection were mixed up during production.
- O10 QA controlling customer complaints
- O11 Recruiting personnel are behind.
- O12 Employees come and go frequently.
- O13 Employees who attend training have job duties that are not consistent with the curriculum.
- O14 Occurrence of various epidemics
- O15 IT PC expiration
- O16 IT Internet signals is unstable.
- O17 IT electrical system within the organization is disrupted.

Risk	Risk level	Acceptable goals
1. Risk from raw material costs adjusting prices every quarter This causes higher costs and More competition from competitors.	4	Low
2. Risk from accepting orders from customers in advance	5	Medium
3. Risk from technology change from AC Motor to DC Motor. Follow continuous development.	5	Medium
4. Risk from price competition from domestic and foreign competitors.	4	Low
5. Purchase orders (PO, PR) meet delivery schedule 95%. Changes in the price of raw materials according to the world market, such as copper wire, silicon steel, and aluminum.	-	95%
6. QA The amount of waste that has been inspected has been mixed. Controlling customer complaints Final quality inspection must not escape	-	Must not exceed 0.30% Must not exceed 0.60% 100%
7. MANAGEMENT Plus/minus no more than 5%	-	+ / - 5%
8. ENGINEERING Sample delivery	-	> 95%
9. HR Finding personnel on time Finding personnel exactly as needed	-	
10. IT In the case of machines requiring repair, not more than 3 machines/month Test the program	-	There is a backup machine available for use during repairs.

### 3. Operational control

The Company has a general internal control system (General Control) that is efficient and reasonably tight suitable for the nature of business and the size of the business. The company has defined the scope of authority and duties and the approval authority limits of executives at each level are appropriately set in writing. There is a clear separation of duties that may facilitate corrupt actions. To be able to verify accuracy between departments in cases

where the company has transactions with major shareholders, directors, executives or people related to such persons. The company has measures to monitor that connected transactions must pass the approval process in accordance with the regulations of the Stock Exchange and the Securities and Exchange Commission. Connected transactions must be reasonable and priced at a fair price. This must be approved by the Board of Directors. Interested parties in any transaction will not have the right to consider approving that transaction. Consideration of connected transactions must take into account the maximum benefit of the company, treating it as if it were a transaction with outsiders (at arms' length basis).

#### 4. Information systems and data communications

The Company's accounting and financial information systems have good internal controls. The Company's accounting policies are in accordance with generally accepted accounting principles and are appropriate to the nature of the Company's business operations. The accounting books and supporting documents for accounting recording are kept completely in accordance with the law which in the past The Company has established an information and data communication system that facilitates good internal control and sufficient financial information is prepared to enable management to make accurate and timely decisions.

#### 5. Tracking system

The company has a tracking system that helps in operating efficiently. In 2022, the Audit Committee performed its duties as assigned by the Board of Directors and according to the charter of the Audit Committee with caution independent and express opinions honestly without any limitations in receiving information and give importance to good corporate governance according to the guidelines of the Stock Exchange of Thailand

##### Opinion of the Audit Committee

The Audit Committee has considered transactions between the Company and persons who may have conflicts of interest, have a vested interest or there may be conflicts of interest in the future According to the announcement of the Securities and Exchange Commission In the Audit Committee meeting No. 4/2020 on Thursday, August 13, 2020, it was commented that Such related transactions It is a reasonable item and there is no transfer of benefits between the companies

## 9.2. Related transactions

Persons who may have conflicts of interest, which may or may not have related transactions with the company for the year 2021 as of December 31, 2022 to the year 2023 as of December 31, 2023, are as follows:

Persons who may have conflicts	Relationship with Itthirojanakul family	Shareholding Proportion	Position in the Company
1. Mr. Wasun Itthirojanakul	- Brother of Mrs. Podjamarn Wongsuwan (Deputy Managing Director in Accounting and Finance)	- Major shareholder 0.510% of registered capital	- Board of Directors (Authorized director) - Director - Risk Management Committee - Nomination and Remuneration Committee - Managing Director
2. Mrs. Nutcharat Itthirojanakul	- Sister-in-law of Mr. Wasun Itthirojanakul (Managing Director)	- None -	- Deputy Managing Director in Logistics
3. Mrs. Podjamarn Wongsuwan	- Sister of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 0.586% of registered capital	- Board of Directors (Authorized director) - Director - Deputy Managing Director in Accounting and Finance
4. Miss Sirirat Itthirojanakul	- Niece of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 8.641% of registered capital	- Board of Directors (Authorized director) - Company secretary - Director - Assistant Managing Director in Marketing
5. Miss Narerat Itthirojanakul	- Niece of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 8.651% of registered capital	- Director - Assistant Managing Director in Corporate Support
6. Mr. Papat Itthirojanakul	- Nephew of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 8.641% of registered capital	- Director - Production Manager
7. Miss Prangwadee Itthirojanakul	- Spouse of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 9.021% of registered capital	- None -
8. Miss Chidchanok Itthirojanakul	- Spouse of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 8.748% of registered capital	- None -
9. Mr. Wasupol Itthirojanakul	- Spouse of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 7.959 % of registered capital	- None -

9.2.1. Policy or trend of entering into related transactions Including the acquisition or disposal of assets of the company in the future.

Measures and procedures for approving related transactions

In the case where there are related transactions between the company and related persons Persons who may have conflicts of interest have a vested interest Or there may be a conflict of interest in the future, which is a commercial agreement in the same way that a reasonable person would deal with a normal contracting party in the same situation. With trade bargaining power without the influence of being a director, executive or related person and have normal trading conditions or market prices Under reasonable conditions Can be checked and does not cause a transfer of benefits The Company's management can operate normally under the principles that the Company's Board of Directors has approved and prepare a summary report to report to the Audit Committee every quarter.

In the case where there is a related transaction that is not a normal commercial transaction. The Company will provide an opinion by the Audit Committee regarding the necessity and appropriateness of the item. In the case that the Audit Committee does not have the expertise to consider related party transactions that may occur. The company will consider having an independent appraiser. Independent experts or auditors He was the person who gave opinions on the said related transactions to the Audit Committee for use by the Audit Committee in making decisions and giving opinions to the Board of Directors or shareholders as the case may be to approve such transactions before entering into transactions. The Company will disclose related transactions in the notes to the financial statements that have been audited by the Company's auditor. And if the Company's common shares are listed on the Market for Alternative Investment (mai), the Company will disclose such connected transactions in the annual registration statement (Form 56-1) and the Company's annual report (Form 56- 2) In accordance with the rules and laws regarding securities and the stock exchange, consideration and approval of such related transactions must comply with the law on securities and stock exchange and regulations, announcements, orders or requirements of the Stock Exchange of Thailand. Those who may have conflicts or have interests in related transactions will not have the right to vote on such related transactions.

Policy or trend of related transactions in the future

In the future, if the company needs to make related transactions with persons who may have conflicts of interest with the company. The company will set various conditions in accordance with the nature of normal business operations and at reasonable prices which can be referenced and compared with conditions or prices that occur in the same type of business. The Company will have the Audit Committee give opinions on the prices compensation rate Including the necessity and suitability of such related transactions. In the case that the Audit Committee does not have the expertise to consider related party transactions that may occur. The company will consider having an independent appraiser. Independent specialists or auditors of the company are the ones giving opinions on the said related party transactions. for use by the Audit Committee in making decisions and giving opinions to the Board of Directors or shareholders as the case may be. The company will disclose related transactions in the notes to the financial statements that have been audited by the company's auditor and if the company's common shares are already listed on the market for alternative Investment (mai). The Company will disclose such related transactions in One Report in accordance with the rules and laws governing securities and exchange and the regulations, announcements, orders or requirements of the Stock Exchange of Thailand and according to the announcement of the Capital Market Supervisory Board No.TorJor. 21/2008 regarding the criteria for conducting connected transactions.

Related transactions that may occur in the future Directors must comply with various regulations that have been established and directors must not approve any transactions in which they or any person may have a conflict of interest in any other manner with the company and such items must be disclosed to the Board of Directors for the Board of



Directors to consider. The company must comply with the law on securities and the stock exchange and the regulations, announcements, orders or requirements of the Stock Exchange of Thailand including compliance with regulations regarding disclosure of information on connected transactions and the acquisition or disposal of assets of the Company and strictly according to accounting standards set by the Accountants Association

In this regard, related transactions that may occur in the future are It is expected that it will be a transaction with a related company. According to the normal business operations of the company and guaranteeing the Company's debts in the name of an individual, which will not be charged to the Company in any way all related transactions will be approved by the Audit Committee. To give an opinion that the said related transactions are reasonable and there is no transfer of benefits between the companies.

**Approval in principle of trade agreement with general trading conditions in transactions between the company and directors, executives or related persons**

At present, the Company has no related transactions with related companies. In the future the company there may be additional related transactions with the Company, which the Company can carry out such transactions. If the transaction has a trade agreement in the same manner as a reasonable person would have with a contracting party in general, the same situation with trade bargaining power without influence from his status as a related person. In this regard, the meeting of the Board of Directors No. 1/2015 (first time after conversion) on 29 April 2015, there was a resolution approving in principle a trade agreement with general trading conditions in transactions between companies with related persons and related companies to use as a guideline for future actions.

**Investor protection measures**

In order to protect investors in the future, if there are related transactions of the company Happens to a person who may have a conflict of interest have a vested interest or there may be conflicts of interest in the future. The Company will arrange for the presentation of such transactions through a meeting of the Board of Directors attended by the Audit Committee in order to ensure that related transactions comply with the laws governing securities and the stock exchange and regulations, announcements, and requirements of the Stock Exchange of Thailand Including compliance with regulations regarding disclosure of information regarding connected transactions and acquisition or disposal.

In the past year The Company does not have an agenda for related transactions that require approval from the general meeting of shareholders and there was no violation/non-compliance with the rules regarding related transactions or trading assets.

**Part 3**  
**Financial statements**

Pioneer Motor Public Company Limited  
Financial statements and report of certified public accountant  
For the year ending 31 December 2023

## Independent Auditor's Report

To the Board of Directors and Shareholders of **Pioneer Motor Public Company Limited**

### Opinion

I have audited the financial statements of **Pioneer Motor Public Company Limited** ("the Company"), which comprise the statement of financial position as at 31 December 2023, and the statements of comprehensive income and changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Pioneer Motor Public Company Limited** as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

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

### Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

*Sumanta k.*

Key audit matter and how audit procedures respond are described below.

#### Revenue recognition

Sales of goods are significant amounts in the financial statements and directly affect profit or loss of the Company. In addition, the sales transactions of the Company are made with a large number of domestic and overseas customers and there are a variety of arrangements and conditions. As a result, there are therefore the account is considered a significant account and have a direct impact on operating results.

I have examined the Company's revenue recognition by assessing and testing the Company's its internal controls with respect to the revenue cycle by making inquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks. I applied a sampling method to select sales transactions occurring during the year and near the end of the accounting period to examine the supporting documents and reviewed credit notes that the Company issued after the period-end. I also performed the revenues disaggregated by product groups to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

#### Other Information

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

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

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

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

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

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

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

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

*Sumanta k.*



**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Sumanta k.

## AST MASTER

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

*Sumanta k.*

SUNANTA KUMSUK  
Certified Public Accountant  
Registration No. 8207

AST Master Co., Ltd.  
27 February 2024

**PIONEER MOTOR PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2023**

		In Baht	
		2023	2022
	Notes		
<b><u>Assets</u></b>			
<b>Current assets</b>			
Cash and cash equivalents	6	40,541,028	82,148,870
Trade accounts receivable	7	166,960,413	153,270,521
Other receivables	8	5,224,536	13,728,401
Inventories	9	418,950,107	415,918,958
Other current financial assets	10	205,425,046	-
<b>Total current assets</b>		<b>837,101,130</b>	<b>665,066,750</b>
<b>Non - current assets</b>			
Fixed deposits pledged as collateral	11	1,320,317	1,316,875
Property, plant and equipment	12	429,151,144	439,413,715
Computer software	13	3,833,665	4,180,813
Advance for purchase of equipment		3,178,000	2,635,680
<b>Total non - current assets</b>		<b>437,483,126</b>	<b>447,547,083</b>
<b>Total assets</b>		<b>1,274,584,256</b>	<b>1,112,613,833</b>

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



**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2023**

		In Baht	
	Notes	2023	2022
<b><u>Liabilities and shareholders' equity</u></b>			
<b>Current liabilities</b>			
Trade accounts payable		174,660,141	209,425,834
Other payables	15	20,406,064	20,106,558
Current portion of liabilities under lease agreements	16	372,160	495,677
Accrued income tax		2,244,758	2,934,955
Provision	17	833,278	870,401
Other current liabilities		58,806	54,814
<b>Total current liabilities</b>		<b>198,575,207</b>	<b>233,888,239</b>
<b>Non - current liabilities</b>			
Liabilities under lease agreements	16	1,906,662	218,932
Deferred tax liabilities	22	15,035,723	15,586,645
Employee benefit obligations	18	33,578,321	31,031,825
<b>Total non - current liabilities</b>		<b>50,520,706</b>	<b>46,837,402</b>
<b>Total liabilities</b>		<b>249,095,913</b>	<b>280,725,641</b>
<b>Shareholders' equity</b>			
Share capital	19		
Registered			
852,598,707 ordinary shares of Baht 0.25 each		213,149,677	213,149,677
Issued and paid-up			
757,635,269 ordinary shares of Baht 0.25 each			
(2022 : 667,922,249 ordinary shares of Baht 0.25 each)		189,408,817	166,980,562
Premium on share capital		419,333,436	284,763,907
Retained earnings			
Appropriated for legal reserve	20	21,314,967	21,314,967
Unappropriated		301,194,804	264,592,437
Revaluation surplus on assets		94,236,319	94,236,319
<b>Total shareholders' equity</b>		<b>1,025,488,343</b>	<b>831,888,192</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,274,584,256</b>	<b>1,112,613,833</b>

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

**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

		In Baht	
	Notes	2023	2022
Sales	26	958,878,378	1,195,496,164
Costs of sales		(812,193,968)	(1,008,745,018)
<b>Gross profit</b>		146,684,410	186,751,146
Other incomes	21	28,384,184	45,841,255
<b>Profit before expenses</b>		175,068,594	232,592,401
Selling expenses		(40,964,173)	(51,982,370)
Administrative expenses		(56,078,772)	(59,807,277)
Total expenses		(97,042,945)	(111,789,647)
<b>Profit from operating activities</b>		78,025,649	120,802,754
Finance costs		(160,718)	(61,255)
<b>Profit before income tax</b>		77,864,931	120,741,499
Tax expenses	22	(4,283,218)	(15,467,216)
<b>Profit for the year</b>		73,581,713	105,274,283
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified			
to profit or loss in subsequent year			
Actuarial gain (loss)	18	(275,814)	2,460,403
<u>Less : Income tax effect</u>	22	55,163	(492,081)
Other comprehensive income for the year, net of tax		(220,651)	1,968,322
<b>Total comprehensive income for the year</b>		73,361,062	107,242,605
<b>Earnings per share</b>			
<b>Basic earnings per share</b>			
Profit for the year		0.101	0.163
<b>Diluted earnings per share</b>			
Profit for the year		0.101	0.149

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

**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

In Baht						
Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Revaluation surplus on assets	Total
			Appropriated for legal reserve	Unappropriated		
Balance as at 1 January 2022	154,116,415	207,579,025	21,314,967	199,250,743	94,236,319	676,497,469
Converted warrants to share capital	19 12,864,147	77,184,882	-	-	-	90,049,029
Dividend paid	19 -	-	-	(41,900,911)	-	(41,900,911)
Profit for the year	-	-	-	105,274,283	-	105,274,283
Other comprehensive income for the year	-	-	-	1,968,322	-	1,968,322
Total comprehensive income for the year	-	-	-	107,242,605	-	107,242,605
Balance as at 31 December 2022	<u>166,980,562</u>	<u>284,763,907</u>	<u>21,314,967</u>	<u>264,592,437</u>	<u>94,236,319</u>	<u>831,888,192</u>
Balance as at 1 January 2023	166,980,562	284,763,907	21,314,967	264,592,437	94,236,319	831,888,192
Converted warrants to share capital	19 22,428,255	134,569,529	-	-	-	156,997,784
Dividend paid	19 -	-	-	(36,758,695)	-	(36,758,695)
Profit for the year	-	-	-	73,581,713	-	73,581,713
Other comprehensive income for the year	-	-	-	(220,651)	-	(220,651)
Total comprehensive income for the year	-	-	-	73,361,062	-	73,361,062
Balance as at 31 December 2023	<u>189,408,817</u>	<u>419,333,436</u>	<u>21,314,967</u>	<u>301,194,804</u>	<u>94,236,319</u>	<u>1,025,488,343</u>

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

**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	In Baht	
	2023	2022
<b>Cash flows from operating activities</b>		
Profit before tax expenses	77,864,931	120,741,499
Adjustments to reconcile profit to net cash provided by operating activities		
Bad debt	51,480	-
Reversal of allowance for expected credit loss for open-end Mutual Fund receivable	(130,588)	(102,895)
Allowance for expected credit loss for other receivables (reversal)	(100,000)	619,849
Loss on exchange rate	1,443,199	1,336,611
(Gain) loss on sale of other current financial assets	(487,464)	14,039
Unrealized gain from changes in fair value of other current financial assets	(1,677,582)	-
Allowance for obsolescence of inventories (reversal)	2,162,724	(232,780)
Depreciation	35,082,397	32,272,407
Amortization of computer software	977,148	1,078,991
Gain on disposal of equipment	(144,731)	(107,583)
Employee benefit obligations	3,424,282	3,393,284
Increase in provision	567,136	801,961
Finance costs	160,718	61,255
Profit from operating activities before change in operational assets and liabilities	119,193,650	159,876,638
Decrease (increase) in operating assets		
Trade accounts receivable	(15,507,456)	32,804,828
Other receivables	8,734,453	16,206,235
Inventories	(5,193,873)	(101,192,095)
Increase (decrease) in operating liabilities		
Trade accounts payable	(34,442,808)	(42,609,160)
Other payables	393,204	(6,065,715)
Provision	(604,259)	(667,281)
Employee benefit obligations	(1,153,600)	(420,815)
Cash received from operating activities	71,419,311	57,932,635
Tax paid	(5,469,174)	(26,137,096)
Net cash provided by operating activities	65,950,137	31,795,539

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

**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	In Baht	
	2023	2022
<b>Cash flows from investing activities</b>		
Proceeds from disposal of other current financial assets	119,000,000	185,123,400
Cash paid for acquisition of other current financial assets	(322,260,000)	(146,500,000)
Increase in fixed deposits pledged as collateral	(3,442)	(1,928)
Proceeds from disposal of equipment	979,417	241,637
Cash paid for acquisition of plant and equipment	(23,557,868)	(60,036,682)
Cash paid for acquisition of computer software	(630,000)	(616,000)
Increase in advance for purchase of equipment	(542,320)	(210,096)
Net cash used in investing activities	(227,014,213)	(21,999,669)
<b>Cash flows from financing activities</b>		
Interest paid	(160,718)	(61,255)
Repayment of liabilities under lease agreements	(626,129)	(801,198)
Cash received from convert warrants to share capital	156,997,784	90,049,029
Cash paid for dividends	(36,754,703)	(41,885,303)
Net cash provided by financing activities	119,456,234	47,301,273
Net increase (decrease) in cash and cash equivalents	(41,607,842)	57,097,143
Cash and cash equivalents, beginning of year	82,148,870	25,051,727
Cash and cash equivalents, end of year	40,541,028	82,148,870
<b><u>Supplement disclosures of cash flows information</u></b>		
Non - cash transactions		
Decrease in payable from acquisition of plant and equipment	(93,698)	(1,378,952)
Increase in liabilities under lease agreements	2,190,342	-
Increase in accrued dividends	3,992	15,608

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



## **1. GENERAL INFORMATION**

Pioneer Motor Public Company Limited was incorporated in Thailand. The Company is engaged in business of manufacturing and distributing air-conditioning electric motors, industrial motors, dewatering, centrifugal pump, motors for pools and spas and motor home pumps. Major shareholder is Itthirojanakul Family.

The Company is located at 78, 78/4, 78/5 Moo 3 Dontoom-Nakornchaisri Road, Donfaek, Nakornchaisri, Nakornpathom.

Branch Office 1 is located at 78/2, 78/3 Moo 3 Dontoom - Nakornchaisri Road, Donfaek, Nakornchaisri, Nakornpathom.

The Company was listed on the Stock Exchange of Thailand on 13 August 2015 and the Company's stocks were traded on the MAI (Market for Alternative Investment).

## **2. BASIS FOR FINANCIAL STATEMENTS PREPARATION**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Thailand Federation of Accounting Professions ("TFAC"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The financial statements have been prepared on the basis that the Company will continue to operate going concern by the historical cost convention except for the revaluation of certain assets and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period as disclosed in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and service at transaction date.

The financial statements are presented in Thai Baht, which is also the functional currency of the Company. All financial information presented in Thai Baht has been rounded in the notes to the financial statements unless otherwise stated.

For the convenience of the user, an English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

## **3. NEW FINANCIAL REPORTING STANDARDS**

### **3.1 Financial reporting standards that became effective in the current year.**

During current year, the Company has adopted several revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023, onwards. The adoption of these standards does not have any significant impact on the Company's financial statements.

### **3.2 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024, onwards.**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024, onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards making financial reporting standards clearer and more appropriate.

The Company's management believe that the amended financial reporting standards shall not have significant impacts to the Company.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below;

##### 4.1 Revenue recognition

Revenue from sale of motors and pumps products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. A receivable is recognized when the goods are delivered to the customer's specific location at which the Company has right to receive payment of that consideration is due. Revenue is measured at the amount of the consideration received or receivable.

The Company recognizes the amount expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position (if any). The asset is measured at the former carrying amount of the inventory, less any expected costs to recover then goods. Provision for warranty claims is recognised based on the actual ratio of repair or replacement of the defective goods and revenues in the past.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

##### 4.2 Cash and cash equivalents

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

Deposits at financial institutions that are restricted in use are presented as "Deposits pledged as collateral" under non - current assets in the statement of financial position.

##### 4.3 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

##### 4.4 Property, plant and equipment

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

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

When an asset's carrying amount is increased as a result of a revaluation of the Company's and its subsidiaries' assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognized in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.

When an asset's carrying amount is decreased as a result of a revaluation of the Company's and its subsidiaries' assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.



Building and equipment initially recognized at cost. All assets including right-of-use assets (see Note 4.5) except for land that is presented in the statement of financial position at the original cost less accumulated depreciation.

Depreciation is calculated on the straight line over the estimated useful lives of the assets as follows:

Land improvement	10 years
Buildings and structures	5-25 years
Machineries and equipment	3-20 years
Furniture and office equipment	3-5 years
Vehicles	10 years

Repairs and maintenance are charged in profit or loss during the financial period in which they are incurred. The cost of the replacement part is included in the carrying amount of the asset and is depreciated over the remaining useful life of the related asset.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss. When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

Assets under construction and installation are stated at cost less allowance for impairment (if any). These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

#### **4.5 Leases**

##### **Right-of-use assets**

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

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term. If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Depreciation of right-of-use assets are as follows:

Machineries & Equipment	10 years
Vehicles	10 years

##### **Lease liabilities**

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

##### **Short-term leases and Leases of low-value assets**

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

#### 4.6 Computer software

Right to use a computer program that looks at a specific purchase recorded as an asset when the cost of acquisition and action to a particular computer program used accompanied by a request. It is amortized using the straight-line method over the estimated useful life of 5-10 years.

#### 4.7 Impairment of land, building and equipment and other intangible assets

The Company annually reviewed the impairment of land, building and equipment and other intangible assets, whenever events or changes in circumstances indicate that the recoverable amount of assets is below the carrying amount. the Company recognizes the impairment losses and a reversal of impairment loss is recognized as income when there is an indication that the expected recoverable amount is higher than the amount recognized provided that such a reversal should not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized for the asset in prior periods. Recoverable value is the higher of an amount between fair value less costs to sell and value in use.

#### 4.8 Provisions

Provisions are recognized when the Company 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 Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. An increase in the provision due to the time value of money is recognized as interest expense.

#### 4.9 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company contributions are recognized as expenses when the employee have rendered service to the Company during the year.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in other comprehensive income that will not be reclassified.

#### 4.10 Foreign currency transactions

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the date of statement of financial position. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in profit or loss, except for exchange differences on transactions relating to hedge foreign currency risks, which are disclosed in Note 4.14

#### 4.11 Income tax

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

##### Current tax

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

##### Deferred tax

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

The Company 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 Company 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.

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

#### 4.12 Related person and companies

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

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

#### 4.13 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price.

##### Classification and measurement of financial assets

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

##### Financial assets at amortised cost

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

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



#### **Financial assets at FVTPL**

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

These financial assets include derivatives and financial assets with cash flows that are not solely payments of principal and interest.

#### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company'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 discounts or premiums on acquisition and 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 Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### **Impairment of financial assets**

For trade receivables, the Company applies a simplified approach in calculating 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.

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).

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

#### **Offsetting of financial instruments**

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

#### **4.14 Derivatives**

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

#### 4.15 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 Company and its subsidiaries 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 Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries 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.

#### 4.16 Critical accounting estimates and assumption

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

##### **Property plant and equipment/Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful life and residual values of the Company's plant and equipment and to review estimate useful life and residual values when there are any changes.

The Company measure land at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land. The valuation involves certain assumptions and estimates.

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

##### **Allowance for expected credit losses of trade receivables and contract assets**

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

##### **Allowance for net realizable value**

The Company considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

#### Deferred tax assets

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

#### Post-employment benefits under defined benefit plans

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

### 5. TRANSACTIONS WITH RELATED PERSONS AND COMPANY

#### Expenses with related persons

##### Directors and management's benefits

The Company had employee benefit expenses of its directors and management for the years ended 31 December 2023 and 2022, as below.

	In Baht	
	2023	2022
Short - term employee benefits	24,861,504	26,744,373
Post - employment benefits	1,135,130	1,158,233
Total	25,996,634	27,902,606

### 6. CASH AND CASH EQUIVALENTS

	In Baht	
	2023	2022
Cash	163,436	117,682
Current accounts	1,628,948	9,903,986
Saving accounts	38,748,644	72,127,202
Total	40,541,028	82,148,870

As at 31 December 2023, the interest rates of deposits at financial institutions were 0.50% to 0.60% per annum (2022: 0.25% to 0.35% per annum)

### 7. TRADE ACCOUNTS RECEIVABLE

Aging of trade accounts receivable as at 31 December 2023 and 2022 are as follows:

	In Baht	
	2023	2022
Trade accounts receivable		
Within credit terms	142,599,664	130,126,145
Overdue:		
Less than 3 months	24,360,749	23,029,866
3 - 6 months	-	63,030
7 - 12 months	-	51,480
Total	166,960,413	153,270,521



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The normal credit term for general customers ranging 30 days and no more than 120 days with an except to international customers who receive approximately 30 - 75 days of trade credit after the Company has the right to bill for the goods or services already transferred to customers.

**8. OTHER RECEIVABLES**

	In Baht	
	2023	2022
Open-end Mutual Fund receivable	1,470,342	1,600,930
<u>Less</u> Allowance for expected credit loss - Open-end Mutual Fund receivable	(1,470,342)	(1,600,930)
Value added tax receivable	2,668,858	11,049,147
Advances for inventories	1,582,018	1,898,547
Prepaid expenses	643,696	427,766
Unbilled input tax	169,300	269,132
Tax credit certificate	155,121	83,809
Other receivables	525,392	619,849
<u>Less</u> Allowance for expected credit loss - other receivables	(519,849)	(619,849)
Total	<u>5,224,536</u>	<u>13,728,401</u>

**9. INVENTORIES**

	In Baht					
	At cost		Allowance for obsolescence of inventories		Inventories-net	
	2023	2022	2023	2022	2023	2022
Finished goods	77,709,855	82,299,851	(1,392,849)	(1,406,917)	76,317,006	80,892,934
Work in process	60,891,343	57,405,102	-	-	60,891,343	57,405,102
Raw material	287,663,041	283,178,558	(7,734,428)	(5,557,636)	279,928,613	277,620,922
Material and supplies	1,813,145	-	-	-	1,813,145	-
Total	<u>428,077,384</u>	<u>422,883,511</u>	<u>(9,127,277)</u>	<u>(6,964,553)</u>	<u>418,950,107</u>	<u>415,918,958</u>

During the current year, the Company recorded allowance for obsolescence of inventories by Baht 2.2 million to reflect the net realisable value. This was included in cost of sales. (2022: the Company reversed the write-down of cost of inventories by Baht 0.2 million reduced the amount of inventories recognised as expenses during the year.)



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**10. OTHER CURRENT FINANCIAL ASSETS**

	In Baht	
	2023	2022
Investments in unit trusts in debt securities open-ended fund (Fair value through profit or loss)	205,425,046	-

The movement in unit trusts can be analyzed as follows:

	In Baht	
	2023	2022
Beginning of year	-	38,637,439
Additions during the year	322,260,000	146,500,000
Disposal / repayment during the year	(118,512,536)	(185,137,439)
Unrealized gain from change in fair value of investments during the year	1,677,582	-
Ending of year	205,425,046	-

**11. FIXED DEPOSITS PLEDGED AS COLLATERAL**

As at 31 December 2023 and 2022, the Company has fixed deposits in the amount of Baht 1.3 million, bears interest at the rate of 0.85% - 1.15% per annum (2022: interest at the rate of 0.15% - 0.40% per annum). These deposits are pledged as collateral for bank guarantees from financial institutions for the payment of electricity as discussed in Note 28.2.

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**12. PROPERTY, PLANT AND EQUIPMENT**

	In Baht											
	Land & Improvement			Buildings & Improvement	Machineries & Equipment	Office fixture and equipment	Vehicles	Right-of-use assets			Assets under construction and installation	
	Cost	Appraised value	Total					Vehicles	Machinery	Total	installation	Total
As at 1 January 2022												
Cost	65,875,234	117,795,399	183,670,633	155,082,048	401,220,689	10,359,423	11,281,243	4,530,840	4,843,157	9,373,997	11,543,037	782,531,070
Less Accumulated depreciation	(3,867,616)	-	(3,867,616)	(57,769,931)	(287,582,186)	(8,083,771)	(8,587,815)	(2,138,147)	(1,339,158)	(3,477,305)	-	(369,368,624)
Net book amount	62,007,618	117,795,399	179,803,017	97,312,117	113,638,503	2,275,652	2,693,428	2,392,693	3,503,999	5,896,692	11,543,037	413,162,446
Transactions during the year ended 31 December 2022												
Net book value, beginning of year	62,007,618	117,795,399	179,803,017	97,312,117	113,638,503	2,275,652	2,693,428	2,392,693	3,503,999	5,896,692	11,543,037	413,162,446
Acquisition assets	-	-	-	1,222,396	37,517,241	492,780	-	-	-	-	19,425,313	58,657,730
Transfer in (out)	-	-	-	7,638,597	24,747,467	167,084	-	-	(3,425,779)	(3,425,779)	(29,127,369)	-
Disposals	-	-	-	-	(125,529)	(8,525)	-	-	-	-	-	(134,054)
Depreciation	-	-	-	(7,283,317)	(22,600,330)	(863,901)	(993,942)	(452,697)	(78,220)	(530,917)	-	(32,272,407)
Net book value, end of year	62,007,618	117,795,399	179,803,017	98,889,793	153,177,352	2,063,090	1,699,486	1,939,996	-	1,939,996	1,840,981	439,413,715
As at 31 December 2022												
Cost	65,875,234	117,795,399	183,670,633	163,943,041	463,503,148	10,716,394	11,281,243	4,530,841	-	4,530,841	1,840,981	839,486,281
Less Accumulated depreciation	(3,867,616)	-	(3,867,616)	(65,053,248)	(310,325,796)	(8,653,304)	(9,581,757)	(2,590,845)	-	(2,590,845)	-	(400,072,566)
Net book amount	62,007,618	117,795,399	179,803,017	98,889,793	153,177,352	2,063,090	1,699,486	1,939,996	-	1,939,996	1,840,981	439,413,715

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	In Baht									
	Land & Improvement			Buildings & Improvement	Machineries & Equipment	Office fixture and equipment	Vehicles	Right-of-use assets - Vehicles	Assets under construction and installation	Total
	Cost	Appraised value	Total							
Transactions during the year ended 31 December 2023										
Net book value, beginning of year	62,007,618	117,795,399	179,803,017	98,889,793	153,177,352	2,063,090	1,699,486	1,939,996	1,840,981	439,413,715
Acquisition assets	-	-	-	432,140	13,675,402	503,293	4,552,000	2,774,766	3,716,911	25,654,512
Transfer in (out)	-	-	-	697,447	1,058,000	-	776,176	(776,176)	(1,755,447)	-
Disposals	-	-	-	-	(7,711)	(7,154)	(819,821)	-	-	(834,686)
Depreciation	-	-	-	(7,691,442)	(25,290,282)	(758,045)	(917,559)	(425,069)	-	(35,082,397)
Net book value, end of year	62,007,618	117,795,399	179,803,017	92,327,938	142,612,761	1,801,184	5,290,282	3,513,517	3,802,445	429,151,144
As at 31 December 2023										
Cost	65,875,234	117,795,399	183,670,633	165,072,628	477,668,869	11,087,974	14,223,850	4,147,663	3,802,445	859,674,062
Less Accumulated depreciation	(3,867,616)	-	(3,867,616)	(72,744,690)	(335,056,108)	(9,286,790)	(8,933,568)	(634,146)	-	(430,522,918)
Net book amount	62,007,618	117,795,399	179,803,017	92,327,938	142,612,761	1,801,184	5,290,282	3,513,517	3,802,445	429,151,144

The Company arranged for an independent professional valuer to reappraise the value of its land. The revaluations were conducted on 27 September 2021, using the sale comparison approach, the results of which showed an increase in the net book value of the land of Baht 117.8 million. as at 31 December 2023 the Company's management believes that the fair values does not have any significant changes.

As at 31 December 2023, the Company have rights-of-use assets vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 3.5 million (2022: the Company have rights-of-use assets machineries and vehicles amounted of Baht 1.9 million).

As at 31 December 2023, certain assets of the Company have been fully depreciated but still in use, having gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 265.2 million (2022: Baht 248.6 million).

### 13. COMPUTER SOFTWARE

The net book value of computer software as at 31 December 2023 and 2022 is presented below.

	In Baht	
	2023	2022
As at 1 January		
Cost	12,909,762	12,293,763
<u>Less Accumulated amortization</u>	<u>(8,728,949)</u>	<u>(7,649,959)</u>
Net book value	<u>4,180,813</u>	<u>4,643,804</u>
Transactions during the year ended 31 December		
Net book value, beginning of year	4,180,813	4,643,804
Acquisition of computer software	630,000	616,000
Amortization	<u>(977,148)</u>	<u>(1,078,991)</u>
Net book value, end of year	<u>3,833,665</u>	<u>4,180,813</u>
As at 31 December		
Cost	13,539,762	12,909,762
<u>Less Accumulated amortization</u>	<u>(9,706,097)</u>	<u>(8,728,949)</u>
Net book value	<u>3,833,665</u>	<u>4,180,813</u>

### 14. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2023, the Company has the facilities available with bank overdrafts and short-term loans from local banks in amount of Baht 199.6 million (2022: Baht 200.0 million). Including providing negative pledge of property, plant and equipment.

### 15. OTHER PAYABLES

	In Baht	
	2023	2022
Advance received from sales of goods	12,165,986	10,161,874
Accrued expense	5,178,992	6,020,248
Payable from acquisition of assets	791,190	884,888
Other taxes	<u>2,269,896</u>	<u>3,039,548</u>
Total	<u>20,406,064</u>	<u>20,106,558</u>

Advance received from sales of goods as at 31 December 2022 is recognized as revenue in 2023 in the amount of Baht 9.9 million and advance received from sales of goods as at 31 December 2023, the Management expects to be recognized as revenue in 2024 in the amount of Baht 9.1 million.

# 16. LIABILITIES UNDER LEASE AGREEMENTS

	In Baht			
	Minimum installments amount		The present value of minimum installments amount	
	2023	2022	2023	2022
Within 1 year	608,040	553,926	372,160	495,677
Over 1 to 5 years	2,542,912	239,802	1,906,662	218,932
Total	3,150,952	793,728	2,278,822	714,609
<u>Less</u> Deferred interest and input tax	(872,130)	(79,119)	-	-
Net	<u>2,278,822</u>	<u>714,609</u>	<u>2,278,822</u>	<u>714,609</u>

The Company has entered into hire purchase agreements with leasing companies for rental of machinery and vehicles for use in the operation, whereby it committed to pay fixed rental on a monthly basis. The terms of the agreements are generally between 3 to 5 years.

The following are the amounts for the years ended 31 December 2023 and 2022 regarding the lease agreements recognised in profit or loss:

	In Baht	
	2023	2022
Depreciation of right-of-use assets	425,069	530,917
Interest expense from lease liabilities	160,718	61,180
Total	<u>585,787</u>	<u>592,097</u>

# 17. PROVISION

Provision is accrued product warranty can be analysed as follows:

	In Baht	
	2023	2022
Balance as at 1 January	870,401	735,721
Recognition during the year	955,655	1,185,427
Revert	(388,519)	(383,466)
Decrease during the year	(604,259)	(667,281)
Balance as at 31 December	<u>833,278</u>	<u>870,401</u>



## 18. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations:

	In Baht	
	2023	2022
Defined benefit obligations at 1 January	31,031,825	30,519,759
Included in profit or loss:		
Current service cost	2,697,200	2,882,595
Interest cost	727,082	510,689
Total	3,424,282	3,393,284
Included in other comprehensive income:		
Remeasurements of post-employment benefit obligations		
Actuarial losses (gain) arising from		
Financial assumptions changes	(71,344)	(2,031,897)
Demographic assumptions changes	938,932	-
Experience adjustments	(591,774)	(428,506)
Total	275,814	(2,460,403)
Benefits paid during the years	(1,153,600)	(420,815)
Defined benefit obligations at 31 December	33,578,321	31,031,825

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	In Baht	
	2023	2022
Costs of sales	1,483,000	1,438,856
Selling expenses	561,081	573,475
Administrative expenses	1,380,201	1,380,953
Total expenses recognised in profit or loss	3,424,282	3,393,284

The Company expected to pay Baht 0.9 million of long-term employee benefits during the next year. (2022 : Baht 1.3 million)

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefits is 11.9 years. (2022: 11.7 years)

Principal actuarial assumptions at the reporting date

For the years ended 31 December 2023 and 2022:

	2023	2022
Discount rate	2.65% per annum	2.34% per annum
Salary increase rate	2.5 - 4.0% per annum	2.5 - 4.0% per annum
Employee turnover rate	Scale related to Age ranging from 0 - 14%	Scale related to Age ranging from 0 - 15%
Mortality rate	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables

**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**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.

Effect on the non-current provisions for defined benefit plans at 31 December:

	In Baht			
	2023		2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1,403,344)	1,507,416	(1,266,905)	1,360,236
Salary Increase Rate (0.50% movement)	1,405,257	(1,322,457)	1,268,066	(1,193,769)
Turnover Rate (10% movement)	(958,424)	1,016,642	(937,603)	998,355

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**19. SHARE CAPITAL AND DIVIDENDS PAID**

**SHARE CAPITAL**

	Authorised shares capital		Issued and paid-up share capital		Premium on share capital
	Shares	In Baht	Shares	In Baht	In Baht
As at 1 January 2022	852,598,707	213,149,677	616,465,661	154,116,415	207,579,025
Converted warrants to share capital	-	-	51,456,588	12,864,147	77,184,882
As at 31 December 2022	<u>852,598,707</u>	<u>213,149,677</u>	<u>667,922,249</u>	<u>166,980,562</u>	<u>284,763,907</u>
As at 1 January 2023	852,598,707	213,149,677	667,922,249	166,980,562	284,763,907
Converted warrants to share capital	-	-	89,713,020	22,428,255	134,569,529
As at 31 December 2023	<u>852,598,707</u>	<u>213,149,677</u>	<u>757,635,269</u>	<u>189,408,817</u>	<u>419,333,436</u>

**WARRANTS**

Information about issuance and offering of warrants to purchase ordinary shares of the Company No.2 (PIMO-W2) are as follows:

Warrants issue date	12 May 2021
Offering method	Offering of warrants to the existing shareholders in proportion to their shareholding to shareholders whose names were listed in the share register book on the record date as of 6 May 2021 with the ratio of 7 existing ordinary shares to 2 units of warrant, with no offering price
No. of warrants (Unit)	176,131,436 Unit
Term of warrants	2 years from the issuance date of warrants (12 May 2021)
Exercising period	Exercise rights 4 times on 27 January 2022 / 27 July 2022 / 27 January 2023 and 11 May 2023
Exercise price per share	Baht 1.75 per share
Exercise ratio	Exercising the warrant at the ratio of 1 unit warrant per 1 unit ordinary share



**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
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**FOR THE YEAR ENDED 31 DECEMBER 2023**

The movement of allocated warrant for the year ended 31 December 2023 was as follow:

	Unit : 1 Warrant
Number of warrants at the beginning of the year	124,674,848
Warrants exercised during the year	<u>(89,713,020)</u>
Number of unexercised warrants and allowed to lapse as at 11 May 2023	<u>34,961,828</u>

The movement of allocated warrant for the year ended 31 December 2022 was as follow:

	Unit : 1 Warrant
Number of warrants at the beginning of the year	176,131,436
Warrants exercised during the year	<u>(51,456,588)</u>
Outstanding warrant at the end of the year	<u>124,674,848</u>

**DIVIDENDS PAID**

		In Baht	
	Approved by	Dividend paid	Dividend per share
Dividend for the period from the operating results 1 July 2022 to 31 December 2022	Annual General Meeting of the shareholders on 25 April 2023	29,186,830	0.042
Interim dividend for the period from the operating results 1 January 2023 to 30 June 2023	Board of Directors' Meeting dated 8 August 2023	<u>7,571,865</u>	0.010
Total payment of dividends for the year 2023		<u>36,758,695</u>	
Dividend for the period from the operating results 1 July 2021 to 31 December 2021	Annual General Meeting of the shareholders on 26 April 2022	28,547,816	0.045
Interim dividend for the period from the operating results 1 January 2022 to 30 June 2022	Board of Directors' Meeting dated 9 August 2022	<u>13,353,095</u>	0.020
Total payment of dividends for the year 2022		<u>41,900,911</u>	

**20. LEGAL RESERVE**

Under the provisions of the Limited Public Company Act B.E 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as legal reserve until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 21. OTHER INCOME

Other income for the years ended 31 December 2023 and 2022 are as follows:

	In Baht	
	2023	2022
Revenue from scrap sales	19,663,757	28,148,104
Gain on foreign exchange rate	2,727,371	13,241,088
Tax credit certificate income	2,776,828	3,125,059
Gain (loss) on sale of other current financial assets	487,464	(14,039)
Unrealized gain from changes in fair value of other current financial assets	1,677,582	-
Other income	1,051,182	1,341,043
Total	28,384,184	45,841,255

## 22. INCOME TAX

Income tax expenses for the years ended 31 December 2023 and 2022 are as follows:

	In Baht	
	2023	2022
Current income		
Corporate income tax charge for the year	4,778,977	16,778,269
Deferred tax		
Relating to origination and reversal of temporary differences	(495,759)	(1,311,053)
Tax expense presented in profit or loss	4,283,218	15,467,216
Other comprehensive income tax that will not be reclassified subsequently to profit or loss.		
Deferred tax on actuarial gain (loss)	(55,163)	492,081

The reconciliation between accounting profit and income tax are as follows:

	In Baht	
	2023	2022
Accounting profit before corporate income tax	77,864,931	120,741,499
Applicable tax rate	20%	20%
Accounting profit before corporate income tax multiplied by applicable tax rate	15,572,986	24,148,300
Effects of:		
Addition expenses deductible for tax purposes	(236,088)	(287,759)
Expenses not deductible for tax purposes	1,038,520	983,883
Promotional privileges	(11,596,441)	(8,066,155)
Current income	4,778,977	16,778,269
Relating to origination and reversal of temporary differences	(495,759)	(1,311,053)
Income tax expense reported in profit or loss	4,283,218	15,467,216

**PIONEER MOTOR PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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

	In Baht	
	2023	2022
<b>Deferred tax assets</b>		
Allowance for doubtful accounts	398,038	444,156
Allowance for obsolescence of inventories	1,825,455	1,392,911
Employee benefit obligations	6,715,664	6,206,365
Provisions	166,656	174,080
Total deferred tax assets	9,105,813	8,217,512
<b>Deferred tax liabilities</b>		
Revaluation surplus on land	23,559,080	23,559,080
Finance lease	246,939	245,077
Unrealized gain from changing value on other financial assets	335,517	-
Total deferred tax liabilities	24,141,536	23,804,157
<b>Deferred tax liabilities - Net</b>	<b>15,035,723</b>	<b>15,586,645</b>

### 23. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares during the year.

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares is stock warrants.

The calculation of dilutive potential ordinary shares is done to determine the number of shares that could have been acquired at market price (determined as the average share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock warrants. The calculation serves to determine the unpurchased shares to be added to the ordinary shares outstanding for the purpose of computing the dilution, no adjustment is made to net profit.

	For the year ended 31 December					
	Profit for the year (In Baht)		Weighted average number of ordinary shares (Shares)		Earnings per share (In Baht)	
	2023	2022	2023	2022	2023	2022
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	73,581,713	105,274,283	730,678,507	646,217,327	0.101	0.163
<b>Effect of dilutive potential ordinary shares</b>						
Warrants			-	61,172,013		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	73,581,713	105,274,283	730,678,507	707,389,340	0.101	0.149

As at 31 December 2023, the warrants which have been expired on 11 May 2023, does not affect to the calculation of diluted earnings per share.

## 24. EXPENSES BY NATURE

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

	In Baht	
	2023	2022
Changes in finished goods and work in process	1,103,755	(17,720,385)
Raw materials and consumable used	655,638,604	857,925,605
Employees costs and managements' remuneration	150,509,362	162,829,520
Depreciation and amortization	36,059,545	33,351,398

## 25. PROVIDENT FUND

The Company and its employees established a contributory registered provident fund in accordance with the Provident Fund Act, B.E.2530. The Company and its employees contribute monthly the amounts equivalent 2% of their basic salaries. The provident fund has been managed by Kasikorn Asset Management Co., Ltd. The fund contributed to employee in accordance with the terms and conditions prescribed following the provident fund. During the year 2023, the Company's contribution to the provident fund recorded amounting of Baht 1.3 million (2022: Baht 1.4 million).

## 26. SEGMENT INFORMATION

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

The operations of the Company involve the single industry segment of manufacturing and distributing electric motors categorized by motor product groups as follows:

1. Air conditioner electric motors
2. Induction motors
3. Pumps, dewatering, centrifugal pump, motors for pools and spas and motor home pumps
4. Other sales income

For the years ended 31 December 2023 and 2022, the Company has revenue from sales classified by product groups as follows:

	In Baht	
	2023	2022
Air conditioner electric motors	291,007,722	346,035,125
Induction motors	85,430,718	88,511,022
Pumps, dewatering, centrifugal pump, motors for pools and spas and motor home pumps	574,734,179	750,678,796
Other sales income	7,705,759	10,271,221
Total revenue	958,878,378	1,195,496,164

The Company recognizes revenues at the point in time from domestic sale and export sale. The Company classified the information according to the revenue from domestic sale and export sale. For the year ended 31 December 2023, domestic revenue was 54% and export revenue 46% (2022: domestic revenue was 46% and export revenue 54%) of total revenues.

Major customers

In 2023, the Company has major customer with revenue of 10 percent or more of revenues one major customers, represented at 30% of total revenues. (2022: the Company has revenue from one major customers, represented at 26% of total revenues).



## 27. PROMOTIONAL PRIVILEGES

The Company was granted certain privileges on its manufactures and distributing electric motors pursuant to the Investment Promotion Act B.E. 2520, for the period during 2019-2024 totalling 4 certificates, subjected to certain imposed conditions, the privileges included among the others as follows :

- (a) A exemption from payment of import duty on machinery approved by the Board of Investment.
- (b) According to the promotion certificate No. 62-0961-1-07-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in automation or robot systems for improving production efficiency, excluding land and working capital and 50% of the investment value in renewable energy systems, excluding the cost of land and working capital is for 3 years, from the date of income after receiving the promotional certificate (4 September 2019). In 2019-2022, the company has already used tax privilege in the amount of Baht 18.94 million, which is up to the amount of tax according to the right that the Company has invested.
- (c) According to the promotion certificate No. 64-0861-1-04-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 50% of the investment in production efficiency improvement for renewable energy use, excluding the cost of land and working capital is for 3 years, from the date of income after receiving the promotional certificate (2 September 2021). In 2021-2022, the Company has already used tax privilege in the amount of Baht 3.87 million, which is up to the amount of tax according to the right that the Company has invested.
- (d) According to the promotion certificate No. 64-0862-1-00-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in manufacturing motors for electrical appliances category 5.2.3 Compressor and/or Motor manufacturing business for electrical appliances, excluding the cost of land and working capital is for 3 years, from the date of income after receiving the promotional certificate (2 September 2021). In 2022-2023, the Company has already used tax privilege in the amount of Baht 14.31 Million, which is up to the amount of tax according to the right that the Company has invested.
- (e) According to the promotion certificate No. 65-0350-1-00-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in manufacturing motors for electric motorcycles category 4.8.3.2 the business of manufacturing parts and equipment for electric vehicles, i.e. the manufacture of TRACTION MOTOR, excluding the cost of land and working capital is for 8 years, with the exempted corporate income tax not exceeding Baht 10.09 million from the date of income after receiving the promotional certificate (10 January 2022). In 2022, the Company has not exercised such tax privileges.

As a promoted industry, the Company must comply with certain conditions and restrictions provided for the promotional certificate.

Sales classified as promoted and non-promoted business for the years ended 31 December 2023 and 2022 are summarised as follows:

	In Baht					
	Promoted business		Non-promoted business		Total	
	2023	2022	2023	2022	2023	2022
Sales	511,213,728	941,221,998	447,664,650	254,274,166	958,878,378	1,195,496,164
Other income	14,830,544	40,575,906	13,553,640	5,265,349	28,384,184	45,841,255
Total revenue	526,044,272	981,797,904	461,218,290	259,539,515	987,262,562	1,241,337,419

## 28. COMMITMENTS AND CONTINGENT LIABILITIES

### 28.1 Capital commitments

As at 31 December 2023, the Company had capital commitments of approximately Baht 3.1 million (2022 : Baht 2.8 million), relating to the equipment, building and computer software.

### 28.2 Guarantees

As at 31 December 2023, the Company has contingent liabilities from letters of guarantee issued by banks for the payment of electricity amounting to Baht 2.5 million (2022: Baht 2.4 million).

## 29. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at 31 December 2023 and 2022, the Company had certain assets that were measured or disclosed at fair value on a recurring basis using different levels inputs as follows:

	In Million Baht							
	2023				2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>								
Investments in unit trust	-	205.4	-	205.4	-	-	-	-
Land	-	179.8	-	179.8	-	179.8	-	179.8

The fair value of financial instruments is estimated on the following criteria.

The fair value of investments in unit trust has been determined by using the net asset value as published by the Asset Management. Investments in unit trust in debt securities open-ended fund are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly.

During the current year, there was no transfer within the fair value hierarchy.

## 30. FINANCIAL INSTRUMENTS

### 30.1 Financial risk management policies

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivatives for speculative or trading purposes.

#### Credit risk

##### Trade and other accounts receivables

The Company was exposed to credit risk. However, due to the large number and diversity of the entities comprising the Company's customer base, The Company does not anticipate material losses from its debt collection. The Company estimated the allowance for doubtful accounts from the ending balance of accounts receivable. The estimate was made by considering the customer's past collection experiences. An impairment analysis is performed at each reporting date to measure expected credit losses. The provision for expected credit losses rates are based on days past due for groupings of various customer segments with similar credit risks. 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 are written-off in accordance with the Company's policy.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate risk through a counterparty's potential failure to make payments.

**Interest rate risk**

The Company was exposed to interest risks because it held deposits at financial institutions. However, the Company believed that the future fluctuation on market interest rate would not provide significant effect to their operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

**Liquidity risk**

The Company's monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations including providing short-term credit lines from various banks to back up if necessary and to mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2023 based on un discounted contractual cash flows to present value. It can be represented as follows:

	In Baht			Total
	Less than 1 year	1 to 5 years	> 5 years	
<b>Financial liabilities</b>				
Trade accounts payable	174,660,141	-	-	174,660,141
Other payables	20,406,064	-	-	20,406,064
Liabilities under lease agreements	608,040	2,542,912	-	3,150,952
<b>Total financial liabilities</b>	<u>195,674,245</u>	<u>2,542,912</u>	<u>-</u>	<u>198,217,157</u>

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2022 based on un discounted contractual cash flows to present value. It can be represented as follows:

	In Baht			Total
	Less than 1 year	1 to 5 years	> 5 years	
<b>Financial liabilities</b>				
Trade accounts payable	209,425,834	-	-	209,425,834
Other payables	20,106,558	-	-	20,106,558
Liabilities under lease agreements	553,926	239,802	-	793,728
<b>Total financial liabilities</b>	<u>230,086,318</u>	<u>239,802</u>	<u>-</u>	<u>230,326,120</u>



### Foreign currency risk

The Company has significant exposures to market risks from changes in foreign exchange rates. The Company uses forward exchange contracts to mitigate those risks.

As at 31 December 2023 and 2022, the Company has no outstanding forward exchange contracts.

As at 31 December 2023 and 2022, assets and liabilities of the Company which are not hedged as follows:

	Currencies	2023		2022	
		Amount	Equivalent to approximately (In Million Baht)	Amount	Equivalent to approximately (In Million Baht)
Cash and cash equivalents	U.S. Dollars	93,272	3.2	194,171	6.7
Cash and cash equivalents	A.U.Dollars	-	-	31,315	0.7
Trade accounts receivable	U.S. Dollars	1,174,136	39.9	972,404	33.5
Trade accounts receivable	A.U.Dollars	829,850	18.9	671,819	15.4
Trade accounts receivable	Yen	1,900,000	0.5	2,229,000	0.6
Trade accounts payable	U.S. Dollars	220,965	7.6	251,116	8.7

The sensitivity of the Company's profit before tax to a reasonably possible change in the U.S. Dollars A.U. Dollars and Yen exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2023. The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	Change in FX rate (%)	Effect on profit before tax	
		(Million Baht)	
		2023	2022
U.S. Dollars	+10	3.6	3.1
	- 10	(3.6)	(3.1)
A.U. Dollars	+10	1.9	1.6
	- 10	(1.9)	(1.6)
Yen	+10	0.04	0.1
	- 10	(0.04)	(0.1)

### 30.2 Fair value of financial instruments

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

A fair value is the amount for which an asset can be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

### 31. CAPITAL MANAGEMENT

The primary objective of the Company capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2023, debt to equity ratio in the financial statements is 0.24: 1 (2022: 0.34: 1).

**32. EVENT AFTER THE REPORTING PERIOD**

On 27 February 2024, the Board of Directors meeting passed a resolution to propose to the Annual General Meeting of Shareholders that a dividend of Baht 0.04 per share, a total of Baht 30.30 million, is to be paid to the shareholders for the year 2023. The Company already paid an interim dividend of Baht 0.01 per share, a total of Baht 7.57 million. The dividend to be paid is Baht 0.03 per share, a total of Baht 22.73 million.

**33. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved by the Company's Board of Directors on 27 February 2024.

**Attachment 1** Information of directors, executives, controlling persons (if any), and persons assigned the highest responsibility in the accounting and finance department. And company secretary According to the following table:

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
1. Mr. Satian Pooprasert Chairman of the Board	72	<ul style="list-style-type: none"> <li>Bachelor's degree Doctor of Medicine Ramathibodi Hospital</li> <li>Certificate American Board of Internal Medicine</li> <li>Diploma (Internal Medicine Specialist) Resident in Internal Medicine at Christ's Hospital, Oaklawn, Illinois, U.S.A July 1979 - June 1992</li> <li>Diploma American Board Rheumatology (Rheumatism Specialist) Fellow in Rheumatology at Lome University, California, U.S.A.</li> <li>Course Risk Management Program for Corporate Leaders (RCL) No.29/2022</li> <li>Course Director Accreditation Program (DAP) No.142/2017</li> <li>Course Role of the Chairman Program (RCP) No.36/2015</li> <li>Course Certificate_Directors Certification Program (DCP) Class 82/2006</li> <li>Seminar on Driving Business for Sustainability in 2020 by experts</li> </ul>	None	None	Listed Company 2 companies	2018 - present	Vice-Chairman of the Board of Directors	Praram 9 Hospital PCL. / Hospital
Appointment date April 29, 2015					General company 1 company	2015 - present	Chairman of the Board of Directors	Pioneer Motor PCL./ Manufacture, sale and export of motors
						2012 - present	Director	Major Cineplex Group PCL. / Entertainment services
						2003 - present	Managing Director/ Executive Director	Praram 9 Hospital PCL. / Hospital
						1995 – present	Executive committee	Relai (Thailand) Co., Ltd. / Faucet manufacturing and distribution
						1992 - present	Executive Committee / Board of Directors	Praram 9 Hospital PCL. / Hospital

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
		and executives from the Business Development for Sustainability Department. • Course: Senior Executive Development Project Cambridge-Thammasat, Class 1						
2. Mss Jirayong Anuman-Rajadhon Independent Director/ Chairman of the Audit Committee/ Chairman of the Risk Management Committee/ Member of the Nomination and Remuneration Committee  (continue) Appointment date April 29, 2015	56	<ul style="list-style-type: none"> <li>• Bachelor of Business Administration (Finance), Faculty of Commerce and Accountancy Thammasat University</li> <li>• Master of Science (Finance), Faculty of Commerce and Accountancy Thammasat University</li> <li>• Postgraduate Diploma Business Administration (Fashion) London College of Fashion, University of the Arts London.</li> <li>• Course Certificate Director Certification Program (DCP) Class 160/2012</li> <li>• Course Advanced Audit Committee Program (AACP) Class 19/2015</li> <li>• Advanced Insurance Science Program Class 9 Office of Insurance Commission (OIC)</li> </ul>	None	None	Listed Company 3 companies  General company 6 company	2023 – present          2023 – present          2023 – present          2023 – present	Independent Director/ Chairman of the Audit Committee/ Chairman of the Risk Management Committee  Director and Chairman of the Investment Committee  Director and Chairman of the Investment Committee  Independent Director/ Audit Committee/ Nomination and Remuneration Committee Member/ Risk Management Committee Member  Independent Director/ Audit Committee/ Chairman of the Risk Management Committee	GMM Music Co., Ltd./ All types of entertainment businesses          Dara Insurance PLC.(General insurance companies in Cambodia)  Sovannaphum Life Assurance PLC.(Life insurance companies in Cambodia)  Eastern Technical Engineering PCL./ Procurement, installation and improvement of electrical systems Electrical distribution system  MTM Holding Co., Ltd./ Provide advice on marketing communications

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
(continue) Mss Jirayong Anuman-Rajadhon						2022 – present	Director	CirPlas Tech Co., Ltd./ Primary wholesale of rubber and plastics
						2019 – present	Director	CPanel PCL. Manufacture and sale of precast concrete walls
						2016 – present	Director and Managing Director	Brand and Business Venture Co., Ltd./ Production and distribution of branded bags
						2015 – present	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee	Pioneer Motor PCL./ Manufacture, sale and export of motors
						2006 – present	Director and Managing Director	Jay Capital Advisory Company Limited (Formerly known as JD Partner Company Limited) / Financial advisor business
						2000 - present	Director	Second Opinion Co., Ltd./ business consultant Providing advice on other management matters

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
3. Mrs. Pennapha Dhanasarnsilp Director/ Independent Director/ Audit Committee/ Chairman of Nomination and Remuneration Committee  Appointment date April 29, 2015  (Original Name - Surname) Miss Pennapha Lertpradit	70	<ul style="list-style-type: none"> <li>Bachelor's degree Faculty of Economics, Chulalongkorn University</li> <li>Master degree Faculty of Business Administration, Thammasat University</li> <li>Doctorate Degree, Faculty of Business Administration, Nova University, USA</li> <li>Course Certificate Director Accreditation Program(DAP) Class 3/2003</li> <li>Course Certificate Directors Certification Program (DCP) Class 68/2005</li> </ul>	None	None	Listed Company 4 companies  General company 3 company	2022 - present  2021 - present  2020 – present  2018 –present  2015 – present  2013 – present	Board of Directors  Director and Chairman of the Audit Committee  Board of Directors  Independent Director / Chairman of the Board of Directors / Chairman of the Nomination Committee Remuneration and Corporate Governance  Director / Independent Director / Audit Committee Director / Chairman of Nomination and Remuneration Committee  Chairman of Nomination and Remuneration Committee / Independent Director / Audit Committee Director	I.D.F. Company Limited / fund advisor  Boutique Newcity Public Co., Ltd./ Production and distribution of ready-to-wear women's clothing  American Food Co., Ltd./ Production of ice cream  Index Living Mall PCL. / Distribute furniture  Pioneer Motor PCL./ Manufacture, sale and export of motors  Plan B Media PCL. / Create advertising media, Rent advertising space and time



Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
						2011 – present	Chief Executive Officer	Paint Marketing & Distribution Co., Ltd./ Produce canned fish and instant noodles brand Nissin
4. Police general. Sakda TechaKriengkrai Director / Independent Director/ Audit Committee/ Chairman of Corporate Governance & Sustainability  Appointment date April 29, 2015	66	<ul style="list-style-type: none"> <li>Bachelor's degree Bachelor's degree in Public Administration (Police) Royal Police Cadet Academy</li> <li>Master degree Master's Degree in Education (Executive Educational institutions) Khon Kaen University</li> <li>Course Certificate Director Accreditation Program(DAP) Class 116/2015</li> </ul>	None	None	Listed Company 1 companies  General company 0 company	present  2017 – 2018  2016 – 2017	Retired  Special Advisor  Deputy Inspector General	Acting pension / government agency Royal Thai Police / Government sector Royal Thai Police / Government sector
						2015 - present	Audit Committee Director / Independent Director / Chairman of the Corporate Governance and Sustainability Committee	Pioneer Motor PCL./ Manufacture, sale and export of motors
5. Mr. Wasun Itthirojanakul Board of Directors / Risk Management Committee / Nomination and Remuneration Committee / Corporate Governance and Sustainability Committee  Appointment date April 29, 2015	64	<ul style="list-style-type: none"> <li>Bachelor's degree Bachelor's degree in Business Administration (Marketing), Rajapark Institute</li> <li>Course Certificate Director Accreditation Program(DAP) Class 116/2015</li> <li>Advanced master of Management Class 3 National Institute of Development Administration.</li> <li>National Defense Course for the Joint State Private Sector Annual Educational institutions 2011-2012</li> <li>Senior Management Course</li> </ul>	Brother of Mrs. Podjamarn Wongsuwan (Person No. 8)	0.510	Listed Company 1 company  General company 2 companies	2015 –present   2009 – present  1996 - present	Director / Chief Executive Officer / Managing Director / Risk Management Committee / Nomination and Remuneration Committee  Chief Executive Officer  Chief Executive Officer	Pioneer Motor PCL./ Manufacture, sale and export of motors   T.C.Trading House Co., Ltd./ Business selling chemical pumps  Rely (Thailand) Co., Ltd. / Operation of faucet manufacturing and distribution business

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
		Capital Market Academy (CMA) Class 16 • Top Executive Program in Commerce and Trade, TEPCOT Class 12, University of the Thai Chamber of Commerce						
6. Mr.Christopher Robert Tape Director/ Deputy Managing/ Director/ Executive Director/ Risk Management Committee  Appointment date April 29, 2015	76	• Bachelor's degree Bachelor Technology in Electrical Engineering • Course Certificate Director Accreditation Program(DAP) Class 117/2015	None	0.264	Listed Company 1 company  General company 0 companies	2014– present  1996 -2001  1980 - 1996	Director / Executive Director / Deputy Managing Director /Risk Management Committee  Managing Director & President  Managing Director, Indonesia – President & Country Manager	Pioneer Motor PCL./ Manufacture, sale and export of motors   Fasco Asia Pacific Co., Ltd / Operate business consulting business  ABB Co., Ltd. Import, manufacture, export and sell transformer products
7. Mrs. Nutcharat Itthirojanakul Executive/ Deputy Managing Director in Logistics  Appointment date April 29, 2015  (Original Name - Surname) Miss Nutcharat Assawariyachon	70	• High school or equivalent vocational certificate. Saint John's School of Commerce • Course Certificate Director Accreditation Program(DAP) Class 114/2015	Sister-in-law of Mr. Wasun Itthirojanakul (Person no. 5)	None	Listed Company 1 company  General company 0 companies	2014 – present	Deputy Managing Director in Logistics	Pioneer Motor PCL./ Manufacture, sale and export of motors

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
8. Mrs. Podjamarn Wongsuwan Director/ Executive Director/ Deputy Managing Director in Accounting and Finance	65	<ul style="list-style-type: none"> <li>Bachelor's Degree, Faculty of Public Affairs Political Science Thammasat University</li> <li>Course Certificate Director Accreditation Program(DAP) Class SEC/2015</li> <li>Course Certificate STRATEGIC CFO IN CAPITAL MARKET PROGRAM</li> <li>Course Certificate CFO's Orientation Course for New IPOs</li> <li>Security Management Program for Advanced Class 11, Foundation for Management for Security</li> <li>Course for Senior Budget Administrator, NSW 7, Bureau of Budget Prime Minister's Office</li> </ul>	Sister of Mr. Wasun Itthirojanakul (Person No. 5)	0.586	Listed Company 1 company  General company 1 companies	2002 - present   1999 – 2001  1994 - present	Director / Executive Director / Deputy Managing Director in Accounting and Finance  Procurement  Managing Director	Pioneer Motor PCL./ Manufacture, sale and export of motors    Fasco Motors (Thailand) Co., Ltd./ Manufacture and sale of all types of electric motors  Flyus Travel Center Co., Ltd./ Selling air tickets and providing tour assistance
Appointment date April 29, 2015  (Original Name - Surname) Miss Podjamarn Itthirojanakul								

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
9. Miss Sirirat Itthirojanakul Director/ Executive Director/ Assistant Managing Director in Marketing/ Company secretary/ Corporate Governance & Sustainability Committee  Appointment date April 29, 2015	47	<ul style="list-style-type: none"> <li>Bachelor degree Bachelor of Commerce and Accountancy (English Program) Bachelor of Business Administration Program (Finance and Banking) Thammasat University</li> <li>Master degree International Business Thunderbird University Arizona, USA</li> <li>Course Certificate Director Accreditation Program(DAP) Class SEC/2015</li> </ul>	Niece of Mr. Wasun Itthirojanakul (Person No. 5)	8.641	Listed Company 1 company  General company 0 companies	2005 – present	Director / Executive Director / Assistant Managing Director in Marketing / Company secretary / Corporate Governance Committee	Pioneer Motor PCL./ Manufacture, sale and export of motors
10. Miss Narerat Itthirojanakul Executive Director/ Assistant Managing Director in Corporate Support  Appointment date April 29, 2015	45	<ul style="list-style-type: none"> <li><u>Bachelor degree</u> Bachelor of Marketing and E-Commerce Deakin University (Melbourne, Australia)</li> <li>Course Certificate Director Accreditation Program(DAP) Class 114/2015</li> </ul>	Niece of Mr. Wasun Itthirojanakul (Person No. 5)	8.651	Listed Company 1 company  General company 0 companies	2015 – present	Executive Director / Assistant Managing Director in Corporate Support	Pioneer Motor PCL./ Manufacture, sale and export of motors
11. Mr. Papat Itthirojanakul Executive Director/ Production Manager  Appointment date April 29, 2015	32	<ul style="list-style-type: none"> <li>Bachelor of arts: Business and Management Studies, Management Development Institute of Singapore</li> </ul>	Nephew of Mr. Wasun Itthirojanakul (Person No. 5)	8.641	Listed Company 1 company  General company 0 companies	2015 – present  2013 - present	Executive Director  Production Manager	Pioneer Motor PCL./ Manufacture, sale and export of motors  Pioneer Motor PCL./ Manufacture, sale and export of motors

Name / Position	Age (Yr)	Educational Qualifications/ Training History	Family relation with Executives	Shares held (%)	Number of companies that holds director position	Work experience in the past 5 years		
						Period	Position	Company/ Business Type
12. Mrs. Panun Pongpanich Accounting and Finance  (Original Name - Surname) Miss Panun Soisian	49	<ul style="list-style-type: none"> <li>• <u>Bachelor's degree</u> Bachelor of Business Administration, Nakhon Pathom Rajabhat Institute</li> <li>• Certificate of CFO's Orientation Course for New IPOs, Batch 3</li> <li>• Update tax laws for 2023 and tax benefits that accountants must know.</li> <li>• Problems with recording accounting transactions at the end of the year - beginning of the year.</li> </ul>	None	0.026	Listed Company 1 company  General company 0 companies	2002 - present	Accountant	Pioneer Motor PCL./ Manufacture, sale and export of motors

**Attachment 2** Details of the positions held by the executives and controlling persons of the company in related companies

Company list	PIMO Company
List of names	
1. Mr. Satian Pooprasert	X
2. Mss Jirayong Anuman-Rajadhon	CAC, //
3. Mrs. Pennapha Dhanasarnsilp	AC, //
4. Police general. Sakda TechaKriengKrai	AC, //
5. Mr. Wasun Itthirojanakul	MD, /
6. Mr.Christopher Robert Tape	*, M, /
7. Mrs. Nutcharat Itthirojanakul	*, M
8. Mrs. Podjamarn Wongsuwan	*, M, CFO, /
9. Miss Sirirat Itthirojanakul	M, /, **
10. Miss Narerat Itthirojanakul	M, **
11. Mr. Papat Itthirojanakul	M, **

Remark: X = Chairman of the Board CAC = Chairman of Audit Committee AC= Audit Committee Director  
MD= Managing Director \* = Deputy managing director \*\* = Assistant Managing Director  
M = Executive / = Directors // = กรรมการอิสระ CFO = Director of Accounting and Finance



**Attachment 3: Details about the head of the internal audit and the head of the company's operations supervision.**

The Company has appointed Acc-Plus Consultant Co., Ltd. with Mis.Wanna Maluengnon as the Company's internal audit supervisor. And regularly report the results of the internal control system audit to the Audit Committee. The Audit Committee has considered the qualifications of Acc-Plus Consultant Co., Ltd. and the qualifications of Mis. Wanna Maluengnon and has given its opinion. That they are suitable enough to perform their duties because they are independent and have experience in internal auditing. The details are summarized as follows:

Name-Surname / Position	Age (years)	Educational qualifications/training history	Shareholding percentage in the company (Percentage)	Family relationships between directors and executives	Work experience in the past 5 years			
					Period	Position	Company	Business Type
Miss Wanna Maluengnon	54	- Master's degree in Business Administration, Chulalongkorn University, 1994  - Certificate of Auditing, Thammasat University, 1991  - Bachelor's degree in Accounting, Chulalongkorn University, 1990  - Rajini School, year 1986  <b>Training history:</b>  - Training on Integrated Internal Audit organized by the Federation of Accounting Professions.  - Managing the Internal Audit Function: Management of the internal audit department Organized by the Association	None	None	1994 – present	Managing director	Acc-Plus Consultant Co., Ltd	Audit and evaluation of internal control systems, auditing, accounting and consulting services Financial due diligence for due diligence
Headof Internal Audit Certified Public Accountant, registration number 4170					2021 – present	Independent Director and Chairman of the Audit Committee	Sky Tower Public Company Limited	Telecommunications and electricity infrastructure and overseas telecommunications business Telecommunications station for rent and providing telecommunications services
					2018 – present	Director	Siam Biomass Supply Co., Ltd.	Selling chopped wood
					2022 – present	Independent Director and Chairman of the Board	Lamae Palm Oil Company Limited	Selling crude palm oil

Name-Surname / Position	Age (years)	Educational qualifications/training history	Shareholding percentage in the company (Percentage)	Family relationships between directors and executives	Work experience in the past 5 years			
					Period	Position	Company	Business Type
		of Internal Auditors of Thailand - Fraud Risk & Control: Fraud risk and control organized by the Association of Internal Auditors of Thailand - Certificate, Risk Management Program for Corporate Leader (RCL5/2016) by the Thai Institute of Directors Association (IOD) - Internal audit training on fraud investigation Organized by the Federation of Accounting Professions - Workshop (Workshop) COSO2013, the newest internal control system framework, Batch 3/56, organized by the Federation of Accounting Professions. - Workshop on risk assessment methods for planning internal audits, Class 3/55, organized			Oct.2023 – present	Director	Connect Techno Solutions Co., Ltd.	Providing complete information technology services

Name-Surname / Position	Age (years)	Educational qualifications/training history	Shareholding percentage in the company (Percentage)	Family relationships between directors and executives	Work experience in the past 5 years			
					Period	Position	Company	Business Type
		by the Federation of Accounting Professions. - Workshop (Workshop) evaluating the COSO-ERM internal control system of each work system (December 2011) - Certificate, Audit Committee Program – ACP, Class 42/2013, by the Thai Institute of Directors Association (IOD) - Certificate, Director Accreditation Program – DAP, Class 99/2012, by the Thai Institute of Directors Association (IOD)						

## **Duties and responsibilities of the internal audit supervisor**

### **Objectives of internal audit**

To promote the management system internal control, reporting and good corporate governance Increase transparency and build confidence among the company's shareholders. Providing internal audit services of consulting companies Therefore, the objective is to check compliance with the company's internal control system. Standardized internal auditing can provide internal audit results to improve management and developing the company's various operating processes to be efficient and effective according to the company's needs and in accordance with various legal regulations related.

### **Scope and responsibility for controlling internal audit work**

1. Evaluate the internal control system to summarize the adequacy of the company's existing internal control system under the circumstances, business plans, and various legal regulations. and environmental factors, both internal and external
2. Prepare an internal audit plan for 2023 and submit it to the Audit Committee.
3. Check the company's operations and compare them with the work system manual, company policy, and various regulations. Related to business according to the main business process to summarize the efficiency and the effectiveness of the internal control system according to the internal audit plan. and recommendations on findings from internal audits
4. Evaluate the quality of work performance as assigned. Utilizing resources and taking care of resource management appropriately in terms of assets and personnel
5. Evaluate the risk management process that may affect the organization's objectives/goals. It covers risks at the organization/business level and risks at the operational level that may arise from both internal and external environmental factors.
6. Evaluate development and the use of quality information including the development of controlled activities with technology systems to help support the achievement of company objectives / goals.

**Attachment 4:** Properties used in business operations and details regarding property appraisal items.

Assets used in business operations as of December 31, 2023

Property type	Property characteristics	Ownership	Obligation	Net value as of Dec 31, 2023	Utilization of property
1. Land	- Land title deed number 5759, land number 188, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 5 rai 2 ngan 74 square wa	own			factory building location (Steel Mill, Steel Welding)
	- Land title deed number 11015, land number 187, Khlong Phlu Subdistrict, Nakhon Chai Si District. Nakhon Pathom Province, total area 6 rai 3 ngan 93 square wah	own			Location of warehouse building with mezzanine for raw material store Finished goods stock and building for the production of brushless electric motors for swimming pools.
	- Land title deed number 65140, land number 539, Don Faek Subdistrict, Nakhon Chai Si District. Nakhon Pathom Province, total area 7 rai 0 ngan 43 square wah	own	None	179.80	vacant land
	- Land title deed number 5762, land number 184, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 3 rai 3 ngan 88 square wa	own			Location of the factory building and office office 2 floors
	- Land title deed number 5763, land number 186, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 3 ngan 65 square wa	own			cafeteria location
	- Land Title Deed No. 22656, Land No. 185, Don Faek Subdistrict, Nakhon Chai Si	own			Location of a 2-storey office building canteens and guard towers

Property type	Property characteristics	Ownership	Obligation	Net value as of Dec 31, 2023	Utilization of property
	District Nakhon Pathom Province, total area 0 rai 0 ngan 02 square wa				
	- Land Title Deed No. 65141, Land No. 540, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area of 3 rai, 2 ngan, 13 square wa	own			Location of a 2-storey building (dormitory)
	- Land title deed no. 38076, land number 183, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 0 ngan 13 square wa	own			Location of production building (axis department)
	- Land title deed no. 38077, land number 182, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 1 ngan 48 square wa	own			Location of production building (axis department)
	- Land Title Deed No. 64944, Land Number 537, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 2 ngan 08 square wa	own			Location of production building (axis department)
	- Land title deed no. 64947, land number 538, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 15 square wa	own			Location of production building (axis department)

Property type	Property characteristics	Ownership	Obligation	Net value as of Dec 31, 2023	Utilization of property
2. Buildings and building improvements		own	None	92.33	Office / Factory / warehouse building
3. Machinery and factory equipment		own	None	142.61	for use in business
4. Office equipment		own	None	1.80	for use in business
5. Right-of-use assets-Vehicles		-	Have	3.51	for use in business
6. Vehicles		own	None	3.64	for use in business
7. Assets under construction and installation		own	None	1.84	for use in business

Remark: The Company arranged for an independent professional valuer to reappraise the value of its land. The revaluations were conducted on September 27, 2021, using the sale comparison approach, the results of which showed an increase in the net book value of the land of 117.8 million baht. As at December 31, 2023 the Company's management believes that the fair values does not have any significant changes.

As of December 31, 2023, the Company have rights-of-use assets vehicles acquired under financial lease agreements, with net book value of amounting to approximately 3.5 million baht (2022: the Company have rights-of-use assets machineries and vehicles amounted of 1.9 million baht).

As of December 31, 2023, certain assets of the Company have been fully depreciated but still in use, having gross carrying amount before deducting accumulated depreciation of those assets amounted to 265.2 million baht (2022: 248.6 million baht).



## **Ethics and practices in work**

### **Scope of application**

Pioneer Motor Public Company Limited (the "Company") has established this business code of ethics. To be a standard and applicable to directors Executives and employees at all levels of the company To adhere to the assigned duties Including encouraging executives to be good role models in performing their duties under business ethics. Executives and employees of the company must be informed, understood and strictly adhered to in order for each person to perform their duties efficiently, openly, transparently and taking into account the best interests of the Company and is fair to all groups of stakeholders involved

**"Executive"** means the Managing Director or the first four executive position holders after the managing director Every person holding a position equivalent to a person holding a fourth executive level position and shall include persons holding management positions in the accounting or finance fields who are department manager level or higher or equivalent.

**"Employee"** means a company employee in positions lower than executives, even though they are full-time employees, temporary employee Employees under special contracts and contract employees.

### **Code of conduct**

#### **1. Conflict of Interest Policy**

##### **1.1. Executive**

The company will comply with the regulations of the Stock Exchange of Thailand. The executives must consider conflicts of interest regarding connected transactions between the companies carefully and with honesty and integrity. Reasonably and independently under the framework of good ethics and proceed in accordance with relevant policies Taking into account the benefits of the company is an important principle To ensure that the said items are reasonable and it is for the benefit of the company is an important principle.

##### **1.2. Executives and employees**

- 1.2.1 Executives or employees must not do anything that is a conflict of interest with the company. whether directly or indirectly and whether by oneself or together with others Whether it arises from contact with the company's trade partners, such as business partners, service recipients, trade competitors. or from using opportunities or information gained from being an employee for personal gain or from doing business that competes with the Company.
- 1.2.2 Executives or employees must protect the interests of the company. to the fullest extent of one's ability
- 1.2.3 Executives or employees must not be involved in any other business operations that may affect the Company's interests or in competition with the company.
- 1.2.4 Executives or employees must not work for other people. or any other organization which provides benefits during the company's working hours unless permitted by the managing director or a person assigned by the Managing Director in writing.

#### **2. Policy on maintaining and using property and information/secrets of the company**

- 2.1. All methods, processes, ideas, as well as various techniques or knowledge and/or any other techniques related to the business or operations of the Company. Due to thoughts, research, studies and/or any other actions resulting from work. According to the duties and according to the employment contracts of executives and employees in all cases It is to be considered the Company's intellectual property, regardless of whether it has

been registered or notified in accordance with intellectual property laws or not. It is prohibited from further distribution without permission from the Managing Director or a person assigned by the Managing Director in writing.

- 2.2. Directors, executives, employees or advisors to the executive committee agree to treat all "trade secrets" of the Company that are known or have come to know as a result of performing work for the Company which will not be disclosed Forward it to anyone who is not relevant and necessary or copy without permission. Including not doing or refraining from doing anything. Until causing the status and reputation of the company Damage or cause damage to the company's business including not hiring or becoming an executive or employee or provide advice, consultation, assistance, or make any contracts with any juristic person or the business of a person who is a trade competitor to the Company or conduct business that is similar or similar to the Company's business.

For the benefit of interpreting this provision "Trade secrets" means trade information which is not yet generally known or is not yet accessible to the people who would normally be concerned with such information. It is commercially useful information. Because it is confidential and is information that the company appropriate measures have been taken to keep them secret. Trade secrets may be in regulations, contracts, or other agreements of the Company that has been specified and will continue to occur or as specified by the Trade Secrets Act B.E. 2002 (including amendments).

- 2.3. Directors, executives, employees or advisors to the executive committee everyone of the company Must keep any "secrets" regarding the company of service recipients, contractors, or business partners or any other person that was known or came to be known due to work performed for the Company Unless the disclosure of information is as permitted by law or required by law, such as disclosure of information according to a court order or by order of any other government official authorized by law.
- 2.4. Directors, executives, employees or advisors to the company's executive committee must know the steps. How to keep information safe and follow to prevent confidential information from being accidentally disclosed.
- 2.5. The Managing Director will be the person who approves information that will be released or disclosed to the public.
- 2.6. Directors, executives, employees or advisors to the executive committee must not use or use the Company's internet assets for commercial purposes. or personal benefit In addition to the direct benefit of the company.
- 2.7. Directors, executives, employees or advisors to the Executive Committee Must strictly adhere to and comply with the Company's computer system policy, such as:
- Must not interfere with the privacy of others through the Company's computer system. In any case
  - Must not access the Company's confidential information contained in the computer system for the benefit of oneself or of others. It can only be used for areas that executives or employees have direct responsibility for and for the performance of their positions and responsibilities only.
  - Must adhere to the rules and regulations regarding the use of computer equipment and tools.
  - It is forbidden to access data and document files. of another user on the computer system without permission
- 2.8. Directors, executives, employees or advisors to the Executive Committee must be aware of and follow guidelines for using computer systems and information systems correctly and appropriately.
- 2.9. Do not install computer programs. or recorded in the company's computer system without permission
- 2.10. Do not give computer programs that the Company has permission to use to any other person. This includes business partners, contractors, and service recipients of the company and personal installation of software. It also includes employees' use of the internet or connect to the internet to transfer data publishing obscene things

Sending and receiving information via electronic systems (email) that violates the law or copyright law or contrary to intent or the aim of the policy or regulations or the company's information system policy regulations or violates the Computer Crimes Act B.E. 2007 (including amendments) or other laws.

- 2.11. During the performance of work according to the employment contract, directors, executives, employees or advisors to the Executive Committee Must not act, refrain, or abstain from any action which caused the company suffering damage as a result of false or inaccurate information, news and/or reports or records or communications. By any means, intentionally.
- 2.12. Directors, executives, employees or advisors to the Executive Committee Must not infringe on the Company's intellectual property and/or the company anything else that allows the company to make use of that intellectual property regardless of contract and/or any means whether it is a repeated action or modify and disseminate to the public or rent the original or copy Whether for profit or not If executives or employees violate this code of ethics, the company has the right to terminate the employment contract immediately.
- 2.13. Directors, executives, employees or advisors to the executive committee Must use the company's assets Be careful, responsible, and maintain any tools or equipment received from the company Always keep the image clear and neat by contacting for repairs when damage occurs.
- 2.14. Directors, executives, employees or advisors to the executive committee must not violate regulations or orders from the company that may cause an accident or cause damage to the company's property.
- 2.15. 2.15 Directors, executives, employees or advisors to the executive committee Must protect the company's assets from being lost or destroyed even if it is not their direct responsibility.
- 2.16. Directors, executives, employees or advisors to the executive committee must not bring equipment Company assets to use other than working for the company.
- 2.17. The company has measures in place for providing information to outsiders. In cases where outsiders are involved in advisory work, such as advisors to the committee Managing Director Advisor for other special work Employees and employees of the company's contractors, etc. The company has additional regulations regarding consultant ethics as follows:
- Providing internal information must be within the framework of assigned duties and responsibilities only. (Need-to-know basis)
  - Make a contract to keep confidential information. (Confidentiality Agreement)
  - Perform duties to the best of your ability with neutrality
  - Do not use information obtained from the performance of duties for your own benefit or others illegally those who violate the inside information use policy will be subject to disciplinary action and/or the law, as the case may be.

### **3. Policy on giving or receiving gifts or entertainment**

- 3.1. Directors, executives, or employees shall not request, receive, or agree to receive money or any other benefits from business associates.
- 3.2. Directors, executives or employees may receive or give gifts according to tradition. Accepting the gift must not influence the recipient's business decisions.
- 3.3. If an executive or employee receives a gift on a traditional occasion with a value that exceeds normal values from a business associate with the company Report to supervisors according to hierarchy.

### **4. Policy on securities trading and use of inside information**

- 4.1. Directors and executives have a duty to report their securities holdings in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 4.2. The company must comply with the law regarding the use of inside information by operating to be equitable and fair to all shareholders equally and to prevent illegal actions by personnel at all levels of the company and all families who were informed or may be exposed to inside information that has not yet been disclosed to the public. The Company therefore prohibits such persons from buying or selling shares or inviting others to buy or sell or offer to buy or offer company shares either by yourself or through a broker while still in possession of information that has not yet been disclosed to the public. The Company and the Stock Exchange of Thailand regard such securities trading as securities trading for speculation or to create an advantage for a group of people. In this regard, directors, executives, employees, and employees of the company who are aware of material inside information that affects or may affect changes in securities prices must refrain from trading in the company's securities by waiting at least 24 hours afterward. Since the company has already disclosed such information to the public.
- 4.3. The Company has established a security system in the workplace to protect confidential files and documents and has taken steps to limit access to information that is not disclosed to the public. By only making known to relevant and necessary persons, it is considered the duty of the data owner or holder of information that has not yet been disclosed to the public to instruct those involved to strictly follow the security procedures. In this regard, violators Use of inside information will be subject to disciplinary action and/or the law, as the case may be.

## **5. Policy regarding internal control and audit systems and accounting and financial reporting.**

### **5.1. Policy regarding internal control and audit systems**

Establish an efficient internal control and audit system. Under the inspection of internal auditors and the audit committee's review

### **5.2. Policies regarding financial trusts and accounting and financial transactions**

- 5.2.1. The board must ensure that the financial reporting system and disclosure of important information are accurate, adequate, timely and in accordance with relevant rules, standards and guidelines. Must ensure that personnel involved in preparing and disclosing information have knowledge, skills and experience appropriate to their duties and responsibilities and there are sufficient numbers Such personnel include the top executives of the accounting and finance department. Accountant internal auditor Company secretary and investor relations.
- 5.2.2. The board must monitor the adequacy of financial liquidity and debt repayment ability.
- The board should ensure that management monitors and evaluates the financial position of the business and reports to the board regularly. The board and management should work together to find solutions quickly if there are signs of problems with financial liquidity and ability to repay debts.
  - In approving any transactions or submitting opinions to the shareholder meeting for approval, the board should ensure that conducting such a transaction will not affect the continuity of business operations and financial liquidity. or ability to repay debt
- 5.2.3. Company management be responsible for preparing financial reports that are accurate, complete, and timely both annual and quarterly budgets which is prepared according to accepted accounting standards

Accuracy of recording transactions

- The Company's recording of all types of business transactions must be accurate, complete, and auditable without any limitations or exceptions.
- Business entries and records must be truthful. There is no distortion or creation of false entries. Regardless of any purpose.
- Personnel at all levels must conduct business transactions in accordance with the rules and regulations of the Company, including complete documentation and evidence supporting business transactions and provide useful information adequately and in a timely manner For those whose duties are related to recording, preparing, and evaluating accounting and financial reports. Able to record and prepare all types of accounting and financial transactions of the company into the company's accounting system with accurate and complete details.

#### Accounting and financial reports

- Every executive or employee must not misrepresent, conceal information, or create false statements. Whether it is business transaction information related to accounting and finance or operational information.
- Every executive or employee should be aware of the accuracy of accounting and financial reports. It is a joint responsibility of the Company's Board of Directors, executives and responsible employees.
- Every executive or employee is responsible for processing, preparing, and/or providing information business items.

#### Good practices regarding legal compliance

- Personnel at all relevant levels must comply with regulations and requirements according to relevant laws both within the country and/or abroad In order for the accounting and financial records of the company to be accurate and complete.
- Personnel at all levels must adhere to the principles Honesty, without bias, and honesty in record keeping

### **6. Policy on responsibility towards shareholders**

- Perform duties with honesty and integrity. and take any action With fairness to all shareholders
- Report to shareholders the status of the organization regularly and completely and truthfully.
- Report to shareholders on the future trends of the organization. Both in the positive and negative aspects with sufficient supporting reasons

### **7. Policy on treatment of executives or employees**

- Provide fair compensation to executives or employees.
- Appointment and transfer of executives or employees including rewards and punishments it must be done with honesty and based on knowledge ability and suitability of executives or employees.
- Give importance to the development of employees' knowledge, abilities, and skills by providing thorough and regular opportunities.
- Comply with laws and regulations that are strictly related to executives or employees.

### **8. Policy on conduct of executives or employees**

- Should perform duties with determination, honesty, and transparency.
- Respect the rights of management or other employees.

- Supervisors should conduct themselves in a way that is respected by employees and employees should not do anything which is disrespectful to superiors.
- Be disciplined and act according to the organization's rules and good traditions. Whether specified in writing or not.
- Work together to create and maintain an atmosphere of unity and solidarity among employees you should avoid doing anything which may affect reputation Company image or become a problem for the company later.

## **9. Policy regarding social responsibility (CSR)**

The Company is aware of the importance of operating business to grow sustainably under Corporate Social Responsibilities, focusing on conducting business with care and attention to stakeholders, the economy, society and the environment with morality, ethics and code of ethics and the company adheres to the principles of corporate governance to comply with laws related to prevention and anti-corruption. The company hopes to conduct business under social responsibility and anti-corruption and bribery. It will bring benefits to the public along with the growth of the company. Along with this, the company has created a policy of social responsibility and anti-corruption and bribery, divided into 6 categories as follows:

### **Section 1: Conducting business with fairness**

The company focuses on conducting business with honesty, fairness, and ethics according to the framework of competition rules. Subject to relevant laws and regulations Including ethical principles and the principle of equal competition including refusing any behavior anything that obstructs fair competition, such as seeking confidential information of business competitors, soliciting, receiving, and giving any benefits that are dishonest in trade, etc. In addition, the company we also respect the intellectual property rights of others. The Company has a policy for personnel to comply with laws or regulations regarding intellectual property rights, such as using computer programs that are legally copyrighted, etc. additionally, the Company has a project campaign to promote and cultivate subconscious mind among the company's personnel. At every level, there is also social responsibility.

### **Section 2 Respect for human rights**

The company is aware of respect for living things and human dignity of every person this is the basic right of everyone and is the foundation of human resource management and development. Including building relationships in society, the company therefore has guidelines to ensure equality regardless of differences in race, skin color, gender, language, religion, and political beliefs. or belief in any other way nationality or social background, property, birth or status and should refrain from expressing opinions that may cause conflict in the company To provide guidelines for human rights operations It follows ethical guidelines.

### **Section 3: Fair treatment of labor**

The company realizes the importance of developing human resources and treating workers fairly. This is a factor that will increase the value of the business and strengthen the competitiveness and sustainable growth of the company in the future. The company has set policies and guidelines as follows.

- 1) Respect the rights of employees according to human rights principles and comply with labor laws.
- 2) Provide a hiring process and fair employment conditions Including determining compensation and considering performance under a fair performance evaluation process.
- 3) Promote personnel development by organizing training, seminars, training, including sending personnel to attend seminars and academic training in various fields related to develop the knowledge, abilities, and potential of personnel Including cultivating a good attitude, morality, ethics and teamwork.

- 4) Provide various welfare benefits for employees as required by law, such as social security, provident fund, etc., and in addition to those required by law, such as medical benefits accident insurance, etc., including providing various types of financial assistance to employees, such as scholarships for children Funeral assistance money, etc.
- 5) Focus on organizing the work environment. To ensure safety in work and provide various welfare services such as clean and safe drinking water in the workplace. Keep the bathroom clean Provide safe and adequate dormitories. Along with providing various facilities such as Internet service as well as providing medical benefits to all personnel.
- 6) Make sure employees can work safely and have good hygiene in the workplace by providing measures to prevent accidents and strengthen employees' awareness of safety including organizing training and encourage employees to have good hygiene and maintain a hygienic workplace Always safe.
- 7) Give employees an opportunity to express their opinions or complain about unfair treatment or wrongdoing in the company including providing protection to employees who report such matters.

#### **Section 4 Responsibility to customers**

The company gives importance, care and responsibility to customers. Both in terms of product quality Providing good and standardized services Maintaining customer confidentiality and giving importance to fair and equitable pricing Under the pricing policy that is

- 1) Purchasing goods and services from trading partners will be in accordance with trade conditions. We will strictly follow the contract we made together. To create a relationship that will bring long-term benefits to both parties.
- 2) Compliance with the loan conditions according to the agreement.
- 3) Be attentive and responsible to customers Be responsible to customers in terms of product quality and providing good and standardized services Maintaining customer confidentiality and giving importance to fair and equitable pricing Under the pricing policy that is
- 4) Compliance with the rules and regulations good competition including avoiding dishonest methods to destroy business competitors
- 5) The Company places importance on the supervision of all groups of stakeholders, such as customers, employees, business partners, shareholders or investors, creditors, and the communities in which the Company is located, etc. Stakeholders will be taken care of by the Company. According to the rights available under relevant laws, the company will not do anything that is a violation of the rights of stakeholders according to the law or according to the agreements that have been made. The Company has considered having a process to promote the participation of stakeholders according to their roles and responsibilities in enhancing operating results of the company In order to run the company's business well and create sustainable stability for the business and create fair benefits for all parties. In addition, the company also provides channels for stakeholders to communicate, make suggestions, or provide information to the board of directors. Through the independent directors or the audit committee of the company By considering having a process to promote cooperation between

The company and stakeholders in creating wealth financial stability and sustainability of the business as follows

Give importance to employees at all levels of the company. By treating employees equally, fairly and giving compensation appropriate to the knowledge and abilities of each employee along with focusing on continuous



development of potential and knowledge and ability including giving importance to maintaining the working environment. Taking into account work safety and quality of life of employees is important.

Give importance and responsibility to the community and nearby society regarding the environment including supporting public benefit activities of the community as well as develop the environment of the community and society For a better life By considering as appropriate.

#### **Section 5 Environmental care**

The company gives importance to and is responsible for the surrounding community and society regarding the environment. The company strictly complies with laws, regulations and standards regarding environmental management. Including taking action and controlling to ensure compliance with laws related to environmental preservation and measures to prevent and correct measures when environmental impacts occur from the Company's operations. Including the company Resources are used efficiently and cost effectively.

#### **Section 6 Participating in community or social development**

The company gives importance and responsibility to the community and society. Therefore, there is a policy to support public benefit activities of the community as well as develop the environment of the community and society for a better life by considering as appropriate.

### **10. Policy on good corporate governance**

Board of Directors Must comply with the law Objectives, regulations and resolutions of the shareholders' meeting of the company Including adhering to and following the principles of good corporate governance according to the guidelines set by the Stock Exchange of Thailand as guidelines for the company's operations. To achieve efficiency in operations it also creates transparency for investors, which will create confidence in the company's business operations to outsiders by the policy regarding good corporate governance of the company Covers 5 principles as follows:

#### **Section 1      The Rights of Shareholders**

The company recognizes and places importance on the basic rights of shareholders. Both as securities investors and owners of the company, such as the right to buy, sell, and transfer the securities they hold. The right to receive a share of profits from the company the right to receive adequate information, various rights in shareholder meetings Right to express opinions the right to participate in decision-making on important matters of the company, such as dividend allocation appointment or removal of directors appointment of auditors Approval of important transactions that affect the direction of the company's business operations including amending the memorandum and regulations of the company, etc.

The Company has a mission to promote and facilitate the exercise of shareholders' rights as follows:

- (1) The company will send meeting invitations along with meeting information according to various agendas to shareholders in advance and advertise in newspapers not less than 7 days before the meeting date or any other period as required by law or Relevant regulations announced In addition, the company Such information will be announced on the company's website. before the shareholder meeting date as well
- (2) In the event that shareholders are unable to attend the meeting in person, the Company will provide the opportunity for shareholders to appoint independent directors or any other person to attend the meeting on their behalf.
- (3) In organizing the company's shareholder meeting will use a location that is convenient for travel. Including choosing the appropriate day and time and allocate adequate time for meetings in order to comply with the policy to provide convenience to the Company's shareholders.

- (4) At the shareholder meeting, the Company will provide opportunities for all shareholders to have equal rights to express their opinions. Suggestions or questions on various related agendas are freely given before voting on any agenda and there will be directors and executives of the company. Related parties participate in the shareholder meeting to answer questions at the meeting.
- (5) After the shareholders' meeting is completed, the Company will prepare minutes of the meeting that accurately and completely record important information so that shareholders can inspect it. It is prepared as a report of the shareholder meeting and published on the company's website and delivery it to the relevant government agencies within the period specified by law.

## **Section 2      The Equitable Treatment of Shareholders**

The Company has determined to treat all shareholders equally whether it is a major shareholder or a minor shareholder. Shareholders who are executives or shareholders who are not executives Shareholders of Thai or foreign nationality the details are as follows:

- (1) In conducting each shareholder meeting, the Company will provide equal opportunities to all shareholders. Before starting the meeting the chairman of the meeting will explain how to exercise voting rights and how to count the votes of shareholders who must vote on each agenda it also provides an opportunity for all shareholders and proxies attending the meeting to express their opinions, suggestions, and ask questions on each agenda using appropriate and sufficient time. The meeting chairman will conduct the meeting according to the agenda specified the Company will not present any additional agenda items that are not necessary to the meeting. Especially the meeting agenda requires shareholders to take adequate time to study before making a decision.
- (2) In the agenda for the election of directors, the Company will provide an opportunity for shareholders to exercise their rights in electing individual Company directors. In addition, the Company will provide an opportunity for minority shareholders to nominate individuals to serve as directors of the Company etc. It is in advance at an appropriate time complete with information for consideration of qualifications and consent of the nominated person.
- (3) Encourage shareholders to use a proxy form in a format that is consistent with the announcement of the Department of Business Development on prescribing proxy forms (No. 5 B.E. 2007), which shareholders can Set the voting direction for agreeing, disagreeing, and abstaining by preparing proxy forms, both Form A, Form B, and Form C (specific proxy forms for custodians) for shareholders.
- (4) Facilitate shareholders who are unable to attend the meeting in person but intend to exercise the right to vote by means of a proxy it is proposed to have independent directors attend the meeting and vote on behalf of shareholders. To facilitate shareholders in exercising their rights to choose any independent director as a proxy on behalf of shareholders.
- (5) Promote and support the use of ballots in shareholder meetings.
- (6) The Company has required directors to report their interests in any meeting agenda at least before considering the relevant agenda in the Board of Directors' meeting and record such interests in the minutes of the Board of Directors' meetings. Including prohibiting directors who have significant interests in such a way that they will not be able to express their opinions freely on the relevant agenda from participating in the meeting on that agenda.
- (7) The Company has established guidelines for preserving and preventing the use of inside information that is material and may affect changes in the price of the Company's securities by prohibiting persons or agencies who know inside information from using such information to disclose to unrelated agencies or other persons Until the company Such information will be disclosed to the public. Including the company It is also required

that the directors of the company Executive directors, executives, employees and employees of the company Including advisors to the executive committee who have received inside information that is important and may affect changes in the price of the Company's securities Including financial information, you must refrain from trading in the Company's securities during the 30 days before the financial statements or internal information are disclosed to the public and during the period of 24 hours after the Company's information has been disclosed to the public. In the case of violation of the above regulations, the Company will consider it a disciplinary offense and consider punishment as appropriate for the case.

### **Section 3      Consideration of the role of stakeholders (Consideration on the Role of Interested Persons) and business ethics**

The company places importance on the rights of all groups of stakeholders whether it is internal stakeholders, including shareholders and employees or external stakeholders such as business partners, customers, etc. The Company realizes that support and opinions from all groups of stakeholders will be beneficial to the operations and business development of the Company. Therefore, the Company will comply with the law and Relevant regulations so that the rights of such stakeholders are well taken care of in addition, the company also takes into account the rights of all stakeholders and principles of ethics in conducting business According to the following guidelines

**Shareholders** : The company will conduct business with transparency and efficiency. By striving to create good operating results and stable growth. To provide maximum benefit to shareholders in the long run. Including disclosing information with transparency and reliability to shareholders.

**Employee** : The Company will treat all employees equally, fairly and provide appropriate compensation. In addition, the Company also places importance on skill development. Knowledge, abilities and potential of employees regularly, such as organizing training, seminars and workshops. By providing thorough opportunities to all employees and trying to motivate employees with high knowledge and ability to remain with the company. To develop the organization further It has also established guidelines for combating corruption. Including inculcating all employees to comply with relevant laws and regulations, such as strictly prohibiting the use of inside information, etc.

The company provides training to employees to provide knowledge about business ethics policy. Policies and guidelines for combating corruption Personal Data Protection Policy PDPA and other policies regularly

The company will determine and disclose employee compensation policies that are consistent with the company's operating results in both the short and long term.

**Partners** : The Company has a process for selecting suppliers by allowing them to compete on equal information and select business partners fairly under the Company's criteria for evaluating and selecting business partners. In addition, the Company has prepared contract forms that are appropriate and fair to all contracting parties and provide a monitoring system to ensure that the contract conditions are fully complied with and prevent corruption and misconduct in every step of the procurement process. The Company purchases products from trading partners according to trade conditions. as well as strictly complying with contracts with trading partners

#### **Policy on treatment of trading partners**

The company places importance on selecting business partners who have ethical business practices. Doing business that is similar or related to the company has a reputation and experience Have technical expertise

and has a strong financial status To help / exchange / develop the abilities of personnel and technology together.

#### Guidelines

1. The Company is committed to treating its trading partners equitably and equally according to the terms of the contract between them.
2. The company will provide correct information. Not taking advantage Based on honesty Sincere and fair
3. The company avoids receiving Payment of any benefits In doing business with trading partners dishonestly

In the case where the company Unable to comply with conditions Partners must be informed in advance. to find solutions to solve problems together

**Customer** : The company is responsible to customers by maintaining the quality and standards of products and services. Including responding to customer needs as completely and comprehensively as possible. To focus on creating long-term customer satisfaction, the company also provides accurate information about the company's products. It also provides channels for the company's customers. You can report product problems or receive inappropriate services so that the company can prevent and solve problems with the company's products and services. Quickly

**Creditor** : The Company will strictly comply with various conditions according to the contract with creditors, including repayment of principal. Interest and maintenance of various collaterals under relevant contracts.

#### **Policy on treatment of creditors**

The company must comply with contracts, agreements, obligations and liabilities that may arise. Including various conditions strictly towards creditors By adhering to conducting business with principles and discipline. To build trust with creditors Transparently and without concealing information This may cause damage to creditors.

#### Guidelines

1. In the event that the company is unable to comply with the conditions will quickly notify creditors in advance. to jointly consider solutions to problems
2. The company will avoid receiving Payment of any benefits In doing business with creditors dishonestly
3. The Company places importance on capital management to have an appropriate structure to support the Company's business operations. and maintain confidence with creditors

The Company reports debt obligations that are accurate, complete, and timely to creditors upon request.

**Rival** : The company behaves according to the framework of good competition. Have ethics and be within the framework of the law Including supporting and promoting the policy of free and fair competition.

#### **Policy on Treatment of Trade Competitors**

The Company is committed to and gives importance to free trade competition within the framework of good, transparent, and fair competition, without distorting information or use any other methods to attack competitors. They must conduct business that is not exploitative and avoid dishonest methods.

#### Guidelines

1. The company conducts business under fair competition, transparency, and does not take advantage.
2. The company will avoid dishonest methods. slander creating false news or attacking competitors

3. The company will not make any agreements. with competitors or any person in a way that reduces or limits trade competition
4. The company will not reveal or neglect to disclose company secrets. Falling into the hands of competitors

In 2023, there were no legal disputes between the company and its competitors.

**Society and the public** : The company cares and gives importance to safety for society. The environment and quality of life of people involved in the company's operations and encourage the company's employees to Have conscience and responsibility for the environment and society Including ensuring strict compliance with various related laws and regulations. In addition, the company tries to participate in various activities that create and preserve the environment and society, as well as promote culture in the local areas where the company operates. Carrying out business

In addition, interested parties can ask for details report complaints or clues to legal wrongdoing. Inaccuracies in financial reports Defective internal control systems or violations of the Company's business ethics can be passed through the Company's Audit Committee. Information on complaints and clues reported to the Company will be kept secret The Audit Committee will inspect the information and find solutions (if any) and will report to the Board of Directors.

#### **Section 4      Disclosure and Transparency**

- (1) The company places importance on financial statements and financial information appearing in the annual report The Audit Committee will review the quality of financial reports and internal control systems. Including adequate disclosure of important information in the notes to the financial statements and reporting to the Board of Directors. In addition, the Board of Directors It also supports the preparation of management discussion and analysis (Management Discussion and Analysis or MD&A) to accompany the disclosure of financial statements every quarter.
- (2) In approving the disclosure of information the committee must consider relevant factors in the case of financial reports. At least the following factors should be considered.
  - Results of the assessment of the adequacy of the internal control system
  - Auditor's opinion on financial reports and the auditor's observations regarding the internal control system. Including the auditor's observations through other communication channels (if any).
  - Opinion of the Audit Committee
  - Consistency with objectives The main goals, strategies and policies of the company

- (3) The company will arrange for disclosure of information about each director. Roles and duties of the Board of Directors and the Company's sub-committees Number of meetings and attendance in the past year

In the case where the disclosure of any information relates to a particular director, that director should take care that his or her part of the disclosure is complete and accurate, such as information on shareholders of his or her group. Disclosure in connection with shareholders' agreement of their group

- (4) The Company will disclose the audit fees and other service fees that the auditors provide to the Company.
- (5) The Board of Directors oversees that information disclosed is important and reflects practices that will lead to sustainable value creation for the Company. There will be a policy report on corporate governance. Business ethics Risk management policy Anti-corruption policy Treatment of employees and stakeholders This includes fair treatment and respect for human rights and policies regarding social responsibility and the environment that has been approved in summary and the results of compliance with the said policy, including cases where such policy cannot be followed along with the reasons.

- (6) The company places importance on a good internal control system and has established an internal audit department to inspect the operations of each line of work to prevent errors and operate with transparency. It is periodically inspected and reports are prepared and sent to the Audit Committee for consideration.

## **Section 5      Responsibilities of the Board of Directors**

### **1.    Structure of the Board of Directors and sub-committees**

Board of Directors Consists of people who have knowledge, ability and experience that can benefit the company. They play an important role in setting policies and the overall picture of the organization. As well as playing an important role in supervising, inspecting and evaluating the Company's operations. To be as planned

Board of Directors There are at least 5 people and there are company directors who have independent qualifications of not less than one-third of the total number of directors and not less than three persons, which will create a balance in considering and voting on various matters appropriately. In this regard, the Company's directors each term of office shall not exceed 3 years in accordance with relevant laws. The independent directors will have a continuous term of office not exceeding 9 years, except for the Board of Directors. It is considered that that person is suitable to hold the position of independent director of the company further for the highest benefit of the Company. In addition, the Company's directors can serve as a director of another company. This must be in accordance with relevant laws and/or regulations and must be informed to the Board of Directors' meeting. Be informed every time before assuming the position.

In addition, the Board of Directors we have also appointed sub-committees to assist in supervising the Company's operations as follows:

(1)    Audit Committee Consisting of at least 3 independent directors, at least 1 member of the audit committee must have sufficient knowledge and experience in accounting or finance to be able to perform the duty of reviewing the reliability of the financial statements in order to help support. Board of Directors in supervising and inspecting administration internal control Accuracy of financial reports and compliance with relevant laws including helping to support the formulation of risk management policies and supervise the establishment of a risk management system or process. In addition, the Audit Committee will be responsible for reviewing the adequacy and efficiency of the Company's management. Including reviewing financial reports to enable the operations and disclosure of information of the company It is transparent and trustworthy.

(2)    Executive Committee Consisting of not less than 5 members, the executive committee does not have to hold the position of company director or executive or employee of the company. To perform duties to help support the Board of Directors in managing the company's business to be in accordance with policies, plans, regulations and any orders, including goals set within the framework assigned by the Board of Directors.

(3)    Nomination and Remuneration Committee The Nomination and Remuneration Committee consists of at least 3 members. The Chairman of the Nomination and Remuneration Committee must be an independent director. To carry out the duty of recruiting qualified persons to serve as directors of the Company. Audit Committee and Managing Director Prepare policies and criteria for determining compensation and other benefits (whether in the form of cash, securities or anything else) of the Board of Directors Audit Committee and Managing Director Including the salary adjustment of the managing director to present opinions to the Board of Directors to present to the Company's Board of Directors meeting and/or the shareholders' meeting for further consideration and approval (Depending on the case).

In addition, the Audit Committee has considered appointing a Risk Management Committee (RMC) to help support the formulation of risk management policies to cover the entire organization. Supervise the establishment of a risk management system or process to reduce the impact on the Company's business appropriately. Set rules and guidelines

in various areas, including supervision of the organization's operations and compliance with governance policies. Good business and present risk management reports and recommendations to the Audit Committee.

In addition, the company has arranged for a company secretary. To perform duties related to the Board of Directors' meetings and shareholder meetings including supporting the work of the Company's Board of Directors By providing advice on legal requirements and various regulations related to the performance of duties of the committee including coordinating to ensure compliance with the resolutions of the Board of Directors.

## **2. Roles, duties and responsibilities of the Board of Directors**

Board of Directors be responsible to shareholders regarding the Company's business operations and is responsible for setting policies and directions for the Company's operations Including supervising management to be in line with goals and guidelines for long-term benefits to shareholders within the framework of legal requirements and business ethics. At the same time, the interests of all stakeholders are taken into account, with details as specified in the charter of the Board of Directors.

Scope of duties of the committee Managing Director and Management Consideration is divided into main considerations as follows:

### Matters that should be taken care of

- A. Setting the main objectives and goals in conducting business for sustainability.
- B. Creating an organizational culture that adheres to ethics and behaves as a model.
- C. Overseeing the structure and operations of the committee to be appropriate for achieving the objectives and main goals of operating the business efficiently.
- D. Recruiting, developing, determining compensation and evaluating the performance of the President.
- E. Setting a compensation structure that motivates personnel to perform their jobs in accordance with

### Matters handled in collaboration with the management

- A. Setting and reviewing objectives, goals, strategies, and annual plans. Including for the medium term of 3-5 years.
- B. Ensuring the suitability and adequacy of the risk management system and internal control
- C. Determination of authority to take action appropriate to the responsibilities of the management.
- D. Setting the framework for resource allocation Development and budget, such as policies and personnel management plans and information technology policy
- E. Monitoring and evaluating performance
- F. Ensuring the disclosure of financial information and financial statements to be reliable

#### 2.1. Policy on corporate governance

The Company has established a policy regarding corporate governance of the Company in writing to present to the Company's Board of Directors meeting has given approval to the said policy In this regard, the preparation of the corporate governance manual the objective is to provide guidelines for directors, executives, and employees in complying with the said policy. The Company will organize a review of the said policy annually.

The board must oversee the business to lead to results (Governance outcomes) in creating sustainable value for the business as follows:

- 1) can compete and have good operating results taking into account long-term impacts (Competitiveness and performance with long-term perspective)



- 2) Conduct business ethically Respect the rights and have responsibility to shareholders. and stakeholders (Ethical and responsible business)
- 3) beneficial to society and develop or reduce negative impacts on the environment (Good corporate citizenship)
- 4) Able to adapt under change factors (Corporate resilience)

The Board has a duty to ensure that all directors and executives perform their duties with responsibility, caution (duty of care) and honesty towards the organization (duty of loyalty) and to ensure that operations are in accordance with laws, regulations and resolutions of the shareholders' meeting share.

- 1) The company must comply with various laws, rules and regulations. related According to the Securities and Exchange Act B.E. 2535
- 2) The board of directors must take care of the company. Is there a sufficient system or mechanism to ensure that Company's operations Comply with laws, regulations, resolutions of shareholder meetings, as well as policies or guidelines that have been set, including a process for approving important operations (such as investments, transactions that have a significant impact on the business Making transactions with connected persons Acquisition and disposal of property Dividend payments, etc.) are as required by law.

## 2.2. Business ethics

The Company intends to conduct its business with transparency, morality, and responsibility towards stakeholders as well as society and the environment. The Company has set a code of conduct in writing for the Board of Directors, executives, and employees to adhere to as follows:

- (a) Code of Ethics on Responsibility to Shareholders
- (b) Code of Ethics on Customer Relationships
- (c) Code of Ethics on Relationships with Business Partners Trade competitors and creditors
- (d) Code of Ethics on Responsibility to Employees
- (e) Code of Ethics on Social and Environmental Responsibility

The company Will announce and notify all employees to be informed and strictly follow.

## 2.3. Conflict of interest

The Company has a policy to carefully eliminate conflicts of interest with honesty and integrity. Be reasonable and independent within the framework of good ethics. For the benefit of the Company, it is important that those involved or related to the items being considered disclose information about their interests and those involved to the Company and must not participate in the consideration including having no authority to approve such items.

The company has a policy for conducting connected transactions and transactions with conflicts of interest that are consistent with relevant laws or regulations.

## 2.4. Internal control

The company has established an internal control system for internal supervision and control. Both at the management level and at the operational level with efficiency, the company has hired internal auditors from outside (outsource) to inspect and evaluate the adequacy of the internal control system and report the results to the audit committee according to the plan. Check where you put it.

## 2.5. Risk management

The company has established a risk management policy to cover the entire organization. Including supervision to have a system or risk management processes to appropriately reduce impacts on the Company's business

#### **2.6. Report of the Board of Directors**

The Audit Committee is responsible for reviewing financial reports with the accounting department and auditors meeting together and present financial reports to the Board of Directors every quarter is responsible for the Company's consolidated financial statements including financial information.

### **3. Meeting of the Board of Directors and self-assessment**

The Company organizes a meeting of the Board of Directors at least every quarter and additional special meetings as necessary. The meeting agenda is clearly set in advance. There is an agenda to consider and follow up on performance on a regular basis. The company will send a meeting invitation letter to all directors at least 7 days in advance of the meeting date. Except in cases of urgent necessity to preserve the rights or benefits of the company to be able to notify the meeting by other means or set the meeting date earlier than that. This is so that the committee has enough time to study the information before attending the meeting except in the case of urgent necessity and will arrange to record meeting minutes and collect certified documents for reference and inspection. In every meeting, executives and related people will attend the meeting to provide accurate and timely information and details for decision making.

In the meeting of the Board of Directors Must have company directors attending the meeting is not less than half of the total number of the Company's directors to constitute a quorum. In the case where the Chairman of the Board of Directors Not at the meeting or unable to perform duties to the Company's directors who came to the meeting to select the company's directors One person is the chairman of the meeting. Voting must be made by a majority vote and if there is a committee member opposing the resolution. Objections shall be recorded in the minutes of the meeting to vote Company Director One person is entitled to one vote in voting. Except for the company's directors who have an interest in any matter will not have the right to vote on that matter if the votes are equal, the chairman of the meeting shall cast an additional vote as the deciding vote.

In addition, the Board of Directors Support performance evaluation at least once a year in order to improve and correct operations. The topics that will be discussed are clearly specified before the assessment results are measured to collect opinions and present them to the Board of Directors' meeting.

### **4. Compensation**

Directors' remuneration includes meeting allowances. In this regard, directors' remuneration will be in a manner comparable to the level practiced in the industry including considering guidelines for determining the remuneration of the managing director to be consistent with the objectives and main goals of the company and is consistent with the long-term interests of the company. Executives will receive compensation in the form of annual salary and bonus. Considering the Company's operating results is important.

In this regard, the combined annual remuneration of the directors and executives must not be an abnormally high amount when compared to the average remuneration of directors and executives of the Company listed on the Stock Exchange of Thailand The highest benefit of shareholders will be taken into account.

In this regard, the Company has established a Nomination and Remuneration Committee to consider the format and criteria for remuneration of directors to be presented to the shareholder meeting for consideration and approval.

### **5. Recruiting and developing company directors and executives**

Board of Directors There is a policy to promote and facilitate training and knowledge of those involved in the company's corporate governance system, such as company directors, audit committee members, executives, and

company secretaries, etc., in order to improve work performance continuously Training and education may be done internally within the company. Or you can use the services of outside institutions.

The Board of Directors must consider or assign the Selection Committee to consider criteria and methods for recruiting qualified individuals to hold the position of Managing Director.

In order to conduct business operations continuously the board must supervise the creation of a succession plan in order to prepare for succession to the position of president and senior executives and have the President report the results of operations according to the succession plan to the Board of Directors periodically, at least once a year.

The Board of Directors must clearly establish policies and procedures for the President and senior executives to serve as directors at other companies both the type of director position and the number of companies in which the position can be held.

In the case of a change of directors or new directors the management will provide documents and information that are useful to the new directors' performance of duties including providing an introduction to the nature of the business and business practices of the company given to new directors.

Board of Directors May arrange for rotation of assigned work according to the aptitude of executives and employees. Mainly considering the appropriateness of the work and time by the Managing Director The period will be determined and the results of such work will be considered as a development and succession plan for the Company in order to develop executives and employees to have more knowledge and ability to work and to be able to work in place of each other.

#### **Monitoring and ensuring compliance with the code of conduct**

- 1) In the event that a violation of the law, rules, regulations, code of conduct or company policy is found or the subordinate has consented to such violation. The executive or employee must report directly to the Human Resources Department. The Human Resources Department will carry out the steps specified in the policies and procedures for further work on such matters.
- 2) The company will review its business ethics every 1 year to make it appropriate for the changing circumstances and business environment.

## Attachment 6

### 6.1. Report of the Audit Committee for the year 2023

Dear All shareholders

Pioneer Motor Public Company Limited

The Audit Committee of Pioneer Motor Public Company Limited and its subsidiary "PIMO" consists of 3 independent directors, who are knowledgeable, capable, and experienced. Has all qualifications according to the requirements of the Stock Exchange of Thailand be independent in performing duties according to the Audit Committee's charter, consisting of:

- |  |                             |
|--|-----------------------------|
| 1. Miss Jirayong Anuman-rajadhon         | Chairman of Audit Committee |
| 2. Mrs. Pennapha Dhanasarnsilp           | Audit Committee Director    |
| 3. Police general. Sakda TechaKriengkrai | Audit Committee Director    |

In the year 2023, the Audit Committee has a total meeting of 4 times every time. All auditing committee has attended the meeting completely. And the Audit Committee has considered the opinion and listening to the management and License auditor By reporting the performance to the Board of Directors every quarter, which has the following essence as follows

#### Financial Report

Financial reviews every quarter and financial statements for the year 2023 before presenting the Board of Directors To ensure that financial reports The company's accounting list has been created correctly according to the general accounting standards. As well as being revealed in the note sufficient financial statements the audit committee saw that the said financial statement showed the status. Finance and performance are correct in the matter and reliable. The information is revealed enough and in time.

In the past year The Company does not have the case of submitting financial reports, both quarterly and annual delayed. And there is no case of being ordered to amend the financial statements by the Office of the SEC.

#### Sufficiency of the internal control system

Review the sufficiency of the internal control system and internal audit the audit committee agreed to be effective enough. There is no essence of defects. Consider giving opinions and approval of internal audit plans for the year 2023, which is held in the risk. As well as overseeing the internal audit agencies to be independent, performing duties the audit committee agreed that the company has sufficient internal control systems and suitable for business conditions.

#### Risk management

Review and evaluate and risk management that is suitable for business conditions. By considering the review of the practice Including the risk assessment and follow up the progress there is an acceptable risk. As well as reviewing the risks consistently in accordance with the current situation.

#### Related items

Review the connected transactions Programs that have conflicts of interest The Audit Committee commented that the programs that occurred are reasonable for the maximum benefit to the company, with enough disclosure of information according to the requirements of the Stock Exchange of Thailand.

**Good business supervision**

Reviewing the law on securities and stock markets Specifications of the Stock Exchange of Thailand Law related to company business the audit committee agreed that the company has complied with the law.

**Appointment of the auditor**

Consider the selection of auditors Together with the management department Consider the performance of the auditor in the past year, taking into account knowledge, reputation, trust, independence in performing duties. As well as qualifications as specified by the Office of the Securities and Exchange Commission in the past, it was able to perform regularly in time. The Audit Committee agreed to propose to the approval of the Board of Directors in order to request approval to the shareholders' meeting by appointing Mr. Pradit Rod Loi Suksa, the licensee number 218, Mrs. Pornthip Lertphanongsak. The licensee auditor No. 7633 Miss Sunantha Kham Suk, registration number 8207 and Miss Chorchon Rodloi, the licensee, licensed number 9211 of AST Master Co., Ltd. is the year 2023. With a total compensation of not more than 1,175,000 baht (one million, one hundred and seventy -five thousand baht only)

The Audit Committee has evaluated the self -operation of the Audit Committee by evaluating the overall Faculty of the Year 2023. The audit committee has an overall opinion that The Audit Committee has performed the duties in accordance with the rules of the Audit Committee sufficient and complete.

In the name of the Audit Committee  
Pioneer Motor Public Company Limited



(Miss Jirayong Anuman-rajadhon)

Chairman of Audit Committee

## 6.2. Report of the Risk Management Committee for the year 2023

Dear All shareholders

Pioneer Motor Public Company Limited

The Risk Management Committee of Pioneer Motor Public Company Limited and "Pimo" subsidiary consists of 1 independent director, who is knowledgeable, ability and experience. Have complete qualifications in accordance with the requirements of the Stock Exchange of Thailand Is independent of the duties of the risk management committee consisting of

- |                                  |   |
|----------------------------------|---|
| 1. Miss Jirayong Anuman-rajadhon | Chairman of the Risk Management Committee |
| 2. Mr. Christopher Robert Tape   | Risk Management Committee                 |
| 3. Mr. Wasun Itthirojanakul      | Risk Management Committee                 |

In the year 2023, the Risk Management Committee Have a total meeting 1 to review the risk management system through the internal control system that takes care of various risks.

The Risk Management Committee has performed the duties as assigned by the Board of Directors. In supervising Pioneer Motor Public Company limited, to have effective risk management And effective To ensure the company's operations to achieve business goals Reduce the impact of uncertainty, both economic, society and the environment. Including building confidence and credibility for shareholders and stakeholders

The company has a risk management system that can support risks in many dimensions. On the principles of good corporate governance in accordance with the international risk management framework by the Risk Management Committee, the organization is responsible for and reviewing the policy risk management frames that are consistent with the objectives, goals, main strategies and risk. As well as complying with anti -corruption measures Including the risk order As well as setting risk management guidelines to reduce opportunities and impacts And determine the time of operation that can reduce the opportunity to affect the uncertainty of the business environment in accordance with the changing situations. Along with providing suggestions, tracking and evaluation of risk management on Management and Organization Risk Management Committee As well as reporting risk management results to the Board of Directors Including reports of high -risk factors or events, such as emergencies or emergency and crisis ris that will affect delete the company to the Board of Directors quickly.

In summary, the risk management committee is determined to develop and improve the risk management process. Including various relevant manuals Suitable for changing situations So that the company can manage the risk effectively and can be controlled to a acceptable level with communication to the stakeholders to be informed and understand the risk management of the company to ensure that the company will be able to achieve the business goals set

In the name of the Risk Management Committee

Pioneer Motor Public Company Limited

(Miss Jirayong Anuman-rajadhon)

Chairman of the Risk Management Committee

### 6.3. Report of the Nominating Committee and consideration of the year 2023

Dear All shareholders  
Pioneer Motor Public Company Limited

Board of Directors Has approved the establishment of the Nomination and Remuneration Committee on February 27, 2015. Currently, the Nomination and Compensation Committee consists of 3 directors as follows:

- |                                  |   |
|----------------------------------|---|
| 1. Mrs. Pennapha Dhanasarnsilp   | Chairman of the Nomination and Remuneration Committee |
| 2. Miss Jirayong Anuman-rajadhon | Nomination and Remuneration Committee                 |
| 3. Mr. Wasun Itthirojanakul      | Nomination and Remuneration Committee                 |

With Miss Sirirat Itthirojanakul acting as the secretary of the Nominating Committee and compensation

The Nomination Committee and consideration of compensation Has performed the duties as assigned by the Board of Directors In the consideration of the recruitment rules And appoint a person Which deems appropriate to be the director of the company Including proposing a compensation policy And other benefits For the Board of Directors Various committees To present the Board of Directors Or the shareholders' meeting As well as responsible for recruiting and considering the compensation and performance of the managing director And participate in reviewing the rules and procedures for the selection of senior executives

In the year 2023, the Nomination and Remuneration Committee There are a total of 1 meeting to consider various matters. And report the meeting with opinions on The Board of Directors considered in summary, the essence that can be considered as follows

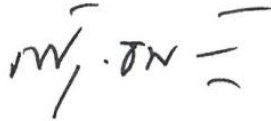
- Consider reviewing and nominating a person with legal qualifications. And rules related to the director of the company instead of the Board of Directors that must be issued according to the agenda By considering the selection and nomination With qualifications, experiences and knowledge Which is beneficial and suitable for the business characteristics of the company to present to the Board of Directors 'meeting and the shareholders' general meeting for further consideration However, the committee that has the interest will refrain from pronouncement.
- Consider the compensation of the Board of Directors. Various committees By considering the responsibility assigned Performance The company's financial status And compensation rate levels Which can be compared to industrial standards To present to the Board of Directors And the shareholders' general meeting for approval
- Promote and support the company Give the shareholders the opportunity Able to offer agenda for the year 2023 of the ordinary shareholders And nominated a person with the right qualification In order to be considered as a committee election in accordance with the criteria disclosed on the company's website From 12 September 2023 until January 26, 2024
- Consider the compensation of the managing director as appropriate for the responsibility, responsibility, and the company's work results, compared to the company's goals, including economic reality, compared to the company's compensation. In an industry that has similar characteristics
- Provide evaluation of the performance of the Nomination Committee and consideration of the year 2022. And report the evaluation results to the Board of Directors in order to develop effectively As well as revealing the evaluation results in the annual report



The Nomination Committee and consideration of compensation has performed the duties assigned with careful care Transparent and fair And give a straightforward opinion According to the good corporate governance principles for the most benefit to shareholders, investors and all stakeholders.

In the name of the Nomination and Compensation Committee

Pioneer Motor Public Company Limited

A handwritten signature in black ink, appearing to read 'M. Pennapha Dhanasarnsilp'.

(Mrs. Pennapha Dhanasarnsilp)

Chairman of the Nomination and Remuneration Committee

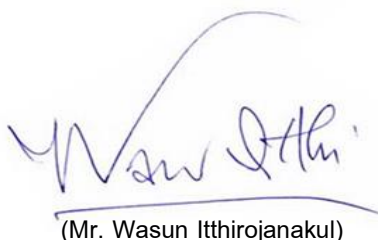
#### 6.4. Responsibilities of the Board of Directors to the financial report of the year 2023.

Dear All shareholders  
Pioneer Motor Public Company Limited

The Board of Directors is responsible for the total financial statements of Pioneer Motor Public Company Limited, including financial information that appears in the annual report and in the company's financial statements. The Board of Directors agreed that The Company's financial statements for the year end December 31, 2023, according to general accounting principles. By using appropriate accounting policies in accordance with caution and consistent practice And use the discretion carefully and about the reasonableness of the preparation Including the disclosure of information in the note sufficient financial statements In this regard, the said financial statements have been inspected in an independent licensee.

Board of Directors Encourage the company to have good corporate governance, develop the structure of the Board of Directors to promote good governance continuously to make the company's operations effective Transparent and reliable The Board of Directors has appointed the Audit Committee, consisting of 3 independent directors, responsible for the financial reporting. Internal and internal control system The Audit Committee has expressed their opinions about the said issue in the audit committee which is shown in the annual report

The Board of Directors commented that the overall internal control system of the company is sufficient and appropriate. As well as being able to build a reasonable confidence in the trust of the company's financial statements for the year ending December 31, 2023

A handwritten signature in blue ink, appearing to read 'Wasun Itthi', with a long horizontal stroke underneath.

(Mr. Wasun Itthirojanakul)

Managing Director

## 6.5. Report of the Corporate Governance and Sustainability Committee for 2023

Dear All shareholders

Pioneer Motor Public Company Limited

The Board of Directors of Pioneer Motor Public Company Limited has appointed a Corporate Governance and Sustainability Committee consisting of one independent director as Chairman. There are 3 names of the Corporate Governance and Sustainability Committee:

- |  |   |
|--|---|
| 1. Police general. Sakda TechaKriengkrai | Chairman of the Corporate Governance and Sustainability Committee/ Independent Director |
| 2. Mr. Wasun Itthirojanakul              | Corporate Governance and Sustainability Committee / Board of Directors                  |
| 3. Miss Sirirat Itthirojanakul           | Corporate Governance and Sustainability Committee / Board of Directors                  |

In 2023, a total of 2 meetings were held, with 100% of directors attending the meetings to review and set the company's management policy in accordance with the principles of good corporate governance for listed companies. And provide support for the operations of the Board of Directors By relying on the basic principles of good corporate governance. It is linked to vision. Company mission Details of important operations in the past year can be summarized as follows.

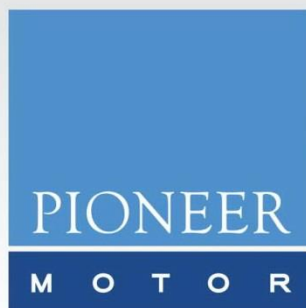
1. Consider and review the corporate governance policy. Anti-Corruption Policy Sustainability Policy and related practices including business ethics and guidelines for good corporate governance to be continuous and current. In line with international guidelines and recommendations from the Good Governance Promotion Department and partners. Securities and Exchange Commission and related government agencies
2. Report to the Board of Directors If it is found that there is a practice that is not in accordance with the business ethics policy and related guidelines. Policies and guidelines for combating corruption PDPA Personal Data Protection Policy stipulates penalties to be presented to the Board of Directors.
3. Prepare a report summarizing the performance and corporate governance of the Supervisory Committee. Which will be compiled in the company's annual report

The Corporate Governance and Sustainability Committee has knowledge, abilities, and experiences beneficial to business operations. Have determination and ethics in conducting business. Able to devote sufficient time to the company and pay attention to performing duties according to their responsibilities.

In the name of the Corporate Governance and Sustainability Committee  
Pioneer Motor Public Company Limited



(Police general. Sakda TechaKriengkrai)  
Chairman of the Corporate Governance and Sustainability Committee



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